

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer Kauhi Commercial LLC
Address 3200 Diamond Head Road, Honolulu, Hawaii 96815

Project Name (*): KAUHI COMMERCIAL CENTER
Address: 91-226 Kauhi Street, Kapolei, Hawaii 96707

Registration No. 6011 (Conversion)
Effective date: June 13, 2006
Expiration date: July 13, 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. A Final Public Report will be issued by the developer when complete information is filed.

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

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

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

(*) Exactly as named in the Declaration
This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.
FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104

Disclosure Abstract: Separation 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:

SPECIAL ATTENTION

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

2. THE PROJECT AND IMPROVEMENTS WERE ORIGINALLY CONSTRUCTED IN THE MID 1970s AND MID 1980s AND THEREFORE, RANGE IN AGE FROM TWENTY (20) TO THIRTY (30) YEARS. THEREFORE, CERTAIN MECHANICAL, ELECTRICAL, AND PLUMBING INSTALLATIONS, INCLUDING WITHOUT LIMITATION, CESSPOOLS, ELECTRICAL EQUIPMENT, PIPE INSTALLATION, ETC., WILL HAVE TO BE REPAIRED AND OR REPLACED IN THE FUTURE. OWNERS OF THE APARTMENTS IN THE PROJECT WILL BE RESPONSIBLE TO PAY FOR SUCH REPAIRS/REPLACEMENTS AND THE ASSOCIATION WILL COLLECT ASSESSMENTS FOR RESERVES FROM APARTMENT OWNERS TO PAY FOR SUCH REPAIRS/REPLACEMENTS WHEN THEY BECOME NECESSARY.

3. THE DEVELOPER HEREBY DISCLOSES THAT THE APARTMENTS IN THE PROJECT WILL BE OFFERED AND SOLD **WITHOUT WARRANTIES** FROM THE DEVELOPER AS TO THE HABITABILITY, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR USE OR PURPOSE, WORKMANSHIP, MATERIALS, OR DEFECTS OF ANY KIND AND WITHOUT ANY OTHER EXPRESS OR IMPLIED WARRANTIES WITH REGARD TO THE APARTMENT AND ANY FURNISHINGS, FIXTURES OR APPLIANCES IN APARTMENT, THE PROJECT OR ANY OF THE COMMON ELEMENTS OR LIMITED COMMON ELEMENTS. EACH APARTMENT SHALL BE SOLD BY THE DEVELOPER AND ACCEPTED BY THE PURCHASER STRICTLY IN "AS IS" CONDITION AS OF THE DATE OF CLOSING. NO REPRESENTATIONS OF ANY KIND ARE MADE ABOUT INCOME POTENTIAL OR FINANCIAL BENEFITS FROM OWNERSHIP OF APARTMENTS IN THE PROJECT.

4. THE DEVELOPER HAS RESERVED THE RIGHT TO DEVELOP AND CONSTRUCT BUILDING 4 AT A LATER TIME, OR THE DEVELOPER MAY ELECT NOT TO EXERCISE ITS RESERVED RIGHT TO CONSTRUCT SUCH BUILDING 4 AT A LATER TIME. HOWEVER, THIS RESERVED RIGHT TO CONSTRUCT BUILDING 4 SHOULD NOT BE CONSTRUED AS A WARRANTY OR REPRESENTATION BY THE DEVELOPER THAT BUILDING 4 WILL BE DEVELOPED, NOR SHALL THE DEVELOPER BE REQUIRED TO DEVELOP BUILDING 4. PROSPECTIVE PURCHASER SHOULD CAREFULLY REVIEW EXHIBIT "A" ATTACHED TO THIS PRELIMINARY PUBLIC REPORT AND THE DECLARATION REGARDING THE CONSTRUCTION OF BUILDING 4.

5. THE PROJECT MAY BE SUBJECT TO ADDITIONAL RESTRICTIONS AS SET FORTH IN THAT CERTAIN DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS DATED APRIL 6, 1987 AND RECORDED IN THE OFFICE OF THE REGISTRAR OF THE LAND COURT OF THE STATE OF HAWAII AS LAND COURT DOCUMENT NO. 1464228. SUCH RESTRICTIONS MAY RELATE TO DESIGN STANDARDS AND THE REGULATION AND PROHIBITION OF CERTAIN USES ON THE PROJECT SITE. PLEASE NOTE THAT THE AFOREMENTIONED ITEMS ARE ONLY SOME OF THE PERTINENT

RESTRICTIONS CONTAINED IN SUCH DECLARATION, AND PURCHASERS ARE ENCOURAGED TO REVIEW THE ENTIRE DECLARATION TO BECOME FAMILIAR WITH ALL OF THE RESTRICTIONS IMPOSED BY SUCH DECLARATION. A COPY OF SUCH DECLARATION WILL BE MADE AVAILABLE UPON REQUEST.

PROSPECTIVE PURCHASERS ARE CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE PROJECT AND TO THE FOREGOING DISCLOSURES.

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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/tenant) 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 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, mortgage 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: Kauhi Commercial LLC Phone: (808) 924-2300
Name* (Business)
3200 Diamond Head Road
Business Address
Honolulu, Hawaii 96815

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):

Thelma C. Gretzinger Revocable Living Trust dated September 1, 1987 - Manger
its Trustee is Thelma C. Gretzinger

Real Estate Broker*: Choate Hawaii Real Estate Phone: (808) 946-3410
Name (Business)
1506 S. King Street, #31
Business Address
Honolulu, Hawaii 96826

Escrow: Title Guaranty Escrow Services of Hawaii, Inc. Phone: (808) 521-0211
Name (Business)
235 Queen Street, 1st Floor
Business Address
Honolulu, Hawaii 96813

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

Condominium Managing Agent*: To be self-managed by the Association Phone: _____
Name (Business)
Business Address

Attorney for Developer: Imanaka Kudo and Fujimoto, Richard T. Asato Phone: (808) 521-9500
Name (Business)
745 Fort Street, 17th Floor
Business Address
Honolulu, Hawaii 96813

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

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

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominiums 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]: N/A

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 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]: N/A

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

The Bylaws for this condominium are:

Proposed
 Recorded - Bureau of Conveyances: Document No. _____
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]: N/A

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	--	<u>Board Majority</u>

* 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.

See Exhibit "A"

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

[X] Fee Simple: Only timeshare interests will be conveyed to Buyers in fee simple; no whole unit Condominium sales will be made to Buyers.

[] Leasehold or Sub-leasehold: 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 by the lessee.

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

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

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

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

For Sub-leaseholds:

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

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

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

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 lease 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 renegotiation 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: 91-226 Kauhi Street Tax Map Key (TMK): (1) 9-1-032-057
Kapolei, Hawaii 96707

Address TMK is expected to change because _____

Land Area: 2.016 square feet acre(s) Zoning: I-2

Fee Owner: Kauhi Commercial LLC
Name

3200 Diamond Head Road
Address

Honolulu, Hawaii 96815

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: 3 Floors Per Building: 1

Exhibit "D" contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other Steel and glass

4. Uses Permitted by Zoning:

	No. of <u>Apts.</u>	<u>Use Permitted By Zoning</u>	
<input type="checkbox"/> Residential	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Industrial	<u>10</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 type="checkbox"/> Other	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No

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

Yes No

5. Special Use Restrictions

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

Pets: No pets permitted to be kept in the Project; provided that certified seeing eye dogs, signal dogs and service dogs for physically impaired persons are permitted.

Number of Occupants: _____

Other: See Declaration, a copy of which is available for purchaser's inspection, Exhibit "L" and House Rules

There are no special use restrictions.

6. Interior (fill in appropriate numbers): See Exhibit "B"

Elevators: 0 Stairways: 0 Trash Chutes: 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
<u>Industrial</u>	<u>10</u>	<u>None</u>	<u>From approx. 2,302 – 7,226 sf.</u>	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Total Number of Apartments: 10

*** Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls. See Exhibit "D" for details.**

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: Not Applicable

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

7. Parking Stalls:

Total Parking Stalls: 52

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		TOTAL
	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	
Assigned	—	<u>41</u>	—	—	—	—	<u>41</u>
Guest	—	<u>9</u>	—	—	—	—	<u>9</u>
Unassigned	—	—	—	—	—	—	—
Extra for Purchase	—	—	—	—	—	—	—
Other: <u>Accessible</u>	—	<u>2</u>	—	—	—	—	<u>2</u>
Total Covered & Open:	<u>52</u>		<u>0</u>		<u>0</u>		<u>52</u>

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

Commercial parking garage permitted in condominium project.

Exhibit "D" contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

There are no recreational or common facilities

Swimming pool Storage Area Recreational Area

Laundry Area Tennis Court Trash Chute/Enclosure(s)

Other: _____

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

There are no violations. Violations will not be cured.

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

10. Conditions 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. Conformation to Present Zoning Code

a. No variances to zoning code have been granted.

Variances(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 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 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 “E”.

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 “F”.

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 “D”

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 “G” describes the encumbrances against title contained in the title report dated May 8, 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 specific sums so that individual apartments can be conveyed to buyers free and clear of the lien.

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
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* The land underlying the project is encumbered by the following: (1) that certain Mortgage by and between Kauhi Commercial LLC, as Mortgagor, and City Bank, now known as Central Pacific Bank, as Mortgagee, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 2996185; and (2) that certain Revolving Credit Mortgage, Security Agreement and Financing Statement by and between Kauhi Commercial LLC, as Mortgagor, and Central Pacific Bank, as Mortgagee, filed in said Office as Land Court Document No. 3276391 (collectively, the "Mortgages"). The Mortgages will be a "blanket lien" on the entire project, including all apartments. Upon conveyance of an apartment to a buyer, however, the Mortgages will be released as to the apartment being conveyed. If there is a default the mortgagee may take over the Project, cancel the sales contracts and refund the Buyer's deposits, less escrow cancellation fees, and the Buyer shall have no further interest in the Project.

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:

As the existing improvements in the Project were completed between twenty (20) to thirty (30) years ago by a prior unrelated developer, the Developer makes no representations or warranties about the Building and improvements and any repairs made thereto, and confirms that the apartments are being sold strictly in "as is" condition as of the date of closing. Accordingly, the Developer makes no representations or warranties whatsoever, express or implied, as to the condition of the apartments, common elements, limited common elements or any improvements comprising part of the Project, as to the habitability or merchantability of any apartment or the Project, or as to the fitness of the apartments, the common elements and the project for any particular use or purpose. The Developer will assign to purchasers at closing any assignable warranty with respect to purchaser's apartment that is given by the repairing contractor to the extent such warranties are assignable.

2. Appliances:

N/A

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

The Project was originally completed in 1974, 1975 and 1984.

H. **Project Phases:**

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

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

In accordance with Article XXI of the Declaration, the Developer has reserved the right to construct and annex additional apartments to the Project, and in accordance with Article XXVIII of the Declaration, the Developer has reserved the right to develop and construct an additional building at a later time. Also, in accordance with the Developer's reserved rights in the Declaration, of which a summary is attached as Exhibit "A", there is no guaranty that any additional improvements in the project will be developed.

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 Developer the Developer or 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). Buyers should again note that the Developer presently intends only to sell timeshare interests and not whole unit condominium interests in the Project.

- 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 Sewer Television Cable
 Other _____

- * A professional property management company has been retained to prepare the initial budget of the Association. It is the present intent of the developer, acting as the Association, that such management company will commence with active management responsibilities as of the initial meeting of the Association or such earlier or later date determined by the Association.

V. MISCELLANEOUS

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

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

- Notice to Owner Occupants
- Specimen Sales Contract
Exhibit “I” contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated May 2, 2006
Exhibit “J” contains a summary of the pertinent provisions of the escrow agreement.
- Other Exhibit “K” contains a summary of the pertinent provisions of the apartment deed.

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

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

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

Supplementary Report to a Preliminary Report: Same as 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 has signed 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 issued an effective date by the Hawaii Real Estate Commission.
 - B) Declaration of Condominium Property Regime, as amended.
 - C) Bylaws of the Association of Apartment Owners, as amended.
 - D) House Rules, if any.
 - E) Condominium Map, as amended.
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
 - H) Other _____

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

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

This Public Report is a part of Registration No. 6011 filed with the Real Estate Commission on May 16, 2006.

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YELLOW paper stock WHITE paper stock PINK paper stock

C. **Additional Information Not Covered Above.** The following additional disclosures are summaries only of certain disclosures set forth in the Purchase Agreement. Purchasers are advised to review such disclosures in full before deciding to purchase an Apartment in the Project.

1. **Seller Makes No Warranties or Promises.** PURCHASER ACKNOWLEDGES THAT ALTHOUGH SELLER HAS UNDERTAKEN CERTAIN RENOVATIONS TO THE APARTMENTS AND COMMON ELEMENTS OF THE PROJECT, SELLER IS NOT THE ORIGINAL DEVELOPER OF THE PROJECT AND WAS NOT INVOLVED IN (AND IS NOT RESPONSIBLE FOR) THE ORIGINAL PLANNING OR CONSTRUCTION OF THE PROJECT. PURCHASER FURTHER ACKNOWLEDGES THAT THE PROJECT WAS SUBSTANTIALLY COMPLETED IN THE MID 1970s AND MID 1980s AND HAS BEEN USED OVER THE YEARS PRIMARILY FOR HOTEL PURPOSES. PURCHASER UNDERSTANDS AND AGREES THAT THE APARTMENT IS BEING SOLD "**AS IS, WHERE IS**" WITH ALL FAULTS AND THAT SELLER DISCLAIMS AND MAKES NO WARRANTIES OR PROMISES OF ANY KIND, EXPRESS OR IMPLIED, ABOUT THE APARTMENT, THE LAND UNDERLYING THE PROJECT (THE "LAND") OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT), OR ABOUT ANY FURNISHINGS, FIXTURES, APPLIANCES OR OTHER CONSUMER PRODUCTS, MECHANICAL SYSTEMS, PLUMBING SYSTEMS, ELECTRICAL SYSTEMS, COOLING OR HEATING SYSTEMS OR ANYTHING ELSE INSTALLED, ATTACHED, AFFIXED OR OTHERWISE CONTAINED IN THE APARTMENT, THE LAND OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT), INCLUDING ANY WARRANTIES OR PROMISES OF "HABITABILITY", "MERCHANTABILITY", "WORKMANSHIP" OR "FITNESS FOR A PARTICULAR USE OR PURPOSE".

WITHOUT LIMITING THE GENERALITY OF ANY OF THE FOREGOING, SELLER DISCLAIMS AND MAKES NO WARRANTIES OR PROMISES: (A) THAT THE PROJECT OR ANY IMPROVEMENTS IN THE APARTMENT, THE LAND OR THE PROJECT (INCLUDING THE COMMON ELEMENTS) WILL BE FREE FROM CRACKS IN, OR OTHER DAMAGE TO, THE CONCRETE OR OTHER BUILDING MATERIALS; (B) REGARDING THE VALUE, QUALITY, GRADE OR USEFUL LIFE OF THE APARTMENT, THE PROJECT OR ANYTHING INSTALLED, ATTACHED, AFFIXED OR OTHERWISE CONTAINED IN THE APARTMENT, THE LAND OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT); (C) REGARDING THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL HISTORY OR CONDITION OF THE PROJECT, INCLUDING, WITHOUT LIMITATION, ANY DEFERRED MAINTENANCE AT THE PROJECT; OR (D) REGARDING THE SUITABILITY, CONFORMANCE, COMPLIANCE OR LACK OF COMPLIANCE OF THE PROJECT WITH ANY STATE, FEDERAL, COUNTY OR LOCAL LAW, CODE, ORDINANCE, ORDER, PERMIT, ADMINISTRATIVE REQUIREMENT, OR REGULATION.

PURCHASER FOR ITSELF AND ITS SUCCESSORS, HEIRS AND ASSIGNS, RELEASES SELLER AND ITS AFFILIATES, AND EACH OF THEM AND THEIR RESPECTIVE PAST, PRESENT AND FUTURE MEMBERS, MANAGERS, DIRECTORS, OFFICERS, SHAREHOLDERS, EMPLOYEES, PROPERTY MANAGERS, AGENTS, VENDORS, CONSULTANTS, CONTRACTORS AND EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS (HEREAFTER THE "RELEASED PARTIES") FROM (AND WAIVES ANY CLAIM, ACTION OR LIABILITY WHICH ARISES FROM OR RELATES TO) ANY LATENT OR PATENT DEFECT IN ANY PART OF THE PROJECT OR THE APARTMENT, KNOWN OR UNKNOWN, WHICH EXISTS NOW OR IN THE FUTURE, OR WHICH ARISES FROM OR RELATES TO ANY LACK OF COMPLIANCE OF THE PROJECT WITH ANY STATE, FEDERAL, COUNTY OR LOCAL LAW, CODE, ORDINANCE, ORDER, PERMIT, ADMINISTRATIVE REQUIREMENT, OR REGULATION, THAT PURCHASER MAY HAVE AGAINST SELLER UNDER ANY FEDERAL, STATE OR LOCAL LAW, ORDINANCE, RULE OR REGULATION NOW EXISTING OR HEREAFTER ENACTED OR PROMULGATED, INCLUDING, WITHOUT LIMITATION, THOSE RELATED TO ASBESTOS, ASBESTOS-CONTAINING MATERIALS, LEAD-BASED OR LEAD-

CONTAINING PAINT, HAZARDOUS MATERIALS AND ENVIRONMENTAL CONDITIONS OR MATTERS (INCLUDING THE PRESENCE OF MOLD OR MILDEW) IN, ON, UNDER, ABOUT OR MIGRATING FROM OR ONTO OR INTO THE PROJECT, OR BY VIRTUE OF ANY COMMON LAW RIGHT RELATING TO ASBESTOS, ASBESTOS-CONTAINING MATERIALS, LEAD-BASED OR LEAD-CONTAINING PAINT, HAZARDOUS MATERIAL AND ENVIRONMENTAL CONDITIONS OR MATTERS (INCLUDING THE PRESENCE OF MOLD OR MILDEW) IN, ON, UNDER ABOUT OR MIGRATING FROM OR ONTO OR INTO THE PROJECT. SELLER AND PURCHASER AGREE THAT THIS RELEASE FROM LIABILITY HAS BEEN SPECIFICALLY NEGOTIATED BETWEEN SELLER AND PURCHASER.

PURCHASER ACKNOWLEDGES AND AGREES THAT SELLER'S DISCLAIMER OF WARRANTIES AND REPRESENTATIONS CONTAINED IN THIS SECTION 1 IS AN ESSENTIAL ELEMENT IN SELLER'S DETERMINATION OF THE PURCHASE PRICE FOR THE APARTMENT BEING SOLD TO PURCHASER. THIS MEANS THAT THE APARTMENT WOULD NOT HAVE BEEN SOLD TO PURCHASER FOR THE AMOUNT OF THE PURCHASE PRICE STATED IN THE PURCHASE AGREEMENT WITHOUT SELLER'S DISCLAIMER OF WARRANTIES AND REPRESENTATIONS.

2. **Seller Makes No Promises or Warranty About the Condominium Map.** The proposed Condominium Map for the Project is intended to show only the layout, location, apartment numbers and approximate dimensions of the apartments and the elevations of the Building. PURCHASER AGREES THAT NEITHER THE CONDOMINIUM MAP NOR THE BUILDING PLANS AND SPECIFICATIONS FOR THE PROJECT ARE INTENDED TO CONSTITUTE ANY WARRANTIES OR PROMISES BY SELLER.
3. **Seller Makes No Promises or Warranty About the Amount of Monthly Maintenance Fees.** Purchaser has examined and approved the estimate of monthly maintenance fees and assessments for the Project prepared by the Managing Agent and shown in the Public Report. Purchaser is aware that such amounts are only estimates and may change for reasons beyond the control of Seller, and Purchaser hereby specifically accepts and approves any changes in such estimate made by Seller or the Managing Agent. PURCHASER AGREES THAT SUCH ESTIMATES ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY WARRANTY OR PROMISE BY SELLER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OR PROMISE AS TO THE ACCURACY OF SUCH ESTIMATES.
4. **Seller makes No Promises or Warranty About Third-Party Reports.** Seller makes no warranty or representation whatsoever that Seller has provided all studies, reports, tests or other written investigations that may pertain to the condition of the Apartments and the other areas of the Building, Land or the Project. To the extent that Seller may have hired or commissioned any study, test or other investigation of the condition, useful life, legal compliance or any other matter relating to the Apartments, the Land, the Project, or any furnishings, fixtures, appliances or other consumer products or anything else installed, attached, affixed or otherwise contained in the Apartments, the Land or the Project, and to the extent Seller may make the results of any such study, test or investigation available to Purchaser in connection with the offer or sale of the Project, Seller disclaims and makes no warranty or promise regarding the accuracy, reliability or value of any statement or opinion expressed by such third-party. PURCHASER AGREES THAT PURCHASER'S USE OR CONSIDERATION OF ANY SUCH INFORMATION IN CONNECTION WITH THE OFFER OR SALE OF THE APARTMENT SHALL BE AT PURCHASER'S SOLE RISK.
5. **Seller Makes No Promises About Rentals or Other Economic Benefits.** PURCHASER AGREES THAT NEITHER SELLER NOR ANY SALESPERSON, OR OTHER PERSON AFFILIATED WITH OR IN ANY WAY RELATED TO SELLER HAS TALKED TO PURCHASER AT ALL ABOUT ANY RENTAL INCOME OR RENTAL, MANAGEMENT OR SALES SERVICES FOR PURCHASER'S APARTMENT. IF PURCHASER WANTS TO RENT OR SELL THE APARTMENT, HOW PURCHASER DOES IT WILL BE UP TO PURCHASER.

PURCHASER ALSO AGREES THAT NEITHER SELLER NOR ANY SALESPERSON OR OTHER PERSON AFFILIATED WITH OR IN ANY WAY RELATED TO SELLER HAS TALKED TO PURCHASER AT ALL ABOUT INCOME FROM THE APARTMENT OR ANY OTHER ECONOMIC BENEFIT TO BE DERIVED FROM THE PURCHASE OR OWNERSHIP OF THE APARTMENT OR ABOUT THE TAX EFFECTS OF BUYING THE APARTMENT. PURCHASER IS ADVISED TO CONTACT HIS OR HER OWN ADVISERS ON ALL SUCH MATTERS.

6. **Condition of Project.** PURCHASERS ARE AGAIN ADVISED THAT THE PROJECT WAS ORIGINALLY CONSTRUCTED IN THE MID 1970s AND MID 1980s AND NOTWITHSTANDING CERTAIN RENOVATION WORK DONE BY THE SELLER, PURCHASERS SHOULD NOT EXPECT THAT THE APARTMENTS BEING OFFERED FOR SALE NOR ANY COMPONENTS OF THE PROJECT WILL BE LIKE NEW. PURCHASERS ARE FURTHER ADVISED THAT NOT ALL POTENTIAL UPGRADES TO THE PROJECT CONSIDERED DURING THE COURSE OF THE SELLER'S RENOVATION WERE ADOPTED BY THE SELLER. PURCHASERS WILL, THEREFORE, BE ACQUIRING APARTMENTS AND APPURTENANT LIMITED COMMON ELEMENTS AND UNDIVIDED INTERESTS IN THE COMMON ELEMENTS OF THE PROJECT IN "AS IS" CONDITION, WITH ALL FAULTS. PURCHASERS, AS THE OWNERS OF APARTMENTS IN THE PROJECT COMPRISING THE ASSOCIATION OF OWNERS WILL BE RESPONSIBLE FOR FUNDING THE COSTS TO REPAIR, MAINTAIN AND REPLACE ALL COMPONENTS OF THE PROJECT, THROUGH THE GENERAL OPERATING BUDGET OR BY SPECIAL ASSESSMENT MADE TO ALL OWNERS.

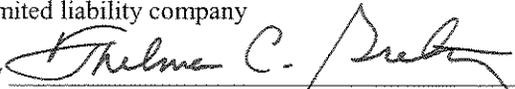
7. **Potential Nuisance Disclosures.** The following is a partial list of potential items which Apartment owners and occupants may find objectionable:
 - a. **Noise and Odor.** Noises, odors, chemical odors or fumes from the operations of industrial Apartments, including, without limitation, mechanical equipment operations, food manufacturing and processing, repair establishments, automobile service stations and truck terminals.
 - b. **Adjacent Properties.** Nuisances arising from adjacent properties and their respective operational issues, such as deliveries, guests, tenants, clients and invitees, and any construction work they may perform time to time.
 - c. **Traffic.** Nuisances arising from traffic, including dust, sounds (alarms, engines, etc.) and exhaust fumes.

This is not a complete list of all potential objectionable matters, and Purchaser acknowledges there may be others. Purchaser releases and indemnifies Seller, its agents, consultants, contractors and employees from any and all liability or claims made by Purchaser, any successor or assigns of Purchaser, or any tenant or guest of Purchaser, arising from all such matters, whether listed above or otherwise.

EACH PURCHASER AGREES TO ACCEPT EACH CONDITION, CIRCUMSTANCE AND RISK DESCRIBED ABOVE OR IN ANY OF THE REPORTS OR INFORMATION PROVIDED BY SELLER, AND FURTHER AGREES THAT NEITHER SELLER, NOR ANY OF THE "RELEASED PARTIES" DESCRIBED IN SECTION 1 ABOVE, SHALL BE RESPONSIBLE FOR CORRECTING ANY SUCH CONDITIONS.

- 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.

KAUHI COMMERCIAL LLC,
a Hawaii limited liability company

By 
 Thelma C. Gretzinger, Trustee of the Thelma C. Gretzinger Revocable Living Trust dated September 1, 1987
 Its Manager

May 16, 2006

Date

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

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

EXHIBIT "A"

RIGHTS RESERVED BY DEVELOPER

Among other rights, the Developer will have the following reserved rights with respect to the Project which are more particularly set forth in the Declaration. Capitalized terms have the same meaning ascribed to such terms in the Declaration.

A. **RESERVED RIGHT TO GRANT EASEMENTS.** Developer does hereby reserve the right unto itself, its successors and assigns, to and until December 31, 2027 and in accordance with Article XX of the Declaration, to delete, cancel, relocate, realign, reserve, designate, grant and receive any and all easements and rights of way over, under, through, across or upon the Land, the Common Elements, or involving adjacent parcels of land, deemed necessary or desirable in Developer's sole discretion, including, but not limited to, easements and/or rights of way for utilities, sanitary and storm sewers, cable television, telecommunications systems, refuse disposal, driveways, parking areas and roadways, provided that such easements and/or rights of way shall not be exercised as to unreasonably disturb, impair or interfere with the normal use and enjoyment of the Project by the Apartment Owners.

B. **RESERVED RIGHT TO DEVELOP, CONSTRUCT AND ANNEX ADDITIONAL LAND AND/OR APARTMENTS TO THE PROJECT.** Developer does hereby reserve the right unto itself, its successors and assigns, to and until December 31, 2027, as provided in Article XXI of the Declaration, to modify the present plan of development varying the number of Apartments constructed in the Project in the future; by relocating the footprint of the Building Structures or any future buildings to be constructed on the Project; by modifying, deleting and/or adding Apartment types; and/or by modifying, deleting and/or adding types of Common Element. If Developer is the owner of any two Apartments separated by a party wall, floor or ceiling, Developer shall have the right, without obtaining the approval of any party with an interest in the Project, including any other Owner and/or mortgagee, to consolidate two or more Apartments that are so separated and/or later subdivide such Apartments once consolidated, and/or to alter or remove all or portions of the intervening wall, floor or ceiling at Developer's expense, provided that the structural integrity of the Project is not thereby affected, the finish of the Common Element then remaining is restored to a condition substantially compatible with that of the Common Element prior to such alteration, and all construction activity necessary to any such alteration or removal shall be completed within a reasonable period of time after the commencement thereof, subject to delays beyond the control of the Developer or its contractors. The Developer shall further have the right to convert that area between Apartments to an Apartment for so long as such Apartments shall remain consolidated or shall continue to be commonly used or owned. For any such development, construction and annexation of such additional land and/or Apartments and any related Improvements to the Project to be effective, Developer shall file or caused to be file an amendment to the Declaration and recalculate the Common Interest for all Apartments in the Project.

C. **RESERVED RIGHT TO ALTER, SUBDIVIDE AND CONSOLIDATE APARTMENTS.** Developer does hereby reserve the right unto itself, its successors and assigns, to and until December 31, 2027, as provided in Article XXII of the Declaration, without obtaining the approval of any party with an interest in the Project, including any other Owner and/or mortgagee, to alter the floor plan of any Apartment which it owns at any time provided that the Common Interest appurtenant to the Apartment shall not change, cause the subdivision of any Apartment which it owns at any time to create two or more Apartments provided that the total Common Interest appurtenant to the newly created Apartments shall equal the Common Interest appurtenant to the original Apartment; and convert certain portions of any existing Apartment to Common Element status to facilitate any subdivision provided that the total Common Interest appurtenant to the newly created Apartment(s) shall equal the Common Interest appurtenant to the original Apartment; without obtaining the approval of any party with an interest in the Project, including any other Owner and/or mortgagee, to consolidate two or more Apartments and to alter or remove all or portions of the intervening wall, floor or ceiling at Developer's expense provided that the structural integrity of the Project is not thereby affected, the finish of the Common Element then remaining is restored to a condition substantially compatible with that of the Common Element prior to such alteration; and all construction activity necessary to any such alteration or removal shall be completed within a reasonable period of time after the commencement thereof, subject to delays beyond the control of the Developer or its contractors. The Developer shall further have the right to convert the area between Apartments to an Apartment for so long as such Apartment shall remain consolidated or shall continue to be commonly used or owned.

D. **RESERVED RIGHT TO MODIFY PROJECT.** Developer does hereby reserve the right unto itself, its successors and assigns, to and until December 31, 2027, as provided in Article XXIII of the Declaration, to effect such modifications to apartments and common elements in the Project and/or to execute, file and deliver any amendments to the Declaration, the Condominium Map as well as the Bylaws and Project Rules as may be necessary or required to effect compliance by the Project and the Association with laws which apply to the Project, including, without limitation, the Americans With Disabilities Act, as amended, 42 U.S.C. §§12101 et seq. and any and all rules and regulations promulgated thereunder.

E. **RESERVED RIGHT TO SUBDIVIDE AND WITHDRAW LAND, AND CONVEY LAND AND/OR APARTMENTS.** Developer does hereby reserve the right unto itself, its successors and assigns, to and until December 31, 2027, as provided in Article XXIV of the Declaration, to subdivide or withdraw said portions of the Land, and to convey said withdrawn land to itself or to a third party as it deems appropriate. The right to subdivide, withdraw and convey portions of the Land underlying the Project as provided in this paragraph shall be exercised in accordance with Article XXIV of the Declaration.

F. **RESERVED RIGHT TO AMEND DECLARATION AND TO MODIFY LEGAL DESCRIPTION.** Developer does hereby reserve the right unto itself, its successors and assigns, to and until December 31, 2027, as provided in Article XXV of the Declaration, to execute, file and deliver any amendment to the Declaration, the Condominium Map or the Bylaws as may be necessary or required to accurately reflect the current legal description of the Land underlying the Project after said subdivision or consolidation.

G. **RESERVED RIGHT TO CONVERT LIMITED COMMON ELEMENTS TO APARTMENTS.** Developer does hereby further reserve the right unto itself, its successors and assigns, to and until December 31, 2027, as provided in Article XXVI of the Declaration, without obtaining the approval of any party with an interest in the Project, including any other Owner and/or mortgagee, to convert a Limited Common Element appurtenant to such Apartment or Apartments owned by Developer, or any portion thereof, into a separate Apartment of the Project. The right to amend the Declaration and to convert a Limited Common Element appurtenant to certain Developer-owned Apartments as being appurtenant to another Developer-owned Apartment or Apartment(s) shall be exercised in accordance with Article XXVI of the Declaration.

H. **RESERVED RIGHT TO RECHARACTERIZE AND REDESIGNATE LIMITED COMMON ELEMENTS.** Developer does hereby further reserve the right unto itself, its successors and assigns, to and until December 21, 2027, as provided in Article XXVII of the Declaration, to recharacterize and redesignate limited common elements, to alter the physical aspects of the apartment or common element (as applicable) at Developer's expense in connection with such recharacterization and redesignation (including building such structures as may be necessary or appropriate) and to execute, file and deliver any amendments to the Declaration and to the Condominium Map as may be necessary or required to effect the same.

I. **RESERVED RIGHT DEVELOP AND CONSTRUCT BUILDING 4.** Developer does hereby further reserve the right unto itself, its successors and assigns, to and until December 31, 2026 (or such other date as may be established by the Developer in its sole discretion), as provided in Article XXVIII of the Declaration, to construct Building 4 of the Project; by entering upon the Land and using the area designated as Building 4 and any Common Elements, and do all things reasonably necessary, desirable or useful for designing, developing, constructing or completing Building 4 (including, without limitation, surveying, excavation, access, parking and the storage of construction equipment and materials), connecting the same to the utility installations of the Project as then constituted and selling the Apartments to be located within Building 4 or Building 4 as a whole; by adding, deleting, relocating, realigning, reserving, granting and receiving all easements and rights-of-ways and to otherwise make alterations in and use the Common Elements for such development and construction, and to designate Limited Common Elements over, under and on the Common Elements, necessary or desirable with respect to the construction or use of Building 4, including but not limited to, easements and rights of way for utilities (including, without limitation, electrical lines, cable television, telephone lines and water lines), septic tanks, cesspools, sanitary and storm sewers, refuse disposal, driveways, parking areas and roadways. In connection with such right Developer shall also have the right to amend the description of any Apartment or buildings described in the Declaration at any time until such time as an Apartment Deed has been filed in said Office covering such Apartment. The Developer shall further reserve the right to designate or redesignate the Limited Common Elements and/or alter the Common Interests, square footage, layout, location, types or numbers of Apartments in Building 4 so long as the total

Common Interest appurtenant to the Apartments in Building 4 in the aggregate remains the same. The right to construct Building 4 at a later time shall be exercised in accordance with Article XXVIII of the Declaration.

J. RESERVED RIGHT TO NOT CONSTRUCT BUILDING 4. Developer does hereby reserve the right unto itself, its successors and assigns, to and until December 31, 2027 (or such other date as may be established by the Developer in its sole discretion), as provided in Article XXVIII of the Declaration, to elect not to construct Building 4 and improvements in the Project. For any such election by Developer not to construct Building 4 or failure by Developer to exercise its reserved right to construct Building 4 prior to December 31, 2027, Developer shall forfeit and abandon its undivided percentage interest in and to the Common Elements of the Project, which said interest, upon the filing of an amendment to the Declaration and Condominium Map and the withdrawal of the Apartments in Building 4 from the Project pursuant to the Act, shall be deemed to be vested in and allocated among the then physically-existing Apartments of the Project, and such physically-existing Apartments' undivided interests in the Common Elements of the Project shall be increased proportionately in accordance with the ratio that their respective interests bear to the total Common Interest attributable to all physically-existing Apartments in the Project in order to absorb the Common Interest previously attributed to Apartments in Building 4. The reserved right to elect not to construct Building 4 shall be exercised in accordance with Article XXVIII of the Declaration.

K. RESERVED RIGHT TO CONDUCT SALES ACTIVITIES. Developer does hereby further reserve the right, unto itself, its brokers, sales agents and other related persons to conduct extensive sales activities at the Project and from any Apartment owned by the Developer, which shall include, without limitation, showing the Project to potential buyers, the use of model apartments, sales and management offices, permitting potential buyers to stay in apartment owned by Developer and the use of banners, signs or other extensive sales displays and activities in the Project, during the time periods specified in Article XXIX of the Declaration. Such sales activities may include the initial sale and resale of such Apartments. Apartment Owner acknowledges that such sales activities may result in noise, and nuisances, and consent to such activity by Developer, and further waives, releases and discharges any right, claims or actions such party may acquire against Developer, its brokers, sales agent, employees and lender, and their respective successors and assigns as a result of any such activity or activities.

L. RESERVED RIGHT TO CONVERT PARKING STALLS TO COMMON ELEMENTS AND TO RECORD PARKING STALL AMENDMENT. Developer does hereby further reserve the right unto itself, its successors and assigns, to and until December 31, 2027, as provided in Article XXX of the Declaration, to convert and redesignate any parking stalls that are appurtenant to any of the Apartment that it owns from Limited Common Elements to Common Elements of the Project. The Developer shall further reserve the right to record an instrument ("Parking Stall Assignment Summary Amendment") in accordance with Article XXX of the Declaration.

Owner by taking title to an Apartment consents to each of the foregoing reserved rights, and Developer's exercise thereof, and to the recording of any and all documents necessary to effect the same in said Office, including any amendment or amendments to the Declaration, the Condominium Map, the Bylaws, the House Rules and/or the Design Guidelines, as appropriate; agrees to execute, deliver and record such documents and instruments and do such other things as may be necessary or convenient to effect the same; and appoints the Developer and its successors and assigns and the Association as his attorney-in-fact with full power of substitution to execute, deliver and record such documents and instruments and to do such things on Owner's behalf, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights in accordance with Article XXXIII of the Declaration, and shall not be affected by the disability of such party or parties.

Notwithstanding anything stated herein to the contrary, the rights reserved to the Developer herein shall be fully assignable by the Developer in whole or in part, and every Apartment Owner in the Project and all holders of liens affecting any of the Apartments and each and every other party acquiring an interest in the Project or any part thereof, by acquiring such Apartment, lien or other interest, consents to any such assignment by Developer, and, to the extent designated by the Developer, agrees to recognize any assignee as the "Developer" under this Deed. This right shall be exercised as provided in and in accordance with Article XXXII of the Declaration.

* * * * *

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL OF THE RIGHTS RESERVED BY THE DEVELOPER UNDER THE CONDOMINIUM DOCUMENTS.

EXHIBIT "A"
(Page 3 of 4)

WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF SUCH RESERVED RIGHTS, PURCHASER SHOULD REFER TO THE CONDOMINIUM DECLARATION TO DETERMINE THE ACTUAL RIGHTS RESERVED BY THE DEVELOPER. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONDOMINIUM DECLARATION, THE CONDOMINIUM DECLARATION WILL CONTROL.

EXHIBIT "B"

BOUNDARIES OF EACH APARTMENT

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

Each Apartment shall be deemed to include: (i) all of the walls and partitions that are not load-bearing within its perimeter or party walls, (ii) all pipes, shafts, ducts, pumps, conduits, wires and other utility or service lines running through such Apartment that are utilized for and serve only that Apartment, (iii) the interior decorated or finished surfaces of all walls, floors and ceilings surrounding each Apartment inward and all of the improvements and air space located therein, (iv) the interior decorated or finished surfaces of any doors, door frames, door closure and/or security devices, door checks, windows, window frames, and window hardware (if any), (v) all glass windows, (vi) the storefront of each Apartment, and (vii) all appliances, interior hardware, and fixtures installed therein, and replacements therefore; provided, however, that no Apartment Owner shall modify any portion of an Apartment without first obtaining the Board's prior approval if such modification will or is likely to affect the structural integrity of the building in which the Apartment is located.

Said Apartments shall not be deemed to include: (i) the perimeter or party walls from the undecorated or unfinished interior surfaces outward, (ii) the floors and ceilings surrounding each Apartment from the undecorated or unfinished surfaces outward, (iii) the perimeter doors, door frames, windows and window frames and all exterior hardware associated therewith, from the undecorated or unfinished interior surfaces outward, (iv) the interior load-bearing walls, partitions, columns, posts, girders, beams and supports, if any, from the undecorated or unfinished surfaces inward, (v) any pipes, shafts, ducts, pumps, conduits, wires or other utility or service lines that are utilized for or serve more than one Apartment, (vi) any foundation or floor slab within an Apartment and the undecorated or unfinished surfaces thereof, and (vii) the roof of the Building Structures, the same being deemed Common Elements as hereinafter provided, or (vi) any areas designated as Limited Common Elements.

* * * * *

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE DESCRIPTION OF THE BOUNDARIES OF EACH APARTMENT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL DESCRIPTION OF SUCH BOUNDARIES, PURCHASER SHOULD REFER TO THE CONDOMINIUM DECLARATION TO DETERMINE THE ACTUAL DESCRIPTION. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONDOMINIUM DECLARATION, THE CONDOMINIUM DECLARATION WILL CONTROL.

EXHIBIT "C"

PERMITTED ALTERATIONS TO APARTMENTS

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

A. **GENERAL PROVISIONS.** Except as otherwise expressly provided in Article XII, Section B or elsewhere in the Declaration to the contrary, repair, restoration or replacement of the Project or any portion thereof or construction of any additional improvement or structural alteration or addition to any improvement, different in any material respect from the Condominium Map of the Project, shall be undertaken by the Association or any Apartment Owner only pursuant to an amendment of the Declaration in accordance with Article XIII of the Declaration, duly executed pursuant to the provisions thereof, and in accordance with complete plans and specifications therefor first approved in writing by the Board. Promptly upon completion of such restoration, replacement or construction, the Association or Owner, as the case shall be, shall duly file such amendment in said Land Court, together with a complete set of floor plans of the Project as so altered, certified as built by a registered architect or professional engineer.

B. **ADDITIONS OR ALTERATIONS SOLELY WITHIN AN APARTMENT.** Notwithstanding anything to the contrary contained herein, each Owner of an Apartment shall have the right at any time and from time to time at such Owner's sole cost and expense, and without the necessity of the consent or joinder of any other Apartment Owner, to make any of the following alterations solely within the Owner's Apartment: to install, maintain, remove and rearrange partitions (including the party wall between two Apartments owned by the same Owner) and other structures from time to time within such Apartment, to finish, alter or substitute any plumbing, electrical or other fixtures attached to the ceilings, floors and walls as shall be appropriate for the utilization of such Apartment by such Owner or the tenants or lessees thereof, and to tile, finish, re-carpet, and do or cause to be done such work on the floors of any Apartment; provided, however, that nothing contained in this paragraph shall jeopardize the soundness or safety of any part of the Project, reduce the value thereof, materially adversely affect any other Apartment, materially alter the existing external appearance of the Project, materially affect or impair any easement or rights of any of the other Apartment Owners, materially increase the transfer of sounds, noise, air or smoke to other Apartments or Common Elements, or materially interfere with or deprive any non-consenting Owner of the use or enjoyment of any part of the Common Elements; subject, however, to the exclusive use of the Limited Common Elements. Owner must secure all necessary State of Hawaii and/or County of Honolulu permits prior to any alteration. The Board will have the right to form an architectural review committee, and to establish such procedures as it deems appropriate to process any Owner-initiated request for modification or alterations of Apartments. Further, nothing in this paragraph shall prohibit the Board from effecting such changes within an Apartment, or to require the same, in order that the buildings of the Project may continue to comply with applicable law, including any fire code requirements.

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

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL RESTRICTIONS ON ALTERATIONS TO APARTMENTS CONTAINED IN THE PROJECT DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF RIGHTS AND OBLIGATIONS UNDER THE PROJECT DOCUMENTS, PURCHASER MUST REFER TO THE DECLARATION, BYLAWS AND HOUSE RULES TO DETERMINE THE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE PROJECT DOCUMENTS, THE PROJECT DOCUMENTS WILL CONTROL.

EXHIBIT "D"

**APARTMENT NUMBERS, APPROXIMATE NET SQUARE FOOTAGE
PERCENTAGE OF COMMON INTEREST AND PARKING STALL ASSIGNMENT**

Apartment Number	Apartment Type	Approximate Net Square Footage	Percentage of Common Interest	*Parking Stall Assignments
1A	Industrial	7226	17.188393%	7, 8, 13, 14, 15, 16, 17
1B	Industrial	5820	13.843958%	1, 2, 3, 4, 5, 6
2A	Industrial	3854	9.167460%	41, 42, 43, 44
2B	Industrial	3880	9.229305%	21, 38, 39, 40
2C	Industrial	3880	9.229305%	34, 35, 36, 37
2D	Industrial	3854	9.167460%	30, 31, 32, 33
3A	Industrial	3450	8.206470%	25, 26, 27
3B	Industrial	2302	5.475737%	22, 23
3C	Industrial	3450	8.206470%	18, 19, 20
4A	Industrial	4324	10.285442%	9, 10, 11, 12
Total:		42040	100.0000000000%	52

Calculation of Common Interest

The common interest attributable to each Apartment was calculated by dividing the net square footage of each individual Apartment by the total net square footage of all Apartments within the Project. In order to permit the common interest attributable for all Apartments in the Project to equal exactly one hundred percent (100%), the common interest attributable to Apartment No. 1A was increased by 0.000001%.

***Parking Stalls**

Each Apartment shall have the exclusive use of the parking stalls indicated in the last column of the table above that are assigned to each Apartment. The total number of parking stalls in the Project is fifty-two (52). There are also nine (9) guest stalls and two (2) handicap parking stalls in the Project.

EXHIBIT "E"

COMMON ELEMENTS

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

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

- a. The Land in fee simple and any appurtenances thereto as described in Exhibit "A," subject, however, to the reserved right of the Developer to subdivide and withdraw a portion of the Project as set forth in Article XXIV of the Declaration;
- b. The Building Structures, including, without limitation, all perimeter or party walls, the exterior surfaces of all exterior walls, any load-bearing walls and partitions and chase walls, and the undecorated or unfinished surfaces of such walls, all structural components such as concrete sidewalks and curbs, foundations and floor slabs, columns, girders, beams, supports, halls, corridors, main walls, roofs and ceilings that are not part of the Apartment;
- c. All perimeter doors, door frames, windows, window frames, and all exterior hardware associated therewith, and the undecorated or unfinished interior surfaces thereof; whether at the perimeter of a Building Structures or at the perimeter of an Apartment that are not a part of the Apartment;
- d. All landscaping, yards, grounds, plants and gardens within the Project;
- e. All parking stalls depicted on the Condominium Map;
- f. All roads, driveways, access lanes, paved areas, ramps, loading dock areas, walkways, passages and corridors (other than those that are part of an Apartment);
- g. All trash areas, loading or delivery docks, walkways, storage room, fences, entrances and exits of the Project;
- h. All cables, conduits, ducts, vents, sewerlines, cesspools, and other sewage disposal systems, electrical equipment, wiring, pipes, catch basins and other central and appurtenant transmission facilities and installations over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, sewer, storm water, refuse, cable television, telecommunications and television signal distribution;
- i. The space set aside for use as an office by the managing agent or other employee of the Association, the security office, the mail room, janitorial room, utility room, all storage rooms not located within an Apartment, all equipment and pump rooms, all janitorial and maintenance rooms, all utility rooms, all trash rooms and/or enclosures within the Project, and all toilet and restroom facilities not located within an Apartment (if any);
- j. All unimproved areas and other similar areas which are not part of an Apartment;
- k. All other apparatus and installations existing for common use, such as tanks, pumps, fans, air-conditioning units including fan coil equipment located within an Apartment, motors, compressors, ducts, shafts, vents, water heating and distribution equipment, fire suppression equipment and other such installations and apparatus existing for common use;
- l. All flood lights and other similar lighting devices, whether attached or unattached to the exterior of the Building Structures;

- m. Any trash bins and trash areas; and
- n. Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance and safe operation and normally in common use.

EXHIBIT "F"

LIMITED COMMON ELEMENTS

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

Certain parts of the Common Elements, herein called the "Limited Common Elements," are hereby designated, set aside and reserved for the exclusive use of certain Apartments, and such Apartments shall have appurtenant thereto exclusive easements for the use of such Limited Common Elements as set forth herein. The costs and expenses of every description pertaining to the Limited Common Elements, including, but not limited to, the costs of maintenance, repair, replacement, improvement or additions to the Limited Common Elements, shall be charged to the Owner of the Apartment to which the Limited Common Element shall be appurtenant, and if there is more than one Apartment to which the Limited Common Element shall be appurtenant, then in proportion to the Common Interest appurtenant to each of the respective Apartments, unless a different method is adopted pursuant to this Declaration. Each Apartment shall have appurtenant thereto the following Limited Common Elements:

1. Those certain parking stalls set forth in Exhibit "B" of the Declaration;
2. The loading dock areas adjacent to each Apartment (identified as "Loading" on the Condominium Map); and
3. The trash bins for use by each Apartment in the Project.

Further, Apartments 1A and 1B shall have appurtenant thereto as Limited Common Elements, the areas identified as being Limited Common Elements appurtenant to Apartments 1A and 1B respectively, on the Condominium Map.

EXHIBIT "G"

ENCUMBRANCES AGAINST TITLE

1. A 30-foot building setback line over and across Lot 2311-A, parallel to Kauhi Street, as shown on Maps 128 and 218, as set forth by Land Court Order No. 19585, filed December 1, 1961.
2. Grant to Hawaiian Electric Company, Inc. and Verizon Hawaii, Inc., now known as Hawaiian Telcom Inc., dated January 17, 1963, recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 324075; granting an easement for utilities purposes.
3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Declaration dated April 6, 1987, recorded in said Office as Document No. 1464228.

ASSIGNMENT OF INTEREST IN EASEMENT RIGHTS WITH LIMITED WARRANTIES in favor of HAWAII MMGD LLC, a Maryland limited liability company, dated June 15, 2005, filed as Document No. 3282574.

NONDISTURBANCE AGREEMENT (DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS; DECLARATION OF COVENANTS REGARDING WATER CONSUMPTION AND DEVELOPMENT; AND DEEDS), dated June 15, 2005, filed as Land Court Document No. 3282580.

AMENDMENT TO DECLARATIONS OF CONDITIONS, COVENANTS AND RESTRICTIONS dated as of June 20, 2005, filed as Land Court Document No. 3285882.

4. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Declaration dated April 6, 1987, recorded in said Office as Document No. 1464229

NONDISTURBANCE AGREEMENT (DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS; DECLARATION OF COVENANTS REGARDING WATER CONSUMPTION AND DEVELOPMENT; AND DEEDS), dated June 15, 2005, filed as Land Court Document No. 3282580.

5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Deed dated April 13, 1987 and filed in said Office as Land Court Document No. 1464230.

NONDISTURBANCE AGREEMENT (DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS; DECLARATION OF COVENANTS REGARDING WATER CONSUMPTION AND DEVELOPMENT; AND DEEDS), dated June 15, 2005, filed as Land Court Document No. 3282580.

6. Mortgage dated September 17, 2003, by and between KAUHI COMMERCIAL LLC, Hawaii limited liability company, as Mortgagor, and CITY BANK, a Hawaii corporation, now known as CENTRAL PACIFIC BANK, a Hawaii corporation, as mortgagee, recorded in said Office as Land Court Document No. 2996185; in the amount of \$1,422,000.00.
7. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Assignment of Lessor's Interest in Leases and Rents dated September 17, 2003, by and between KAUHI COMMERCIAL LLC, a Hawaii limited liability company, and CITY BANK, a Hawaii corporation, now known as CENTRAL PACIFIC BANK, a Hawaii corporation, recorded at the Bureau of Conveyances of the State of Hawaii as Document No. 2003-

202408; Re: assigning interest in any and all leases as security to promissory note in the amount of \$1,422,000.00.

8. Financing Statement by and between KAUHI COMMERCIAL LLC, a Hawaii limited liability company, as Debtor and CITY BANK, a Hawaii corporation, now known as CENTRAL PACIFIC BANK, a Hawaii corporation, as Secured Party, recorded at said Bureau on September 19, 2003 as Document No. 2003-202409.
9. Revolving Credit Mortgage, Security Agreement and Financing Statement dated June 1, 2005, by and between KAUHI COMMERCIAL LLC, Hawaii limited liability company, as Mortgagor, and CENTRAL PACIFIC BANK, a Hawaii corporation, as mortgagee, recorded in said Office as Land Court Document No. 3276391; in the amount of \$800,000.00.
10. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Assignment of Lessor's Interest in Leases and Rents dated June 1, 2005, by and between KAUHI COMMERCIAL, LLC, a Hawaii limited liability company, as Assignor and CENTRAL PACIFIC BANK, a Hawaii corporation, as Assignee recorded at said Bureau as Document No. 2005-110883; Re: to secure payment of loan in the amount of \$800,000.00.

Not noted on Transfer Certificate of Title No. 665,416.

11. Financing Statement by and between KAUHI COMMERCIAL, LLC, a Hawaii limited liability company, as Debtor and CENTRAL PACIFIC BANK, a Hawaii corporation, as Secured Party, recorded on June 3, 2005 at said Bureau as Document No. 2005-110884.
12. Any unrecorded leases and matters arising from or affecting the same.
13. Encroachments or any other matters as shown on survey map prepared by George A. Sumida, Land Surveyor, with ParEn, Inc. dba Park Engineering, dated April 23, 2003.
14. Encroachments or any other matters which a survey prepared after April 23, 2003 would disclose.
15. Real property taxes which may be due and owing. Reference is made to the Real Property Tax Office, city and County of Honolulu.

EXHIBIT "H"

ESTIMATE OF FEE DISBURSEMENT AND INITIAL MAINTENANCE FEES

5-15-06

Estimated Fee Disbursement

Kauhi Commercial Center
(10 units)

	Monthly	Annually
UTILITIES		
Water/Sewer	\$315.00	\$3,780.00
Electricity	\$0.00	\$0.00
MAINTENANCE		
Landscape Mtnce	\$450.00	\$5,400.00
Tree Trimming	\$25.00	\$300.00
Building Mtnce/Rptrs	\$100.00	\$1,200.00
Electrical/Lighting	\$40.00	\$480.00
Refuse	\$0.00	\$0.00
Plumbing	\$25.00	\$300.00
Storm Drain Cleaning	\$50.00	\$600.00
Asphalt Repairs	\$50.00	\$600.00
Equipment Repairs	\$25.00	\$300.00
Fire Control	\$20.00	\$240.00
PROFESSIONAL SERVICES		
Management/Acct'g	\$1,037.00	\$12,444.00
Tax return prep/audit	\$40.00	\$480.00
Site Coverage	\$100.00	\$1,200.00
Admin. Supplies & Services	\$50.00	\$600.00
Design Review Requests	\$25.00	\$300.00
Legal	\$25.00	\$300.00
TAXES & GOV't		
Real Property Taxes	\$0.00	\$0.00
General Excise Tax	\$5.00	\$60.00
Condo Registration	\$8.00	\$96.00
INSURANCE		
Property Insurance	\$542.00	\$6,504.00
CGLiability	\$25.00	\$300.00
Crime/Bond	\$50.00	\$600.00
Umbrella Liability	\$60.00	\$720.00
Non Owned Auto Liability	\$50.00	\$600.00
Director & Officer Liability	\$100.00	\$1,200.00
RESERVES (*)	\$600.00	\$7,200.00
Total Disbursements	\$3,817.00	\$45,804.00
I, Phyllis Kacher, as agent for/and/or employed by Hawaiiana Management Company, the condominium managing agent for Kauhi Commercial Center 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.		
	5-5-06	
Signature	Date	
(*) It is assumed that a reserve start-up fee equal to two months maintenance fee shall be collected from each purchaser upon the close of sale of each apartment unit.		
Reserve amounts assume that the Developer will be funding improvements to the property as required by the Development Plan and the City and County of Honolulu.		

5-15-06

Estimate of Initial Maintenance Fees

Kauhi Commercial Center
(10 units)

Apartment Number	Apartment Type	Common Interest	Monthly Fee	Yearly Total
1A	Industrial	17.188393%	\$656.08	\$7,872.97
1B	Industrial	13.843958%	\$528.42	\$6,341.09
2A	Industrial	9.167460%	\$349.92	\$4,199.06
2B	Industrial	9.229305%	\$352.28	\$4,227.39
2C	Industrial	9.229305%	\$352.28	\$4,227.39
2D	Industrial	9.167460%	\$349.92	\$4,199.06
3A	Industrial	8.206470%	\$313.24	\$3,758.89
3B	Industrial	5.475737%	\$209.01	\$2,508.11
3C	Industrial	8.206470%	\$313.24	\$3,758.89
4A	Industrial	10.285442%	\$392.60	\$4,711.14
TOTALS		100.000000%	\$3,817.00	\$45,804.00

EXHIBIT "I"

SUMMARY OF RESERVATION AGREEMENT

Capitalized terms have the same meaning as ascribed to such terms in the Non-Binding Reservation ("Reservation").

1. Nature of Reservation Program. The purchaser acknowledges and understands that the execution of a Reservation and the payment of the Reservation deposit do not guarantee the availability of any Apartment.
2. The Reservation Deposit. With the execution of a Reservation, each purchaser is asked to make a payment of a deposit in the amount specified in the Reservation, payable in US Dollars in immediately available funds. Upon tender of the Reservation deposit, the purchaser shall select an Apartment in the Project to purchase after the issuance of a Contingent Final Public Report or a Final Public Report on a date selected by Developer. On such day, the purchaser and Developer may enter into a reservation agreement or purchase agreement (as applicable) for a specific Apartment selected by prospective purchaser.
3. Non-Binding Contract. Developer and the purchaser understand and acknowledge that the Reservation is being made under a Preliminary Public Report, and therefore, the Reservation is not a binding contract.
4. Cancellation. Developer and purchaser shall have the right to cancel the Reservation at any time, and upon such cancellation the purchaser shall be entitled to receive a full refund.
5. Restriction on Assignability. Purchaser may not assign, convey or otherwise transfer any portion of its interest under this Reservation.
6. No Assurance on Purchase Price. Developer and Prospective Purchaser agree that the purchase price for each Apartment is unspecific, and will be based upon the Developer's price list then in effect.

* * * * *

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

EXHIBIT "J"

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement for the Project contains the following provisions (which may be modified or otherwise limited by provisions which are not summarized hereinbelow):

A. As and when Seller shall enter into a Reservation Agreement and/or Purchase Agreement for the conveyance of an apartment or other interest in the Project, it shall require the payments of deposits due thereunder to be promptly made to Escrow, and shall deliver an executed copy of the Purchase Agreement to Escrow together with the address of the purchaser. Seller shall also promptly pay over to Escrow all monies (including checks) received by Seller from or on behalf of the purchasers and all payments made on loan commitments from lending institutions on account of any apartment in the Project.

B. Escrow shall receive, deposit and hold in separate escrow accounts and disburse as herein set forth: (a) all payments received by it under Reservation Agreement and/or Purchase Agreements, (b) such sums received by it hereunder from or for the account of Seller, and (c) all sums received by it from any other source with respect to the Project. Escrow shall not at any time commingle or permit the commingling of any purchasers' funds with funds belonging to or held for the benefit of Seller. All funds and instruments received from purchasers or prospective purchasers shall be held by Escrow in accordance with the provisions contained in the Condominium Property Act.

C. Notwithstanding anything contained herein to the contrary, Escrow shall make no disbursements of purchasers' funds or proceeds from the sale of such apartments (including any payments made on loan commitments from lending institutions), except by way of refunds thereof as provided hereinbelow, until (a) the Real Estate Commission has issued an effective date for Final Public Report for the Project, and (b) Escrow has received a letter from Seller stating that the purchasers have signed the required Receipt and Notice of Right to Cancel or are deemed to have receipted for the public reports and to have waived their right to cancel, and stating further that no subsequent events have occurred which would give the purchasers the right to rescind, the Purchase Agreements have "become binding" and "the requirements of Sections 514A-40, 514A-39.5 and 514A-63" of the Hawaii Revised Statutes have been met, as said phrases are used in Section 514A-65 of the Hawaii Revised Statutes, and further, that the requirements of Section 514A-62 of the Hawaii Revised Statutes have been met, as each of the foregoing sections may be amended on the date the Purchase Agreement becomes binding and effective. Seller agrees to inform Escrow promptly in writing of the development of any event or occurrence which renders the letter delivered by Seller pursuant to this paragraph untrue in any material respect.

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

- (1) A return of funds is requested pursuant to the terms of the Reservation Agreement;
- (2) Escrow receives a written request from Seller to return to the purchaser the funds of the purchaser then being held hereunder by Escrow;
- (3) Seller notifies Escrow in writing of Seller's exercise of the option to rescind the Purchase Agreement pursuant to any right of rescission stated therein or otherwise available to Seller; or
- (4) The conditions providing for a refund under Section 514A-62 or under Section 514A-63 of the Hawaii Revised Statutes (as amended on the date upon which the Purchase Agreement becomes binding and effective) have been met, and written notice thereof has been provided by Seller to Escrow.

Upon the cancellation of any Reservation Agreement and/or Purchase Agreement as specified above, Escrow shall be entitled to a \$25.00 cancellation fee. Notwithstanding anything herein or in any Purchase

Agreement provided to the contrary, said compensation of Escrow shall be the sole expense of the individual purchaser and shall not in any way be the obligation of Seller, unless cancellation is made pursuant to either Section 514A-62 or 514A-63 of the Hawaii Revised Statutes, whereupon Seller shall pay such fee.

D. Except as otherwise provided by law, Escrow shall give each purchaser entitled to a return of his or her funds notice thereof by certified or registered mail, addressed to such purchaser at his address shown on the Purchase Agreement or any address later made known to Escrow by such purchaser. If such purchaser shall not have claimed such refund within one hundred twenty (120) days from the date said notice is mailed, Escrow, shall deposit such funds into a special account in a bank or other depository selected by Escrow in the name of Seller, as trustee for the benefit of such purchaser. After having sent Seller written notice of the foregoing acts, Escrow shall thereupon be released from further liability hereunder with respect to such funds and such purchaser.

E. If the purchaser fails to make any payment on or before the due date thereof or if the purchaser does or fails to do any act which would constitute a default under the Purchase Agreement, Seller shall promptly give to such purchaser and to Escrow written notice of default. If purchaser has failed to cure the default after the delivery of notice by Escrow and such default continues after the expiration of any grace period, Escrow shall so advise Seller. If Seller shall thereafter certify in writing to Escrow: (1) that Seller has elected to terminate the Purchase Agreement and has notified the purchaser, or (2) that purchaser is otherwise in default, then, and in either event, Escrow, subject to the provisions relating to dispute and conflicting demands hereinafter set forth in paragraph 14, shall thereafter treat all funds of the purchaser paid under such Purchase Agreement, less Escrow's cancellation fee, as funds of Seller and not of the purchaser. Thereafter, such funds shall be held free of the escrow established by this Agreement and shall be held by Escrow for the account of Seller. Upon written request by Seller, Escrow shall pay such funds [less Escrow's cancellation fee] to Seller or order and shall return to Seller a copy the Purchase Agreement of such purchaser.

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

EXHIBIT "K"

SUMMARY OF DEED FORM

Capitalized terms have the same meaning ascribed to such terms in the Apartment Deed.

The specimen Kauhi Commercial Center Apartment Deed, Encumbrances, Reservations of Rights and Grant of Special Power of Attorney ("Apartment Deed") contains, among others, the following provisions (which may be modified or otherwise limited by provisions which are summarized hereinbelow):

A. The premises conveyed comprise a portion of the Kauhi Commercial Center condominium property regime ("Project") situate at Kapolei, City and County of Honolulu, State of Hawaii.

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

C. Purchaser agrees and consents to the exercise by Developer of any of its reserved rights set forth in the Deed and in the Declaration. Purchaser does hereby further appoint the Developer and its assigns his attorney-in-fact with full power of substitution to execute, deliver, and record such documents and instruments and to do such things on Purchaser's behalf to effect such reserved rights, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be affected by the disability of such party or parties, and which means that the grant of such power will be binding upon any person or entity to which Purchaser transfers the Property, and will be considered automatically granted anew by any such person or entity upon such transfer of any interest therein, whether by deed, mortgage, or any other instrument of conveyance.

D. Purchaser agrees for the benefit of the apartment owners from time to time of all other apartments in said Project, to at all times observe, perform, comply with and abide by all of the covenants, agreements, obligations, conditions and other provisions set forth in the Declaration, Bylaws, and House Rules.

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

EXHIBIT "L"

SPECIAL USE RESTRICTIONS

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

A. **APARTMENTS.** The Apartments shall be operated and used for those uses permitted under the applicable zoning ordinances of the City and County of Honolulu and as permitted by the Developer in the Declaration, said purposes or uses and the visual aesthetics of said Apartments to be consistent with the quality of the Project.

B. **OWNER'S RIGHT TO LEASE APARTMENT AND LIMITED COMMON ELEMENTS.** The Owners of the respective Apartments shall have the absolute right, without obtaining the consent or joinder or any other Owners, to lease or grant licenses with respect to such Apartments and the Limited Common Elements appurtenant thereto. All lease or rental agreements must be in writing and will be subject to the provisions of the Act, the Declaration and the Bylaws.

C. **OWNER'S RIGHT TO SELL.** The Owners of the respective Apartments shall have the absolute right, without obtaining the consent or joinder of any other Owners, to sell or otherwise transfer such Apartments subject to all provisions of the Act, the Declaration and the Bylaws, and any applicable provisions of any lease agreement to the extent that such provisions continue to be effective.

D. **OWNER'S RIGHT TO MORTGAGE.** The Owners of the respective Apartments shall have the absolute right, without obtaining the consent or joinder of any other Owners, to mortgage or otherwise transfer an interest in their respective Apartments as security for the repayment of a loan, subject to all provisions of the Act, the Declaration and the Bylaws.

E. **PROHIBITION ON ACTIVITIES WHICH JEOPARDIZE THE PROJECT.** No Apartment Owner shall do or suffer or permit to be done anything on any Apartment or elsewhere on the Project which will: (1) injure the reputation of the Project, (2) jeopardize the safety or soundness of the Project, (3) create a nuisance or interfere with or unreasonably disturb the rights of other Owners and occupants, (4) reduce the value of the Project, (5) result in the cancellation of insurance applicable to the Project or adversely affect the right of recovery thereunder or result in reputable companies refusing to provide insurance as required or permitted by the Bylaws, or (6) increase the rate of insurance applicable to the Apartments or the contents thereof, or to the Project. Notwithstanding the foregoing, Developer may, through the exercise of any of its reserved rights herein, inadvertently cause one or more of the above.

F. **CHANGES TO BUILDING STRUCTURES AND APARTMENTS.** No Owner of an Apartment shall, without the written approval and continuing consent of the Board, change the exterior appearance of any Building Structures or Apartment in any manner. The Board may delegate the foregoing responsibility to the Managing Agent. No Owner of an Apartment shall, without the written approval and continuing consent of the Board, change the exterior appearance of an Apartment in any manner.

G. **OWNERS TO MAINTAIN APARTMENTS IN GOOD ORDER.** The Owner of an Apartment shall keep the interior of its Apartment and any and all plumbing, electrical and other fixtures and appurtenances constituting a part of the Apartment and the Limited Common Elements appurtenant thereto in good order and repair. Decisions on repair or modification to the Limited Common Elements shall be made by the Owners of Apartment to which such Limited Common Elements are appurtenant, subject to the provisions of Article VI, Section F of the Declaration, and subject to any additional provisions stated in the Bylaws.

H. **USE OF COMMON ELEMENTS.** Each Apartment Owner may use the Common Elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Apartment Owners, subject always to:

1. The right of the Board, upon the approval of the Owners of seventy-five percent (75%) of the Common Interest, to change the use of the Common Elements that are also not designated Limited Common Elements;

2. The right of the Board, on behalf of the Association, to lease or otherwise use for the benefit of the Association those Common Elements not actually used by any of the Apartment Owners for an originally intended special purpose, as determined by the Board; provided, however, that unless the approval of the Owners of seventy-five percent (75%) of the Common Interest is obtained, any such lease shall not have a term exceeding five (5) years and shall contain a provision that the lease or agreement for use may be terminated by either party thereto on not more than sixty (60) days' written notice;

3. The right of the Board to lease or otherwise use for the benefit of the Association those Common Elements not falling within Article VI, Section H.2 of the Declaration, which are not also Limited Common Elements, upon obtaining: (a) the approval of the Owners of seventy-five percent (75%) of the Common Interest, including all directly affected Owners, and (b) the approval of all mortgagees of record which hold mortgages on Apartments with respect to which owner approval is required by (a) above, if such lease or use would be in derogation of the interest of such mortgages; and

4. The exclusive use of the Limited Common Elements as provided in the Declaration. Notwithstanding anything provided to the contrary, or from which a contrary intent may be inferred, neither the Board nor the Association shall have any right to change the use of or lease or otherwise use any Limited Common Element without the prior written consent of the Owners of all Apartments to which such Limited Common Element is appurtenant. The Owners of at least seventy-five percent (75%) of the Common Interest which are appurtenant to Apartments to which any particular Limited Common Element shall be appurtenant shall have the right to change the use of a particular Limited Common Element.

I. **DEVELOPER'S RIGHT TO USE.** Notwithstanding anything provided in the Declaration to the contrary, as long as there are unsold Apartments in the Project, Developer shall have the right to use any Apartment which it owns and any Limited Common Elements appurtenant thereto for promotion purposes, and shall have the right to have guests stay in such Apartments for any length of time; provided that such guests shall abide by and be subject to all of the provisions of the Declaration, Bylaws and House Rules. The Developer may grant license rights to the Limited Common Element appurtenant to any Apartment owned by the Developer to the Association or to a third party to the extent permissible under the law. Additionally, the Developer will have the right to utilize Apartments which it owns or any Limited Common Element which is appurtenant to any Apartment which it owns as sales offices or as a place which is utilized to provide services to the Owners or other occupants of the Project, to the extent such use or uses are permitted under applicable law.

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THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL USE RESTRICTIONS CONTAINED IN THE DECLARATION, BYLAWS, HOUSE RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF SUCH USE RESTRICTIONS, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT TO DETERMINE ALL OF THE USE RESTRICTIONS THAT MAY APPLY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE DECLARATION, BYLAWS, HOUSE RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL.