

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer James Campbell Company LLC, a Delaware limited liability company
Business Address James Campbell Building, 1001 Kamokila Boulevard, Suite 200 Kapolei, Hawaii 96707
Project Name (*): THE KALAELOA HARBOR CONDOMINIUM
Address: Malakole Street, Kapolei, Hawaii 96707
Registration No. 6060 Effective date: July 24, 2007
Expiration date: August 24, 2008

Preparation of this Report

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

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

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

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

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

Type of Report:

- PRELIMINARY: (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report.
X FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
SUPPLEMENTARY: (pink) This report updates information contained in the:
And [] Supersedes all prior public reports.
[] 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-30 286/986/189/1190/892/0197/1098/0800/0203/0104/0107

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report Not Required - Disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

SPECIAL ATTENTION

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

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. Facilities and improvements normally associated with county approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for, and services such as County street maintenance and trash collection will not be available for interior roads and driveways.

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

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General Information On Condominiums

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

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

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

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

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

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

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

Operation of the Condominium Project

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

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

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

I. PERSONS CONNECTED WITH THE PROJECT

Developer: James Campbell Company LLC, a Delaware limited liability company Name* Phone: (808) 674-6674 (Business) James Campbell Building, 1001 Kamokila Boulevard, Suite 200 Kapolei, Hawaii 96707 Business Address

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary): See page 5(a)

Real Estate Broker*: N/A Name Phone: (Business) Business Address

Escrow: N/A Name Phone: (Business) Business Address

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

Condominium Managing Agent*: Cen Pac Properties, Inc. Name Phone: 808-593-2902 (Business) 1150 South King Street, suite 1101 Honolulu, HI 96814 Business Address

Attorney for Developer: Rodd H. Yano, Esq. Name Phone: (808) 523-2500 (Business) Carlsmith Ball LLP 1001 Bishop Street, Suite 2200 Honolulu, Hawaii 96813 Business Address

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

Directors and Officers:

Stephen H. MacMillan	President and Chief Executive Officer
Landon H.W. Chun	Executive Vice President and Chief Financial Officer
Dorine J. Holsey Streeter	Executive Vice President, Real Estate Investment Management
Bertram L. Hatton	Executive Vice President, Hawaii Land Management
Gary S. Oliva	Senior Vice President, Real Estate Investments
Milton T. Hiura	Vice President and Controller
Russell M. Chinen	Vice President, Financial Services
Herbert A. Yamasaki	Vice President, Information Technology
Bonnie J. Kaanaana	Vice President, Human Resources and Administration
D. Keola Lloyd	Secretary and Vice President, Shareholder Relations
Howard R. Schwiebert	Vice President, Hawaii Land Management
Douglas C. Morris	Vice President, Regional Manager
Sydni L. Roberson	Vice President, Regional Manager
Clyde A. Skeen	Vice President, Regional Manager
Susan H. Graham	Vice President, Regional Manager
Kathleen Burgi Sandell	Vice President, Regional Manager
Rodney Takemoto	Vice President, Finance and Accounting, Real Estate Investment Management
Directors	Richard W. Gushman, II T. Michael May W. David Carey, III Ronald M. Plumb David R. Andrews Linda Assante Stephen H. MacMillan

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

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

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

The Declaration for this condominium is:

<input type="checkbox"/>	Proposed			
<input type="checkbox"/>	Recorded -	Bureau of Conveyances:	Document No.	_____
			Book	_____ Page _____
<input checked="" type="checkbox"/>	Filed -	Land Court	Document No.	<u>3444926</u>

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

Assignment of Declarant's Rights, dated May 25, 2007, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 3607220

First Amendment to Declaration of Condominium Property Regime of the Kalaeloa Harbor Condominium, dated June 27, 2007, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 3622777

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

The Condominium Map for this condominium project is:

<input type="checkbox"/>	Proposed			
<input type="checkbox"/>	Recorded -	Bureau of Conveyances	Condo Map No.	_____
<input checked="" type="checkbox"/>	Filed -	Land Court	Condo Map No.	<u>1815</u>

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

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

The Bylaws for this condominium are:

<input type="checkbox"/>	Proposed			
<input type="checkbox"/>	Recorded -	Bureau of Conveyances:	Document No.	_____
			Book	_____ Page _____
<input checked="" type="checkbox"/>	Filed -	Land Court	Document No.	<u>3444927</u>

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]: Not applicable

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

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

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

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

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>100%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>N/A</u>

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

2. **Developer:**

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

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

As set forth in Section O of the proposed Declaration, the Developer has reserved the right to amend the Declaration to: (1) file the "as built" verified statement (with plans, if applicable) required by Section 514A-12 of the Act, so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed fully and accurately depict the layout, location, Apartment numbers and dimensions of the Apartments as built, or so long as any plans filed therewith involve only non-material changes to the layout, location, Apartment numbers and dimensions of the Apartments as built; (2) exercise the rights reserved to the Developer in Declaration Sections N.1(Reservation of Power to Grant Easements) and N.2 (Required Amendments).

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 of the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

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

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

B. Underlying Land:

Address: Malakole Street Tax Map Key (TMK): (1) 9-1-74:35
Kapolei Hawaii 96707

Address TMK is expected to change because Not Applicable

Land Area: 328,737 square feet acre(s) Zoning: I-3 Waterfront Industrial

Fee Owner: James Campbell Company LLC a Delaware limited liability company
Name

James Campbell Building, 1001 Kamokila Boulevard, Suite 200, Kapolei, Hawaii 96707n/a
Address

Lessor: not applicable
Name

Address

C. **Buildings and Other Improvements:**

1. New Building(s) when the Final Public Report was issued.
 Conversion of Existing Building(s)
 Both New Building(s) and Conversion

2. Number of Buildings: 12 Floors Per Building: One (1)

Exhibit C contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other Steel

4. Uses Permitted by Zoning:

	<u>No. of 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>2</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: _____

Number of Occupants: _____

Other: Section F of the Projects Declaration provides that each Apartment shall be occupied and used only for the uses set forth in the Apartment Lease for such Apartment.

There are no special use restrictions.

6. Interior (fill in the appropriate numbers):

Elevators:	<u>0</u>	Stairways:	<u>0</u>	Trash Chutes:	<u>0</u>
Apt. Type	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
Marisco Apt. No. 1	<u>1</u>	<u>n/a</u>	<u>5,602</u>	<u>0</u>	<u>N/A</u>
TGC Apt. No. 1	<u>1</u>	<u>n/a</u>	<u>5,253</u>	<u>0</u>	<u>N/A</u>
Total Number of Apartments:			<u>2</u>		

***Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls. Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used..**

Boundaries of Each Apartment:

As set forth in Section B.2(b) of the Declaration, each Apartment consists of the entirety of each of the buildings located within such Apartment, including without limitation: (i) the buildings' foundations, perimeter walls, interior walls and partitions, and roofs, (ii) any pipes, shafts, ducts, pumps, valves, wires, conduits or other utility or service lines that serve only such Apartment, (iii) any doors or panels along the perimeter walls of such Apartment, (iv) all exterior windows, and (v) all appliances, equipment and fixtures installed therein and replacements thereof. Each Apartment shall not be deemed to include any pipes, shafts, ducts, pumps, valves, wires, conduits or other utility or service lines located within such Apartment that are utilized for or serve more than one Apartment, the same being deemed Common Elements.

Permitted Alterations to Apartments:

Generally, alterations to Apartments are permitted only with the prior approval of the fee owner and the Project's Board of Directors. All purchasers should review the restrictions, requirements and conditions for Apartment alterations which are contained in Section M.2 of the Declaration and Section J.5 of the Bylaws.

Apartments Designated for Owner-Occupants Only:

Not Applicable.

7. Parking Stalls:

Total Parking Stalls:	<u>n/a*</u>						
	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		
	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	<u>TOTAL</u>
Assigned (for each unit)	_____	_____	_____	_____	_____	_____	n/a
Guest	_____	_____	_____	_____	_____	_____	n/a
Unassigned	_____	_____	_____	_____	_____	_____	n/a
Extra for Purchase	_____	_____	_____	_____	_____	_____	n/a
Other: <u>Handicapped</u>	_____	_____	_____	_____	_____	_____	n/a
Total Covered & Open:	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>

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

*Each Apartment will have ample room for parking within its limited common element. Marisco Apartment No.1 will have a total of (i) 22 full size stalls; (ii) 32 large stalls (for boat, trailer, bus, etc); (iii) 2 handicap stalls; (iv) 1 12'x35' loading space; and (v) 1 8.5'x19' loading space. TGC Apartment No. 1 will have 1 stall.

Commercial parking garage permitted in condominium project.

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

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute/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 costs to cure are listed below:

Violations will be cured by _____

(Date)

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

Not Applicable

11. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

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

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

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not 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 limitation which may apply.

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

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

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

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

described in Exhibit D

as follows:

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

There are no limited common elements in this project

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

described in Exhibit D*

as follows:

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

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

described in Exhibit _____

as follows:

Marisco Apartment No. 1	50%
TGC Apartment No. 1	50%
Total	100%

In this project, the principal common expenses that will be allocated among the apartment owners based on the foregoing Common Interest percentages include the costs (including reserves) of insuring the Access Right/Easement, as that term is defined in the Project's Declaration

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 E describes the encumbrances against the title contained in the title report dated May 16, 2007 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 secure some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Not Applicable	

F. **Construction Warranties:**

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

Not Applicable. Construction has been completed by the prospective Tenants of the Apartments.

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

Marisco Apartment No. 1 completed December 14, 2006.
TGC Apartment No. 1 completed July 8, 2004.

H. **Project Phases:**

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

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing): Not applicable.

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:

[N/A] Notice to Owner Occupants

[X] Specimen Sales Contract
Exhibit G contains a summary of the pertinent provisions of the Apartment Agreements.

[N/A] Escrow Agreement dated _____
Exhibit _____ contains a summary of the pertinent provisions of the escrow contract.

[] Other _____

B. Buyer's Right to Cancel Sales Contract:

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

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

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

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

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

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

- A) There is 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 sale 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 Hawaii 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. 6060 filed with the Real Estate Commission on June 30, 2006

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

YELLOW paper stock WHITE paper stock PINK paper stock

C. Additional Information Not Covered Above

1. There is no Escrow Agreement covering this project as there will be no escrow. The apartments are not being offered for sale and will be offered to lease by the existing tenants of the land underlying the Project. See Exhibit G for more explanation.

2. No real estate broker will be used. The apartments are not being offered for sale and will be offered to lease by the existing tenants of the land underlying the Project. See Exhibit G for more explanation.

- 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 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.

JAMES CAMPBELL COMPANY LLC, a Delaware limited liability company.

Printed Name of Developer

By: _____

Duly Authorized Signatory*

_____ Date

Stephen H. MacMillan

President/Chief Executive Officer

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

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

EXHIBIT A

CALCULATION OF RENEGOTIATED LEASE RENT, LEASE EXPIRATION AND SURRENDER

Renegotiated Lease Rent:

Upon the issuance of an effective date for this Project's Final Condominium Public Report, the Developer intends to cancel the existing leases on the land underlying the Project held by Marisco, Ltd., a Hawaii corporation ("Marisco"), and The Gas Company, LLC ("TGC") and enter into new leases with the parties for the Apartments. The annual base rents for the terms of the proposed leases for the Marisco Apartment No.1 and TGC Apartment No. 1 have been established and are set forth in **Exhibit B**. The annual base rents in the proposed leases are not subject to renegotiation.

In the event that the Developer and Marisco and/or TGC do not enter into new leases for the Apartments, the Developer will lease such Apartments to other third parties. The annual base rent under such a lease will be negotiated between the Developer and the third party.

For a more detailed description of the foregoing, tenants should review paragraph 3 (Base Rent) of the General Conditions of the lease.

Lease Expiration

The proposed lease for the Marisco Apartment No. 1 shall expire on May 31, 2030 and the proposed lease for the TGC Apartment No.1 shall expire on June 30, 2031.

Surrender

Upon termination of its lease, the tenant thereunder shall peaceably deliver up to the Developer possession of the land demised under the lease, including all improvements upon or belonging to the same, by whomsoever made in good repair, order and condition except for reasonable wear and tear and in strictly clean, safe and sanitary condition, provided, however, if the tenant is not in default under its lease, it may remove any trade fixtures installed by it on the premises, provided, further, that if the Developer, in its sole discretion, shall determine that any improvements made by the tenant or portion thereof should be removed and shall give the tenant written notice of such determination within thirty (30) days of termination of the lease, the tenant, at no cost to the Developer, shall promptly remove such improvements or portions in accordance of the lease and applicable laws.

For a more detailed description of the surrender provisions under the leases, tenants should review paragraph 30 (Surrender) of the General Conditions of the lease.

EXHIBIT B

SCHEDULE OF LEASE RENT

Under the proposed leases for the Marisco Apartment No.1 and TGC Apartment No. 1, the schedules of lease rent are as follows:

Marisco Apartment No. 1

Period	Annual Base Rent
Effective Date through May 31, 2010	\$162,589.00
June 1, 2010 through May 31, 2015	\$188,440.00
June 1, 2015 through May 31, 2020	\$218,402.00
June 1, 2020 through May 31, 2025	\$253,128.00
June 1, 2025 through May 31, 2030	\$293,376.00

TGC Apartment No. 1

Period	Annual Base Rent
Effective Date through June 30, 2011	\$77,655.00
July 1, 2011 through June 30, 2016	\$90,234.00
July 1, 2016 through June 30, 2021	\$104,582.00
July 1, 2021 through June 30, 2026	\$121,210.00
July 1, 2026 through June 30, 2031	\$140,483.00

EXHIBIT C

EXPLANATION OF BUILDING AND OTHER IMPROVEMENTS

The Project shall contain the following buildings and improvements: one (1) separate one-story building without basement constructed of pre-fabricated steel (Small Boat Repair Building); one (1) separate one-story building without basement constructed of steel (Shed for Compressor Units); nine (9) separate forty-one foot long steel storage tanks installed on concrete pedestals and standing eighteen (18) feet high (Storage Tanks); and one (1) one-story building without basement constructed of concrete and wood (Comfort Station), all as shown on the Condominium Map.

EXHIBIT D

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

The Common Elements of the Project include:

- A. The Land, in fee simple, and any and all easements and appurtenances thereto;
- B. The Access Right/Easement (as defined in the Declaration);
- C. The TGC Improvements (as defined in the Declaration);
- D. The Marisco Improvements (as defined in the Declaration);
- E. All ducts, pumps, valves, sewer lines, drain lines, electrical equipment, cables, wiring, chutes, pipes, shafts, wires, conduits or other utility of service lines which are utilized for or serve more than one Apartment and other central and appurtenant transmission facilities over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, sewer, refuse, telephone and radio and television signal distribution; and
- F. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

The Limited Common Elements of the Project include:

1. Marisco Apartment No. 1. The following structures and facilities are Limited Common Elements appurtenant to the Marisco Apartment No. 1: (i) the Marisco Grounds (as defined in the Declaration), (ii) the Marisco Improvements, and (iii) all of any ducts, pumps, valves, sewer lines, drain lines, electrical equipment, cables, wiring, chutes, pipes, shafts, wires, conduits or other utility of service lines which are utilized for or serve only the Marisco Apartment No.1.
2. TGC Apartment No. 1. The following structures and facilities are Limited Common Elements appurtenant to the TGC Apartment No. 1: (i) the TGC Grounds (as defined in the Declaration), (ii) the TGC Improvements, and (iii) all of any ducts, pumps, valves, sewer lines, drain lines, electrical equipment, cables, wiring, chutes, pipes, shafts, wires, conduits or other utility of service lines which are utilized for or serve only the TGC Apartment No.1.

EXHIBIT E

ENCUMBRANCES AGAINST TITLE

The following are the encumbrances against title to the Project that are contained in the title report dated May 16, 2007 and issued by Title Guaranty of Hawaii, Inc.:

1. Location of the seaward boundary in accordance with the laws of the State of Hawaii and shoreline setback line in accordance with County regulation and/or ordinance and the effect, if any, upon the area of the land therein.
2. Easement in favor of Lots 106, 109 and 111 for road purposes, as granted by Deed dated December 11, 1940, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 55765.
3. Designation of Easement "267" (15 feet wide) as shown on Map 122, as set forth by Land Court Order No. 18747, filed February 20, 1961.
4. Designation of Easement "274" (7.5 feet wide) as shown on Map 122, as set forth by Land Court Order No. 18747, filed February 20, 1961.
5. Lease of Right of Way dated June 2, 1961, in favor of Texaco, Inc., filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 278230, for a term expiring on September 30, 2009, affecting Easement "274".
6. Grant of Easement dated January 18, 1963, in favor of Standard Oil Company of California filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 306578, as assigned to Chevron U.S.A., Inc., by instrument filed in said Office of the Assistant Registrar as Document No. 891877, affecting Easement "267".
7. Designation of Easement "667" as shown on Map 213, as set forth by Land Court Order No. 34823, filed March 24, 1972.
8. Designation of 40 foot shoreline setback, as shown on Map 602, as set forth by Land Court Order No. 110156, filed January 7, 1993.
9. Declaration of Reservation of Easement Rights dated May 13, 2005, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 3270801.
10. Assignment of Interest in Easement Rights with Limited Warranties dated June 15, 2005, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 3282579.
11. Declaration of Condominium Property Regime for "The Kalaeloa Harbor Condominium", dated June 22, 2006, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 3444926, as amended by instrument dated June 27, 2007, filed in said Office of the Assistant Registrar as Document No. 3622777, the Declarant's interest therein assigned to James Campbell Company LLC by instrument dated May 25, 2007, filed in said Office of the Assistant Registrar as Document No. 3607220.
12. Condominium map filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Condominium Map No. 1815.
13. Bylaws of the Association of Apartment Owners of the Kalaeloa Harbor Condominium filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 3444927.
14. Trustees Limited Warranty Deed dated November 1, 2006, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 3505986.

EXHIBIT F
ESTIMATE OF INITIAL MAINTENANCE FEES AND ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

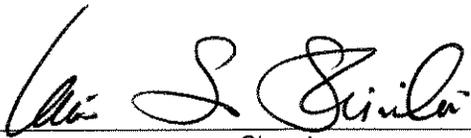
<u>Apartment</u>	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
Marisco Apt. No. 1	\$ 350.00 x 12	\$ 4,200.00
TGC Apt. No. 1	\$ 350.00 x 12	\$ 4,200.00
Total	\$ 700.00 x 12	\$ 8,400.00 Total

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

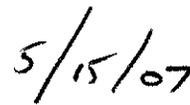
Estimate of Maintenance Fee Disbursements:

	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
Utilities and Services		
Refuse Collection	\$ 100.00	\$1,200.00
Maintenance, Repairs and Supplies		
Signs	\$ 13.00	\$ 156.00
Grounds	\$ 100.00	\$1,200.00
Road Repair	\$ 21.00	\$ 252.00
Management		
Management Fee	\$ 150.00	\$1,800.00
Office Expenses	\$ 31.00	\$ 372.00
Insurance	\$ 125.00	\$1,500.00
Reserves(*)	\$ 95.00	\$1,140.00
Accounting Fees	\$ 23.00	\$ 276.00
Other -Legal	\$ 42.00	\$ 504.00
TOTAL	\$ 701.00	\$8,400.00

We, Cen Pac Properties, Inc., as agent for/and/or employed by JAMES CAMPBELL COMPANY LLC, the condominium managing agent/developer for the Kalaeloa Harbor Condominium condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



Signature



Date

(*)Mandatory reserves assessment and collection in effect beginning 1994 budget year. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves", the Developer has conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. Yearly totals may differ from monthly totals due to rounding. Developer discloses that no reserve study has been conducted in accordance with §514A-83.6, HRS, and replacement reserves rules, Subchapter 6, Chapter 107, Hawaii Administrative Rules.

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

EXHIBIT G

SUMMARY OF APARTMENT AGREEMENT

The proposed Apartment Agreements to be executed after issuance of a Final Public Report for the Marisco Apartment No.1 and TGC Apartment No.1, filed with the Commission, provides Marisco, Ltd. ("Marisco"), and The Gas Company, LLC ("TGC"), the tenants under existing leases on the land underlying the Project, with the option to enter into new leases for the Marisco Apartment No. 1 and TGC Apartment No. 1, respectively (forms of which are to be attached to the Agreements). Should either Marisco or TGC elect not to enter into a new lease for an Apartment, such party's existing lease shall be terminated and such party shall have no further interest in the Project or the land demised under its existing lease, provided that such party will remain liable for rents and other obligations under its existing lease prior to such termination.