DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM

CONDOMINIUM PROJECT NAME	SOUTH SHORE PLAZA
Address	411 Huku Li'i Place, Kihei, HI 96753
Registration Number	6194
Effective Date of Report	January 29, 2007
Developer	South Shore Plaza, LLC

Preparation of this Report

The Developer prepared this report to disclose relevant information, including "material facts", that are reasonably known to the Developer about the condominium project covered by this report. This report has been prepared pursuant to the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, as amended from time to time. The law defines "material facts" to mean "any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale."

This report has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts or all pertinent changes, or both, about the project have been fully or adequately disclosed; or (3) is not the Commission's judgment of the value or merits of the project.

This report may be used by the Developer for promotional purposes only if it is used in its entirety. No person shall advertise or represent that the Commission has approved or recommended the project, this report or any of the documents submitted with Developer's application for registration of this project.

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, together with such supporting information as may be required by the Commission. In addition, the Developer may choose at any time to change or update the information in this report. Annually, at least thirty days prior to the anniversary date of the Effective Date of this report, the Developer shall file an annual report to update the material contained in this report. If there are no changes, the Developer is required to state that there are no changes. The Developer's obligation to amend this report or to file annual reports ends when the initial sales of all units in the project have been completed.

Purchasers are encouraged to read this report carefully and to seek professional advice before signing a sales contract for the purchase of a unit in the project.

Signing a sales contract may legally bind a purchaser to purchase a unit in the project, though a purchaser may have rights to cancel or rescind a sales contract under particular circumstances that may arise.

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

SPECIAL ATTENTION

[Use this page for special or significant matters which should be brought to the purchaser's attention and that are not covered elsewhere in this report.]

Delivery of Units by the Developer as Loft Space; Buyer Responsible For Build Out. Each unit will be developed and conveyed by the Developer to a buyer as unstructured or "loft" space without any build-out of the interior of the unit or provisions for utility services except for those improvements to be provided by the Developer as stated in Sec. B.4 of the attached Exhibit A. Each buyer shall be responsible for building-out the interior of, and for providing for utility services to, that buyer's unit, including without limitation, for those unit improvements to be provided by buyer as stated in the attached Exhibit A. Each buyer is also responsible for obtaining all government permits, approvals and occupancy permits required for the building-out of that buyer's unit. The buyer must comply with the requirements stated in the Declaration regarding additions and alterations to a unit including those that are summarized in the attached Exhibit B.

TABLE OF CONTENTS

Page

Preparation of this Report 1

General Information On Condominiums 2

Operation of the Condominium Project 2

1. THE CONDOMINIUM PROJECT 3

1.1 The Underlying Land 3
1.2 Buildings and Other Improvements 3
1.3 Unit Types and Sizes of Units 3
1.4 Parking Stalls 4
1.5 Boundaries of the Units 4
1.6 Permitted Alterations to the Units 4
1.7 Common Interest 4
1.8 Recreational and Other Common Facilities 4
1.9 Common Elements 5
1.10 Limited Common Elements 5
1.11 Special Use Restrictions 5
1.12 Encumbrances Against Title 5
1.13 Uses Permitted by Zoning and Zoning Compliance Matters 6
1.14 Other Zoning Compliance Matters 6
1.15 Conversions 7
1.16 Project In Agricultural District 8
1.17 Project with Assisted Living Facility 8

2. PERSONS CONNECTED WITH THE PROJECT 9

2.1 Developer 9
2.2 Real Estate Broker 9
2.3 Escrow Depository 9
2.4 General Contractor 9
2.5 Condominium Managing Agent 9
2.6 Attorney for Developer 9

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS 10

3.1 Declaration of Condominium Property Regime 10
3.2 Bylaws of the Association of Unit Owners 10
3.3 Condominium Map 10
3.4 House Rules 11
3.5 Changes to the Condominium Documents 11
3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents 11

4. CONDOMINIUM MANAGEMENT 12

4.1 Management of the Common Elements 12
4.2 Estimate of the Initial Maintenance Fees 12
4.3 Utility Charges to be Included in the Maintenance Fee 12
4.4 Utilities to be Separately Billed to Unit Owner 12

5. SALES DOCUMENTS 13

5.1 Sales Documents Filed with the Real Estate Commission 13
5.2 Sales to Owner-Occupants 13
5.3 Blanket Liens 13
5.4 Construction Warranties 13

5.5 Status of Construction, Date of Completion or Estimated Date of Completion 14
5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance 14

5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance 14
5.6.2 Purchaser Deposits May Be Disbursed Before Closing..... 14

5.7 Rights Under the Sales Contract..... 16
5.8 Purchaser's Right to Cancel or Rescind a Sales Contract 16

5.8.1 Purchaser's 30-Day Right to Cancel a Sales Contract 16
5.8.2 Additional 30-Day Right to Cancel a Sales Conract if Completion Deadline Missed..... 17
5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change 17

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT 18

6.1 Period of Developer Control of the Unit Owners Association..... 18

EXHIBIT A: Description of Units, Their Boundaries, the Building in Which They Are Located, and Parking Stalls,
EXHIBIT B: Additions and Alterations to Units
EXHIBIT C: Description of Common Elements, Limited Common Elements and Common Interests,
EXHIBIT D: Special Use Restrictions
EXHIBIT E: Encumbrances Against Title
EXHIBIT F: Developer's Reserved Rights
EXHIBIT G: Estimate of Initial Maintenance Fees and Disbursements
EXHIBIT H: Summary of Sales Contract and Escrow Agreement

General Information On Condominiums

A condominium is a special form of ownership of real property. To create a condominium in Hawaii after July 1, 2006, the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, must be followed. 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 and/or the building(s) and other improvements are leased to the purchaser. The lease for the land usually requires that at the end of the lease term, the lessees (unit owners) deliver their interest in the land to the lessor (fee property owner).

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

You will be entitled to exclusive ownership and possession of your unit. Subject to the documents governing them, condominium units may be individuailly buoght, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift or operation of law.

Your unit will, however, be part of the group of units that comprise the condominium project. Study the project's Declaration of Condominium Property Regime, Bylaws of the Association of Unit Owners, Condominium Map and House Rules, if any, which are being concurrently delivered to you with this report. These documents contain important information on the use and occupancy of the units and the common elements of the project, as well as the rules and regulations of conduct for unit owners, tenants and guests.

Operation of the Condominium Project

The Association of Unit Owners is the entity through which unit owners may take action with regard to the administration, management and operation of the condominium project. Each unit 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 a unit owner. The Board and officers can take certain actions without the vote of the unit owners. For example, the Board may hire and fire employees, increase or decrease maintenance fees, adopt budgets for revenues, expenses and reserves and regulate the use, maintenance, repair and replacement of common elements. Some of these actions may signiificantly impact the unit owners.

Until there is a sufficient number of purchasers of units to elect a majority of the Board, it is likely at first 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 purchasers should understand that it is important to all unit owners that the transition of control from the Developer to the unit owners be accomplished in an orderly manner and in a spirit of cooperation.

1. THE CONDOMINIUM PROJECT

1.1 The Underlying land

Fee Simple or Leasehold Project	☑Fee Simple ☐ Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	☑Yes ☐No
Fee Owner's Name if Developer is not the Fee Owner	N/A
Fee Owner's Address	2795 Kalawao Street, Honolulu, HI 96822
Address of Project	411 Huku Li'I Place, Kihei, HI 96753
Address of Project is expected to change because	N/A
Tax Map Key (TMK)	(2) 3-9-045-019
Tax Map Key is expected to change because	N/A
Land Area	75,789 sqft.
Developer's right to acquire the Property if Developer is not the Fee Owner describe	N/A

1.2 Buildings and Other Improvements

Number of Buildings	1
Floors Per Building	3
Number of New Building(s)	1
Number of Converted Building(s)	0
Principal Construction Material (concrete, wood, hollow tile, steel, glass, etc.)	Concrete, masonry, wood, glass, steel, aluminum and related materials.

1.3 Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc.)	Area
101	1	0	1,256	0	0	1,256
102/103	2	0	1,320	0	0	1,320
104	1	0	1,173	0	0	1,173
105	1	0	3,539	0	0	3,539
201/301	2	0	1,180	0	0	1,180
202/203	2	0	1,187	0	0	1,187
204/304	2	0	1,173	0	0	1,173
302/303	2	0	1,888	0	0	1,888
See Exhibit A for details on the units, their boundaries, other improvements, parking						

13	Total Number of Units

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

1.4 Parking Stalls

Total Parking Stalls in the Project:	50
Number of Guest Stalls in the Project:	
Number of Parking Stalls Assigned to Each Unit:	See Exhibit A.
Attach Exhibit A specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact or tandem and indicate whether covered or open.)	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights.	

1.5 Boundaries of the Units

Boundaries of the Unit: See Exhibit A.

1.6 Permitted Alterations to the Units

Permitted alterations to the Unit (if the Unit is defined as a non-physical or spatial portion of the project, also describe what can be built within such portion of the project): See Exhibit B.

1.7 Common Interest

Common Interest: Each Unit will have a percentage interst in the common elements appurtenant to each Unit. This interest is called the "common interest". It is used to determine each Unit'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 unit owners. The common interest for each unit in this project, as described in Declaration, is:
Described in Exhibit C.
As follows:

1.8 Recreational and Other Common Facilities (Check if applicable):

☐	Swimming pool
☐	Laundry Area
☐	Storage Area
☐	Tennis Court
☐	Recreation Area
☐	Trash Chute/Enclosure(s)
☐	Exercise Room
☐	Security Gate
☐	Playground
☐	Other (describe): NONE

1.9 Common Elements

Common Elements: Common elements are those parts of the condominium project other than the individual units and any other real estate for the benefit of unit owners. Although the common elements are owned jointly by all unit owners, those portions of the common elements that are designated as limited common elements (see Section 1.10 below) may be used only by those units to which they are assigned. In addition to the common facilities described in Section 1.8 above, the common elements for this project, as described in the Declaration, are set forth below.
Described in Exhibit C.
Described as follows:

Common Element	Number
Elevators	1
Stairs	2
Trash Chutes	0

1.10 Limited Common Elements

Limited Common Elements: A limited common elements portion reserved for the exclusive use of one or more but fewer than all units in the project.
Described in Exhibit C.
Described as follows:

1.11 Special Use Restrictions

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include but are not limited to, those described below:	
☐	Pets:
☐	Number of Occupants:
☑	Other: See Exhibit D
☐	There are no special use restrictions.

1.12 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 a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit. See Section 5.3 on Blanket Liens.
Exhibit E describes the encumbrances against title contained in the title report described below.
Date of the title report: January 12, 2007
Company that issued the title report: Old Republic Title & Escrow of Hawaii

1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning				
	Type of Use	No. of Units	Use Permitted by Zoning	Zoning
☐	Residential		☐Yes ☐ No	
☑	Commercial	13	☑ Yes ☐ No	M-1
☐	Mix Residential/Commercial		☐Yes ☐ No	
☐	Hotel		☐Yes ☐ No	
☐	Timeshare		☐Yes ☐ No	
☐	Ohana		☐Yes ☐ No	
☐	Industrial		☐Yes ☐ No	
☐	Agricultural		☐ Yes ☐ No	
☐	Recreational		☐Yes ☐ No	
☐	Other (specify)		☐ Yes ☐ No	
Is/Are this/these use(s) specifically permitted by the project's Declarations or Bylaws?				
Variances to zoning code have been granted.			☐ Yes ☑ No	
Describe any variances that have been granted to zoning code.				

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots

In general, a non-conforming use, structure or lot is a use, structure or lot that was lawful at one time but that does not now conform to present zoning requirements. Under present zoning requirements, limitations may apply to extending, enlarging or continuing the non-conformity and to altering and repairing non-conforming structures. In some cases, a non-conforming sructure that is destroyed or damaged cannot be reconstructed.

If a variance has been granted or if uses, structures or lots are either non-confirming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above.

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

	Conforming	Non-Conforming	Illegal
Uses	☑	☐	☐
Structures	☑	☐	☐
Lot	☑	☐	☐

If a non-conforming use, structure or lot exists in this project, this is what will happen under existing laws or codes if the structure is damaged or destroyed: N/A

1.15 Conversions

Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.	☐ Applicable ☑ Not Applicable
Developer's statement, based upon a report prepared by a Hawaii-licensed archiect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units: N/A	
Developer's statement of the expected useful life of each item reported above. N/A	
List of any outstanding notices of uncured violations of any building code or other county regulations: N/A	
Estimated Cost of curing any violations described above: N/A	

Verified Statement from a County Official N/A
Regarding any converted structures in the project, attached as Exhibit ___ is a verified statement signed by an appropriate county official which states that either: (A) The structures are in compliance with all zoning and building ordinances and codes applicable to the project at the time it was built, and specifying, if applicable: (i) Any variances or other permits that hade been granted to achieve compliance; (ii) Whether the project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinnces or codes; and (iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the sturcture into compliance; Or (B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.
Other disclosures and information:

1.16 Project In Agricultural District

Is the project in an agricultural district as designated by the land use laws of the State of Hawaii? **If answer is "Yes", provide information below.**	☐ **Yes** ☑ **No**
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable state and county land use laws? ☐ Yes ☐ No If the answer is "No", provide explanation.	
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable county real property tax laws? ☐ Yes ☐ No If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.	
Other disclosures and information:	

1.17 Project with Assisted living Facility

Does the Project contain any assisted living facility units subject to Section 321-11(10), HRS? **If answer is "Yes", complete information below.**	☐ **Yes** ☑ **No**
Licensing requirements and the impact of the requirements on the costs, operations, management and governance of the project.	
The nature and the scope of services to be provided.	
Additional costs, directly attributable to the services, to be included in the association's common expenses.	
The duration of the provision of the services.	
Other possible impacts on the project resulting from the provision of the services.	
Other disclosures and information.	

2. PERSONS CONNECTED WITH THE PROJECT

2.1 Developer	Name: South Shore Plaza, LLC Address: 2795 Kalawao Street Honolulu, HI 96822 Business Phone Number: (808) 988-1142 E-mail Address: alohaplaza@aol.com
Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC)(attach separate sheet if necessary).	Edward D. Wayne, Trustee of the Edward D. Wayne Trust, Its Sole Member.
2.2 Real Estate Broker	Name: CardOneRealty Corp. Address: 296-A, Alamaha Street Kahului, HI 96732 Attn: Mario Cardone Business Phone Number: (808) 276-8132 E-mail Address: mario@clients1st.biz
2.3 Escrow Depository	Name: Old Republic Title and Escrow of Hawaii Address: 380 Huku Li'i Place Suite 206 Kihei, HI 96753 Business Phone Number: (808) 875-6950
2.4 General Contractor	Name: Alliance, LLC Address: 111 Hui Road F Lahaina, HI 96761 Business Phone Number: (808) 870-7682
2.5 Condominium Managing Agent	Name: Peake & Levoy, LLC Address: 246 Papa Pl, Suite 2 Kahului, HI 96732 Attn: Anthony Levoy Business Phone Number: (808) 877-7073
2.6 Attorney for Developer	Name: Bays Deaver Lung Rose & Baba Address: 1099 Alakea Street, 16th Floor Honolulu, HI 96813 Attn: Robert E. Warner, Esq. Business Phone Number: (808) 523-9000

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

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

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	December 18, 2006	2007-005279

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit 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 that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	December 18, 2006	2007-005280

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	
Bureau of Conveyances Map Number	4361
Dates of Recordation of Amendments to the Condominium Map:	

3.4 House Rules

The Board of Directors may adopt rules and regulations (commonly called "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 b the Developer. Changes to House Rules do not need to be recorded to be effective.

The House Rules for this project:	
Are Proposed	☐
Have Been Adopted and Date of Adoption	☑ 9/12/06
Developer does not plan to adopt House Rules	☐

3.5 Changes to the Condominium Documents

Changes to Condominium Documents: Changes to the Declaration, Bylaws and Condominium Map are effective only if they are duly adopted and recorded. Where permitted, the minimum percentages of the common interest that must vote for or give written consent to changes to the Declaration, Bylaws and Condominium Map are set forth below. The percentages for any individual condominium project may be more than the minimum set by law if the Declaration or Bylaws for the project so provide.

Document	Minimum Set by Law	This Condominium
Declaration	67%	67%
Bylaws	67%	67%

3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents

☐	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any)
☑	Developer has reserved the right to change the Declaration, Bylaws, Condominium Map and House Rules (if any) but not to add to or merge the project or to develop the project in one of more phases, and such righs are summarized as follows: See Exhibit F

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

Management of the Common Elements: The Association of Unit 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.
The Initial Condominium Managing Agent for this project is (check one):

☑	Not affiliated with the Developer
☐	None (self-managed by the Association)
☐	The Developer or an affiliate of the Developer
☐	Other (explain)

4.2 Estimate of the Initial Maintenance Fees

Estimate of the Initial Maintenance Fees: The Association will make assessments against your unit 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 unit and the unit 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 _G__ contains a breakdown of the estimated annual maintenance fees and the monthly estimated maintenance fee for each unit, certified to have been based on generally accepted accounting principles, with the Developer's statement as to when a unit owner shall become obligated to start paying the unit owner's share of the common expenses.

4.3 Utility Charges to be Included in the Maintenance Fee

If checked, the following utilities are included in the maintenance fee:	
☑	Electricity for the common elements
☐	Gas for the common elements
☑	Water – for normal use only, see note in Section 4.4
☑	Sewer – for normal use only, see note in Section 4.4
☐	TV cable
☐	Other (specify)

4.4 Utilities Charges to be Included in the Maintenance Fee

If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:	
☑	Electricity for the Unit only
☐	Gas for the Unit only
☑	Water – to the extent of any extraordinary use by any unit, See Exhibit G
☑	Sewer– to the extent of any extraordinary use by any unit, See Exhibit G
☐	TV cable
☐	Other (specify) Certain expenses with respect to the Limited Common Elements appurtenant to all Units except Unit 105 will be billed to those Units as disclosed in Exhibit G.

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

Sales Documents on file with the Commission include, but are not limited to, the following:	
☑	Specimen Sales Contract Exhibit H contains a summary of the pertinent provisions of the sales contract.
☑	Escrow Agreement dated: July 7, 2006 Name of Escrow Company: Old Republic Title & Escrow of Hawaii, Ltd Exhibit H contains a summary of the pertinent provisions of the escrow agreement.
☐	Other

5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sales to Owner-Occupants. N/A, no residential units

☐	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B. N/A
☐	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit _____.
☐	Developer has or will designate the units for sale to Owner-Occupants by publication.

5.3 Blanket Liens

Blanket Liens: A Blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the developer conveys the unit to a purchaser. The purchaser's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.

☑	There are no blanket liens affecting title to the individual units.
☐	There are blanket liens that may affect title to the individual units.

Type of Lien	Effect of Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
See Exhibit E	The mortgage lien is superior to the interests of the buyers to purchase a Unit. If the Developer defaults, the mortgage lender has several options. It may decide to continue the project and honor the buyers' sales contract, or it may foreclose and terminate buyers' interest. In case of termination, buyers' deposit and other funds held in escrow must be returned, less any escrow cancellation fee.

5.4 Construction Warranties

Construction Warranties: Warranties for individual units and the common elements, including the beginning and ending dates for each warranty (or the method of calculating them), are as set forth below:
Building and Other Improvements: Developer will assign all construction, manufacturer and vendor warranties for the building and other improvements given by or to the contractor to the extent that they are assignable. The nature and extent of such warranties are not yet known. Developer itself makes no warranties, express or implied, about the building, the units or other improvement. This includes, but is not limited to, no warranties of merchantability or fitness for a particular purpose or sufficiency of design or workmanlike construction or habitability.
Appliances: Not applicable—appliances are not included in the sale of a unit.

5.5 Status of Construction, Date of Completion or Estimated Date of Completion

Status of Construction: The building and all units are to be completed by the completion deadline stated below in this Section 5.5.
Completion Deadline: If a sales contract for a Unit is signed before the construction of the Unit has been completed, or, in the case of a conversion, completion of any repairs, does not occur by the completion deadline set forth below, one of the remedies available to a purchaser is a cancellation of the purchaser's sales contract. The sales contract may include a right of the Developer to extend the completion deadline for force majeure as defined in the sales contract. The sales contract may also provide additional remedies for the purchaser.
Completion Deadline for any Unit not yet constructed, as set forth in the sales contract: November 1, 2007, subject to extension for force majeure (sometimes called acts of God and nature), see Exhibit F for more information
Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract: N/A—there are no units being converted.

5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance

The Developer is required to deposit all moneys paid by purchasers in trust under a written escrow agreement with a Hawaii licensed escrow depository. Escrow shall not disburse purchaser deposits to the Developer or on behalf of the Developer prior to closing, except if a sales contract is canceled or if Developer has met certain requirements, which are described below.

5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance

☐	The Developer hereby declares by checking the box to the left that it shall use its own funds to complete the construction of the condominium project by the date indicated in Section 5.5 of this report, and the Developer, pursuant to its own analysis and calculations, certifies that it has sufficient funds to complete the construction of the condominium project. If the box to the left is checked, Section 5.6.2 and 5.7, which follow below, will not be applicable to the project.

5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

Hawaii law provides that, if certain statutory requirements are met, purchaser deposits in escrow under a binding sales contract may be used before closing to pay for certain project costs. For this project, the Developer indicates that purchaser deposits may be used for the following purposes (check applicable box):	
☑	For new construction: to pay for project construction costs described in the Developer's budget and approved by the Developer's lender or an otherwise qualified , financially disinterested person; or
☐	For conversions: to pay for repairs necessary to cure violations of county zoning and building ordinances and codes, for architectural, engineering, finance and legal fees, and for other incidental expenses.

In connection with the use of purchaser deposits (check Box A or Box B):

Box A ☐	The Developer has submitted all information and documents required by law and the Commission prior to the disbursement of purchaser deposits before closing. This means that the Developer may use such deposits before closing. If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. If Box A is checked, you should read and carefully consider the following notice, which is required by law: **Important Notice Regarding Your Deposits: Deposits that you make under your sales contract for the purchase of the unit may be disbursed before closing of your purchase to pay for project costs, construction costs, project architectural, engineering, finance, and legal fees, and other incidental expenses of the project. While the developer has submitted satisfactory evidence that the project should be completed, it is possible that the project may not be completed. If your deposits are disbursed to pay project costs and the project is not completed, there is a risk that your deposits will not be refunded to you. You should carefully consider this risk in deciding whether to proceed with your purchaser.**
Box B ☑	The Developer has **not** submitted all information and documents required by law and the Commission, and, thus, the Developer cannot use purchaser deposits. If the Developer later desires to use such deposits before closing, the Developer must at that time submit all required information and documents to the Commission. If this Box B is checked, after the Developer later submits all information and documents required by law and the Commission, the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the **Important Notice Regarding Your Deposits** set forth immediately above will apply to all purchasers and will be restated in the amendment to this report or an amended developer's public report. When an effective date for such an amendment or an amended developer's public report is issued, **you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment.** If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. You should understand that, although the **Important Notice Regarding Your Deposits** set forth above does not currently apply to you, it might apply to you in the future, and, therefore, you should read and carefully consider it now to ensure that you understand the risk involved in deciding whether to proceed with your purchase.

Material House Bond. If the Developer has submitted to the Commission a completion or performance bond issued by a material house instead of a surety as part of the information provided prior to the use of purchaser deposits prior to closing or conveyance of a unit, the Developer shall disclose the same below and disclose the impact of any restrictions on the Developer's use of purchaser deposits.

Not applicable at this time

5.7 Rights Under the Sales Contract

Before signing the sales contract, prospective purchasers should carefully review all documents relating to the project. These include but are not limited to the documents listed below. Items 2, 3 and 4 are made a part of this public report, as well as Item 5, if any, and are being delivered to you with this report.
1. **Developer's Public Report**
2. **Declaration of Condominium Property Regime (and any amendments)**
3. **Bylaws of the Association of Unit Owners (and any amendments)**
4. **Condominium Map (and any amendments)**
5. House Rules, if any
6. Escrow Agreement
7. Hawaii's Condominium Property Act (Chapter 514B, HRS, as amended) and Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), except that rules and regulations under Chapter 514B have not yet been adopted.
8. Other: N/A

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 Act (Chapter 514B, HRS) and the Administrative Rules (Chapter 107), are available online. Please refer to the following sites:
Website to access official copy of law: www.capitol.hawaii.gov
Website to access rules: www.hawaii.gov/dcca/har

5.8 Purchaser's Right to Cancel or Rescind a Sales Contract

A purchaser's right to cancel a sales contract or to rescind a sales contract may arise under varying circumstances. In the sections below some circumstances that will give rise to a purchaser's right to cancel or rescind are described, together with what a purchaser must do if the purchaser wishes to exercise any of the rights.

5.8.1 When a Sales Contract becomes Binding and Purchaser's 30-Day Right to Cancel a Sales Contract

A sales contract signed by a purchaser and the developer will not become binding on a purchaser or the Developer until the following events have taken place:

(1) The purchaser has signed the sales contract.

(2) The Developer has delivered to the purchaser a true copy of the developer's public report with an effective date issued by the Commission, together with all amendments to the report as of the date of delivery, and the project's recorded Declaration, Bylaws, House Rules (if any), the Condominium Map and any amendments to them to date (all of which are a part of the developer's public report). If it is impracticable to include a letter-sized Condominium Map, the Developer must provide written notice of an opportunity to examine the Condominum Map.

(3) The Developer has delivered to the purchaser a notice of the purchaser's 30-day cancellation right on a form prescribed by the Commission.

(4) The purchaser does at least one of the following:

(a) Waives the purchaser's right to cancel the sales contract within 30 days from receipt of the notice of the purchaser's 30-day cancellation right; or

(b) Allows the 30-day cancellation period to expire without exercising the right to cancel; or

(c) Closes the purchase of the unit before the 30-day cancellation period expires.

The purchaser or the Developer may cancel the sales contract at any time during the 30-day cancellation period, and the sales contract will be canceled and the purchaser's deposits returned to the purchaser, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.

5.8.2 Right to Cancel a Sales Contract if Completion Deadline Is Missed

In addition to the purchaser's 30-day cancellation right described in Section 5.8.1 above, when a sales contract is signed before completion of construction of a project, the purchaser will have the right to cancel if the unit is not completed by certain deadlines. In conversion projects, there must be a deadline for completion of any required repairs. Every sales contract shall contain an agreement of the Developer that the completion of construction shall occur on or before the completion deadline, and that completion deadline is set forth in this report in Section 5.5. The sales contract shall provide that the purchaser may cancel the sales contract at any time after the specified completion deadline, if completion of construction does not occur on or before the completion deadline, as the same may have been extended. Upon a cancellation, the purchaser's deposits shall be refunded, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.00.

5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change

If a "material change" in a project occurs after a purchaser has signed a sales contract that has become binding, the purchaser will have a 30-day right to rescind after notification and description of the material change. A material change is defined in the Condominium Property Act to be any change that "directly, substantially and adversely affects the use or value of (1) a purchaser's unit or appurtenant limited common elements; or (2) those amenities of the project available for the purchaser's use."

The purchaser will be informed of the material change by the developer on a form prescribed by the Commission containing a description of the material change.

After notice of the material change the purchaser may waive the right to rescind by:

(1) Checking the waiver box on the rescission form; or

(2) Letting the 30-day rescission period expire, without taking any action to rescind; or

(3) Closing the purchase of the unit before the 30-day rescission period expires.

The rescission form must be signed by all purchasers of the affected unit and mailed with a post mark no later than midnight of the 30th calendar day after the purchasers received the rescission form from the developer. Purchasers who validly exercise the right of rescission shall be entitled to a prompt and full refund of any moneys paid.

A rescission right shall not apply in the event of any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of a project, made pursuant to the terms of the project's Declaration.

These provisions shall not preclude a purchaser from exercising any rescission rights pursuant to a contract for the sale of a unit or any applicable common law remedies.

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

6.1 **Period of Developer Control of the Unit Owners Association.** The Declaration and Bylaws for the project vest management of the Condominium in an association of unit owners and in the board of directors of the association elected by the unit owners. Until the first meeting of the association, however, the Developer has the right and authority to control the association and may appoint and remove the association's officers and members of the board. The first meeting of the association shall be held not later than 180 days after recordation in the Bureau of Conveyances of the State of Hawaii of the first conveyance of a unit to a buyer; provided that 40% or more of the project has been then sold and recorded. If 40% is not sold and recorded at the end of one year after recordation of the first unit conveyance, the annual meeting shall be called if 10% of the unit owners so request.

The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Sections 1.16 of this report, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

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 purchasers 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. The Developer hereby agrees promptly to amend this report, to report any pertinent or material change or both in any information contained in this report, and to file annually a report to update the material contained in this report at least 30 days prior to the anniversary date of the effective date of this report.

South Shore Plaza, LLC
Printed Name of Developer

By: _____ 01/23/07
Duly Authorized Signatory* Date

Edward D. Wayne, Trustee of the Edward D. Wayne Trust, Its Sole Member
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Maui

Planning Department, County of Maui

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

EXHIBIT A
to
DEVELOPER'S PUBLIC REPORT ON SOUTH SHORE PLAZA CONDOMINIUM

DESCRIPTION OF UNITS, THEIR BOUNDARIES, THE BUILDING IN WHICH THEY ARE LOCATED AND OTHER IMPROVEMENTS, INCLUDING PARKING STALLS

The Building, the Units located in the Building and other Improvements for Phase I are as shown and depicted on the Condominium Map and as described below; *provided, however*, if the descriptions and divisions set forth in this Exhibit A conflict with the depictions and divisions shown on the Condominium Map, the Condominium Map shall control; *provided, further*, that the Condominium Map is intended only to show a site plan, the layout, location, Unit numbers and dimensions of the Units and elevations of the Buildings and is not intended and shall be not deemed to contain or make any other representation or warranty.

A. DESCRIPTION OF BUILDING AND OTHER IMPROVEMENTS.

The Condominium will have one (1) three story commercial building without a basement which is constructed of steel, concrete, glass, drywall and allied building materials and contains all the Units. Other improvements include: planters and planting areas; a trash enclosure; utilities equipment and enclosures; one (1) loading area driveway leading into Unit No. 105; and a driveway, parking areas and stalls as shown on the Condominium Map.

B. DESCRIPTION OF UNITS.

1. Number, Location, Access to Grounds. The Condominium will have thirteen (13) non-residential Units as follows: Units 101 thru 105, inclusive, on the first or ground floor: Units 201 thru 204, inclusive, on the second floor; and Units 301 thru 304, inclusive, on the third floor. The Units are located on each floor as shown on the Condominium Map. Each first floor Unit has direct access to the grounds. Each second and third floor Unit has access to the grounds via a corridor on that floor, two stairways and an elevator.

2. Unit Boundaries. Each Unit is bounded:

(a) *horizontally* by the unfinished or undecorated interior surfaces of their floors and in the case of Units 101 thru 104 and 201 thru 204 the unfinished or undecorated interior surfaces of their ceilings, and in the case of Units 301 thru 304 the unfinished or undecorated interior surface of the building roof, and in the case of Unit 105 by the unfinished or undecorated interior surface of the ground floor slab and the unfinished or undecorated surface of the building roof; and

(b) *vertically* by the centerline of all perimeter walls between Units or between a Unit and a Common Element (**"party walls"**), the exterior of all perimeter walls that are not party walls, and the exterior of all windows and doors along the perimeter, and in the case of each of Units 101 through 104, inclusive, the exterior of the storefronts along the perimeter and in the case of Unit 105, the exterior of the roll-up door.

3. Space and Improvements Included In and Excluded From Each Unit. Each Unit consists of all space and all improvements within such boundary, provided, however, that each Unit specifically includes and excludes the following improvements:

(a) *Improvements that are part of each Unit* include: **(a)** the finished or decorated interior surfaces of such perimeter walls, floors, ceilings (or roof), and all load bearing walls, columns and other structural members, if any, within the boundaries of that Unit; and **(b)** all windows and doors along the perimeter of

that Unit, including in the case of each of Units 101 through 104, inclusive, said storefronts; and **(2)** including in the case of Unit 105, said roll-up door.

(b) *Improvements that are not part of each Unit*, being instead Common Elements, include: **(a)** the fire sprinkler system including that portion that runs through that Unit; and all other pipes, wires, conduits, or other utility or service lines, if any, that run through that Unit but which are utilized for or serve more than that one Unit; and **(b)** all load bearing walls, columns and other structural members within the boundaries of that Unit and the perimeter and party walls and the floors and ceilings themselves for the Unit, except for their finished or decorated interior surfaces which are part of that Unit.

4. Construction of Unit Improvements:

(a) Delivery of Units by the Developer as Loft Space; Purchaser Responsible For Build Out. Each Unit will be developed and conveyed by the Developer to a Purchaser as unstructured or "loft" space without any build out of the interior of the Unit or provisions for utilities and other services except for those improvements to be provided by the Developer as stated in Section 3(b) below. Each such Purchaser shall be responsible for building out the interior of and for providing for utility services to, that Purchaser's Unit, including without limitation, for those improvements to be provided by such Purchaser as stated in Section 3(c) below. Each such Purchaser shall also be responsible for obtaining all required governmental permits, approvals and occupancy certificates for the build out that Purchaser's Unit. In building out a Unit, each Purchaser must comply with the provisions of the Declaration regarding additions and alterations to a Unit including the requirements summarized in Exhibit B.

(b) Improvements To Be Provided By The Developer. The Developer shall provide the following improvements to or for each Unit:

1. **Interiors of perimeter walls** shall be dry walled, taped and ready for painting.

2. **Perimeter storefronts and windows** shall, for first floor Units, be double glass door entry storefronts, and for second and third floor Units, windows.

3. **Perimeter doors** shall be provided with closers and lock sets for each Unit and additionally for Unit 105 will include the roll-up door itself.

4. **Floors** shall be concrete, ready for Buyer's finishes.

5. **Ceilings** will be open.

6. **Electrical facilities** will be a 100 amp/3 phase/30 circuit panel, wired to the electrical room (which is a Common Element) and standard electrical outlets on the interior of the perimeter walls, with the panel and outlets being located in accordance with drawings prepared by the Developer's consultant.

7. **Telephone facilities** will be cable conduit to blank outlets on the interior of the perimeter walls located in accordance with drawings prepared by Developer's consultant.

8. **CATV facilities** will be stubbed to the Unit in accordance with drawings prepared by the Developer's consultant.

9. **Air conditioning facilities** will be an individual air-conditioning unit installed for and wired to each Unit.

10. **Fire sprinkler lines**, without drops and heads, will be provided.

11. **Plumbing facilities** will be mechanical rough in/venting provided at gridlines 3B & 3D on the drawings prepared by Developer's consultants.

(c) Unit Improvements To Be Provided By Purchaser. All other interior Unit Improvements must be provided for and constructed by a purchaser, including but not limited to all demising walls, all finishes and decorations to walls, floors and ceilings (including any suspended ceilings), all utility hook ups and interior wiring, air-condition duct distribution and balancing, fire sprinkler drops and heads, restrooms and all plumbing fixtures, and all other improvements, equipment, appliances, fixtures and furniture.

5. Description of Parking Stalls. There are a total of fifty (50) regular and open parking stalls that are part of the Condominium. Each Unit will have one or more parking stalls assigned to it as a Limited Common Element in the original deed of that Unit by the Developer to the Purchaser other than the Developer, and the Association by its Board, upon receipt of an application therefor from the Unit Owner, in its discretion may designate additional reserved stalls for any Unit for such price and on such other terms and conditions as it may establish; provided that at all times there shall be at least one (1) parking stall assigned to each unit and at least twelve (12) visitor parking stalls. Each Purchaser's sales contract shall state the number of the parking stall(s) to be assigned to that Purchaser's unit. Parking stall selection shall be on a first-come, first served basis. There shall be no extra charge for the first stall. The Developer may charge for additional stalls in such amount as may be agreed upon between the Developer and the Purchaser in the Purchaser's sales contract.

END OF EXHIBIT A

EXHIBIT B
to
DEVELOPER'S PUBLIC REPORT ON THE SOUTH SHORE CONDOMINIUM

ADDITIONS AND ALTERATIONS TO UNITS

1. **Additions and Alterations Within Or With Respect to Units and Their Limited Common Elements, Generally.** With the consent of all mortgagees of record of any interest in an Owner's Unit *but without* the consent or joinder of the Board, the Association, any other Unit Owner, Developer or any other person except as otherwise stated below, and *subject to* the other requirements stated below, each Unit Owner shall be free, at such Owner's sole cost and expense and from time to time and at any time, to make additions and alterations within such Unit Owner's Unit or within that Unit's Limited Common that are not **"material"** (as such term is defined in below), as reasonably determined by the Board.

2. **Minor, Non-Material Additions Or Alterations to the Common Elements.** With the prior written consent of the Board and subject to such terms and conditions as the Board may reasonable impose, a Unit Owner may also, at such Owner's sole cost and expense and from time to time and at any time, make minor and not **"material"** (as such term is defined below) additions to or alterations of the Common Elements for the benefit of that Owner's Unit if such additions or alterations can be accomplished without substantial impact on the interest of other Owners in the Common Elements, as reasonably determined by the Board.

3. **Connection Between Two or More Units.** Subject to the other requirements stated in below, the Owner of any two or more adjacent Units separated by a Common Element which is a wall may, with the consent of all mortgagees of record of any interest in such Owner's Units, alter or remove all or any portion of the intervening wall (and, if the Owner so desires, install a door within the opening created by such removal), if: **(a)** the structural integrity of the Common Elements or any other Unit in the Condominium will not thereby be adversely affected; and **(b)** if the finish of the Common Element then remaining is placed in a condition substantially comparable to that of the Common Element prior to such alterations. "**Adjacent Units"** does not include Units which are located above and beneath one another on different floors. If any intervening wall between adjacent Units shall are altered or removed, then prior to the termination of the common ownership of such adjacent Units, the Owner of such Units shall restore the intervening wall to substantially the same condition in which it existed prior to the alteration or removal unless the purchaser of such Units shall agree in writing to forego such restoration. Such connection shall not affect the Common Interest or the percentage share of Limited Common Expenses allocable to any Unit.

4. **Notice and Submittals to the Board Commencing Any Work.** Prior to commencing any and each and every addition or alteration, the Unit Owner shall first give written notice thereof to the Board and provide to the Board:

(a) copies of the plans and specifications therefore prepared by and bearing the stamp of a licensed Hawaii architect or engineer, unless the Board in writing waives the requirement for such copies predicated upon the nature of the proposed improvements;

(b) a certification in form reasonably satisfactory to the Board signed by an architect or engineer duly registered in the Sate of Hawaii, that such addition or alteration will not adversely affect the structural integrity of the Common Elements or any other Unit in the Condominium, unless the Board in writing waives the requirement for such certification predicated upon the nature of the proposed improvements (and the Board may, at the cost of the Unit Owner, engage a structural engineer to advise the Board on this matter);

(c) evidence reasonably satisfactory to the Board that all governmental permits and approvals required for such addition or alteration have been duly obtained,

(d) evidence reasonably satisfactory to the Board that all work will be performed by a Hawaii licensed and insured contractor; and

(e) if the cost of such addition or alteration or removal, as reasonably determined by the Board, shall exceed the sum of $25,000.00, the Board may require that the Owner provide evidence satisfactory to the Board of sufficient financing to complete such addition or alteration; or or in lieu thereof, require that the Owner obtain a performance and lien payment bond, naming as obligees the Board and the Association and collectively all Unit Owners and their respective mortgagees of record, as their interests may appear, for a penal sum of not less than one hundred percent (100%) of the estimated cost of such alteration or removal.

5. Special Requirements for Water and Sewer Services. Prior to connecting or making any change to the connections to lines provided by the Developer for water and sewer services to a Unit, or installing any fixtures therefor in that Unit, the Owner of that Unit shall provide to the Board the plans and specification for such services to that Unit, and shall obtain the express prior written approval therefor from the Board. The Board may grant or withheld such approval in its reasonable discretion, taking into account the amount of the water that is available to the Condominium and the anticipated needs for all other Units. If at that or at any later time, the Board shall determine, in its reasonable discretion, that any Unit is using an extraordinary amount of water and/or sewer capacity, the Board shall have the right to require the Owner of that Unit to install, at such Owner's sole cost and expense, a check meter of a type and in a location as specified by the Board, and such Unit Owner shall be assessed and be responsible for the payment of the cost of such water and/or sewer use as shall be determined to be extraordinary. [Note: The Board shall be the Developer or person(s) appointed by the Developer during the Developer period of control of the Association, which terminates as of the first meeting of the Association held pursuant to the Condominium Bylaws.]

6. Material and Other Alterations Prohibited Without the Consent of the Board. The Board shall always have the right o disapprove and prohibit a proposed addition or alteration by a Unit Owner that the Board reasonably determines could be **"material"** as that term is defined below. Additionally, without the express prior written consent of the Board and the compliance by the Unit Owner with other applicable requirements stated in this *Exhibit B*, a Unit Owner shall not make:

(a) any change to the Common Elements; and

(b) any structural additions to or structural alterations in that Owner's Unit or to the Unit's Limited Common Elements;

(c) any interior improvements or alterations in or additions to the Unit visible from the exterior of the Unit or the exterior of any of the Unit's Limited Common Elements; and

(d) any alterations or additions to the exterior of the Unit or to any exterior portion or portions of the Unit's Limited Common Elements.

7. Certain Work Prohibited Without the Consent of Units Owners. Without first obtaining the prior written consent of **(i)** sixty-seven percent (67%) of the Unit Owners, **(ii)** all Unit Owners whose Units or appurtenant Limited Common Elements are directly affected, and the **(iii)** the Board, which may not unreasonably withheld its consent, a Unit Owner shall not make any addition or alternation that are not within that Owner's Unit or within a Limited Common Element Common appurtenant solely to that Owner's Unit that:

(a) is **"material"** (as such term is defined below); or

(b) adds any material structure or excavates any basement or cellar.

8. Structural Alternations and Changes. No alterations or changes of any nature under any circumstances shall be made to the structural elements of the building, including, without limitation, roofs, floors, supporting walls, foundations, columns, girders, floor slabs, supports, perimeter, party or load bearing walls and partitions without first obtaining the certification from a licensed structural engineer reasonably acceptable to the Board that the plans for such alterations or changes will not in any way diminish the present structural integrity of the building and the elements therein.

Material Additions and Alterations Defined. A **"material"** addition or alternation means any addition or alteration which jeopardizes the soundness of safety of the Condominium, reduces its value, impairs any easement, detracts from the appearance of the Condominium, interferes with or deprive any non-consenting Unit Owner of the use or enjoyment of any part of the Condominium or directly affects any non-consenting Unit Owner.

END OF EXHIBIT B

EXHIBIT C
to
DEVELOPER'S PUBLIC REPORT FOR
SOUTH SHORE PLAZA CONDOMINIUM

A. COMMON INTERESTS FOR ALL UNITS; PERCENTAGE SHARE OF LIMITED COMMON EXPENSES FOR ALL UNITS EXCEPT UNIT 105.

The undivided percentage interest in all the Common Elements (the **"Common Interest"**) appurtenant to each Unit, as stated below, is based on percentage that the net floor area of that Unit, as stated below, bears to the total net floor areas of all Units, rounded up or down to the nearest hundredth of one percent (0.01%) if and as necessary to achieve a total of one hundred percent (100%) for all Units. Each Unit shall bear a share of the **"Common Expenses"** of the Condominium based on its Common Interest.

Said net floor areas are approximations based on the floor plan of each Unit that is part of the Condominium Map. They are not exact or based on actual measurements of the Units themselves, and are net areas, meaning that they are calculated from the interior surface of all perimeter walls and other perimeter improvements, and not from the vertical boundaries established for each Unit.

Certain of the Limited Common Elements are appurtenant to all of the Units except for Unit 105, as stated in Section C below. Expenses related to such Limited Common Elements are called **"Limited Common Element Expenses"** and are not included in Common Expenses. Each of the Units except Unit 105 shall bear a share, as stated below, of Limited Common Expenses based on the percentage that the net floor area of that Unit bears to the total net floor areas of all such Units except Unit 105, rounded up or down to the nearest hundredth of one percent (0.01%) if and as necessary to achieve a total of one hundred percent (100%) for all such Units except Unit 105.

UNIT NO.	NET FLOOR AREA	COMMON INTEREST	% SHARE OF LIMITED COMMON EXPENSES
101	1,256 sq ft	6.95%	8.65%
102	1,320 sq ft	7.31%	9.09%
103	1,320 sq ft	7.31%	9.09%
104	1,173 sq ft	6.49%	8.08%
201	1,180 sq ft	6.53%	8.12%
202	1,187 sq ft	6.575%	8.17%
203	1,187 sq ft	6.575%	8.17%
204	1,173 sq ft	6.49%	8.08%
301	1,180 sq ft	6.53%	8.12%
302	1,188 sq ft	6.58%	8.175%
303	1,188 sq ft	6.58%	8.175%
304	1,173 sq ft	6.49%	8.08%
	14,525 sq ft		100.00%
105	3,539 sq ft	19.59%	
	18,064 sq ft	100.00%	

B. DESCRIPTION OF COMMON AND LIMITED COMMON ELEMENTS

1. The **"Common Elements"** of the Condominium include the Limited Common Elements described below and consist of the following:

(a) The underlying Land in fee simple;

(b) All grounds, and all walkways, driveways, parking areas including parking stalls, planters and planting areas located on the grounds;

(c) All foundations, floor slabs, ceilings and the building roof, and all columns, girders, beams, supports of the building, and all perimeter and party walls (excluding, however, for all of the above interior finishes or decorations, if any, that are located within the boundaries of a Unit); and the trash enclosure room, the stairwells and stairways, the elevator shaft, elevator machine room and elevator, and the lobbies on all of the floors and the corridors on the second and third floor of the building;

(d) All vents, shafts, sewer lines, water lines, pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations on, above, over, under and across the Condominium and serving two or more Units to the point of their respective connections to a part of each Unit, including, without limitation, those providing electricity, light, water, air conditioning, sewer, refuse, drainage, irrigation, telephone, and any other utility and service, if any, to more than one Unit; and

(e) Any and all other apparatus and installations existing for common use by more than one Unit, and any and all other parts of the Condominium necessary or convenient to its existence, maintenance or safety, or normally in common use.

2. The **"Limited Common Elements"** include:

(a) The one or more parking stalls assigned in the original Deed of a Unit from the Developer to the first Owner of that Unit other than the Developer, which shall be Limited Common Element(s) to each such Unit; *provided* that the Developer may but is not required to execute and record in the Bureau a supplement to the Declaration to list the parking stall(s) that have thus been made Limited Common Element(s) to each Unit; *provided further* that these stalls may be transferred between Units by an instrument executed by the Owners of the applicable Units and recorded in the Bureau as long as there is one (1) parking stall appurtenant to each Unit.

(b) The driveway leading to the roll up door to Unit 105, which shall be a Limited Common Element to that Unit.

(c) Any chute, flue, wire, or any other fixture that lies outside the designated boundaries of a Unit and serves only that Unit, which shall be a Limited Common Element to each such Unit.

(d) The stairwells and stairways, the elevator shaft, elevator machine room and elevator, and the lobbies on all of the floors and the corridors on the second and third floor of the building, which shall be Limited Common Elements for all of the Units except Unit 105. [Note: The Limited Common Expenses for these Limited Common Elements shall be shared by all such Units, except Unit 105, as provided in Section A above.

END OF EXHIBIT C

EXHIBIT D
to
DEVELOPER'S PUBLIC REPORT ON THE SOUTH SHORE CONDOMINIUM

SPECIAL USE RESTRICTIONS

1. **Residential Use Prohibited.** No Unit shall be occupied and used for residential purposes.

2. **Other Prohibited Uses and Activities.** No Unit Owner shall do or suffer or permit to be done anything on any Unit or elsewhere on the Condominium which will: **(a)** injure the reputation of the Condominium; **(b)** jeopardize the safety or soundness of the Condominium; **(c)** create a nuisance or interfere with or unreasonably disturb the rights of other Owners and occupants; **(d)** reduce the value of the Condominium; **(e)** result in the cancellation of insurance applicable to the Condominium or adversely affect the right of recovery thereunder or result in reputable companies refusing to provide insurance as required or permitted by the Condominium Bylaws, or **(f)** increase the rate of insurance applicable to the Units or the contents thereof, or to the Condominium. Without limiting the generality of the foregoing, no Unit may be used or occupied as a tattoo or massage parlor or for the sale of so-called adult movies or adult paraphernalia or pornographic materials or entertainment; restaurant, bar, nightclub or tavern; amusement center, arcade, pool hall, or other place of recreation; automobile repair, service, safety check or body shop; mortuary or crematorium; sanitarium; commercial recycling; or any use which requires more parking than one parking stall for every 500 square feet of floor area (or equivalent in parking stalls per seats, etc.) in accordance with the off-street parking requirements in County of Maui's ordinances, unless approved by the Board.

3. **Permitted Uses; Limitations.** Each Unit may be occupied and used for any purpose other than residential use that is in compliance with all applicable zoning and land use laws, codes and regulations, subject to the limitations and restrictions on use and occupancy stated in this *Exhibit D* or in the Condominium Declaration and other Condominium Documents.

4. **Right to Lease; Limitations.** Unit Owners shall have the right to rent or lease their Units in whole or in part in accordance with the terms of this Condominium Declaration, the Bylaws and the House Rules adopted from time to time by the Association or its Board. Any rental or lease agreement for all or part of a Unit shall provide that the agreement shall be subject in all respects to the provisions of the Condominium Property Act, the Condominium Declaration, the Unit Owner's Deed, the Condominium Bylaws and the House Rules promulgated thereunder, and that the failure of either the lessor or the lessee to comply with the terms of such documents shall be a default under the lease. All leases shall be in writing and a copy of each lease agreement shall be filed with the Association.

5. **Regulation of Exterior Appearance.** No Owner of any Unit shall place or permit any sign, awning or canopy, or advertising matter or decoration or lettering on the exterior of the building or which shall be visible from outside of the building without the consent of the Board. The Board shall establish in the House Rules reasonable and uniform regulations governing the exterior appearance of the Units as shall be aesthetically suitable and appropriate to the design and function of the Condominium.

END OF EXHIBIT D

EXHIBIT E
To
DEVELOPER'S PUBLIC REPORT ON SOUTH SHORE PLAZA CONDOMINIUM

Encumbrances Against Title

Part A. Permitted Encumbrances

The following now encumber title to the land, will remain as encumbrances on the title to a Unit conveyed to the Buyer, and together with such other encumbrances as may be placed on the title that do not materially and adversely affect the use or value of a Unit, are sometimes called the **"Permitted Encumbrances."**

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

2. Agreement for Central Maui Acres Section 14.12.080, by and between Tony Haruyoshi Hashimoto and Hilda Hashimoto and the County of Maui dated May 5, 1987 and recorded on May 28, 1987 in the Bureau of Conveyances of the State of Hawaii in Book 20719 Page 69.

3. Agreement for Subdivision (three lots or less) by and between Tony Haruyoshi Hashimoto and Hilda Hashimoto, et al., and the County of Maui, dated July 13, 1987 and recorded on July 16, 1987 in said Bureau in Book 20904 Page 160.

4. Agreement for Subdivision Agreement (large lots) by and between Tony Haruyoshi Hashimoto and Hilda Hashimoto, et al., and the County of Maui dated July 13, 1987 and recorded on July 16, 1987 in said Bureau in Book 20904 Page 171.

5. Agreement for Central Maui Areas Section VI(c) by and between KCOM Corporation and the County of Maui Department of Water Supply, dated July 6, 1989 and recorded on July 28, 1989 in said Bureau in Book 23463 Page 94. Said Agreement was amended by Document No. 90-057153, dated March 27, 1990 and recorded on April 23, 1990, and Document No. 90-164419, dated October 16, 1990 and recorded on October 22, 1990, in said Bureau.

6. Notice regarding the Kihei Wastewater Treatment Capacity dated November 17, 1989, recorded in said Bureau on December 22, 1989 in Book 24040, Page 479.

7. Designation of Easement "3" for access and utility purposes shown on Subdivision Map by Bruce R. Lee, Land Surveyor, dated February 5, 2001, revised on August 2, 2002 and on September 27, 2002 and as set forth in Warranty Deed, dated October 19, 2002, recorded October 22, 2004, in said Bureau as Document No. 2004-215433.

8. Easement "3" dated September 6, 2001 and recorded on September 6, 2001 in said Bureau as Document No. 2001-140241.

9. Easement for perpetual right and easement for utility purposes over, across, through and under said Easement "3," dated February 6, 1998 and recorded on September 17, 1998 in said Bureau as Document No. 98-139018.

10. Easements affecting Lots 2 and 1-A for the perpetual right and easement for utility purposes over, across, through and under said Easement "3" and incidental purposes, as provided in the Grants dated April 20, 1999 and recorded in said Bureau as Document Nos. 99-075905 and 99-075906, of the Kihei Commercial Center Subdivision.

11. Easement for perpetual easement to install, maintain, operate, repair, remove and replace any and all sewer culverts, etc., in, over and across said parcel, besides other land, said easement being 15

feet wide for sewer line purposes and containing an area of 14,085 square feet, dated June 29, 1990 and recorded on July 31, 1990 in said Bureau as Document No. 90-116040.

12. Easement in favor of Maui Electric Company dated November 16, 2006 and recorded on January 18, 2007 in said Bureau as Document No. 2007-010283.

13. Grant of Drainage Easement by KCOM Corp. and Valentine Peroff, Jr., and Edward D. Wayne, Grantors, and KCCC, LLC, Grantee, dated November 16, 2006 and recorded on November 17, 2006, 2006 in said Bureau as Document No. 2006-211505.

14. Declaration of Restrictive Covenants dated July 2, 2001 and recorded on July 11, 2001 in said Bureau as Document No. 2001-106728, as the same may be lawfully amended from time to time. Said Declaration was amended by an instrument recorded on October 10, 2002 in said Bureau as Document No. 2002-180645, and an instrument dated February 25, 2004 and recorded on April 22, 2004 in said Bureau as Document No. 2004-080651.

15. License Agreement dated December 21, 2001 and recorded on December 21, 2001 as Document No. 2001-201771 affecting lots 1-B-4 and 1-B-5.

16. The documents establishing and governing the Condominiums, including the Declaration of Covenants, Conditions and Restrictions for South Shore Plaza dated December 18, 2006, and recorded in said Bureau on January 10, 2007, as Document No. 2007-005279; the Bylaws of the Association of Unit Owners of South Shore Plaza dated December 18, 2006, and recorded in said Bureau on January 10, 2007, as Document No. 2007-005280; Condominium File Plan No. 4361, recorded in said Bureau on January 10, 2007; and, the unrecorded House Rules for South Shore Plaza, as each of the same may be lawfully amended from time to time (the "**Condominium Documents**").

17. Real property taxes as may be due and owing. Check with County of Maui Tax Assessor.

B. Blanket Liens

A Blanket Lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. The title is presently not encumbered by any Blanket Liens. The title may be encumbered by Blanket Liens placed against the Project or the Property during the course of construction. However, all Blanket Liens (except for improvement district or utility assessments) must be released as to a unit before the Developer conveys the unit to a purchaser, see Section 5.3 above.

END OF EXHIBIT E

EXHIBIT F

DEVELOPER'S PUBLIC REPORT ON THE SOUTH SHORE PLAZA CONDOMINIUM

DEVELOPER'S RESERVED RIGHTS AND EASEMENTS

1. Developer's Reserved Rights and Easements to Change the Project or a Unit Prior to Recording a First Deed. The Developer has the Reserved Right to change:

(a) the Condominium in any way and for any purpose prior to the date that the Developer first records a first deed to a purchaser of any Unit in the Condominium; and

(b) the layout, configuration and other particulars of any Unit prior to the date that the Developer first records a first deed to a purchaser of that Unit.

2. Developer's Reserved Rights To Modify Easements and Grant Additional Easements. The Developer has the Reserved Rights to:

(a) Easements Through Common Elements. Designate, grant, convey, transfer, cancel, relocate and otherwise deal with any exclusive or nonexclusive easements over, under, across or through the Common Elements as necessary or convenient for any reasonable purpose, which may include, but not be limited to, the following:

(1) operating, maintaining, or repairing any Unit, the Common Elements, or any Limited Common Element; or

(2) for electrical, gas , telephone, cable television, communications, water, sewer, drainage and drainlines, waterlines, and flowage purposes and other utility purposes.

(b) Easements Through Adjacent Lands. Transfer, cancel, relocate and otherwise deal with any easement or license affecting any adjacent land in favor of the Property or the Condominium for any reasonable purpose which may include the reason that any owner of property that is subject to an easement in favor of the Land or the Project requires a change in the location of that easement.

(c) Acceptance of Easements. Accept any easements or licenses over, under, across or through any part of the Land.

3. Developer's Reserved Rights and Easements for Sales Activities. The Developer and its Representatives, licensees and invitees have the exclusive right and an exclusive easement to conduct, within the Common Elements and from any Unit (including, but not limited to, its Limited Common Elements) owned and/or leased by the Developer, extensive promotion of the Condominium and extensive sales activities in connection with the initial sale as well as resale of any Unit in the Condominium. Said Reserved Right shall include, but shall not be limited to:

(a) Project Access. The right to permit purchasers and prospective purchasers and their family members and guests, to come onto the Condominium through the Common Elements intended for access to and from any nearby roads, streets or highways;

(b) Parking for Purchasers. The right to permit purchasers and prospective purchasers to park motor vehicles in any unassigned parking stalls;

(c) Unit Showings. The right to show the Condominium (including, but not limited to, model Units) to purchasers and prospective purchasers (who will have a right of ingress and egress for these

purposes);

(d) **Unit Use**. The right to use Units (including, but not limited to, their Limited Common Elements), owned or leased by the Developer as model Units and/or sales, management or administrative offices and to permit guests to stay in any such Unit for any length of time; and

(e) **Sales Signs**. The right to use banners, signs or other extensive sales displays and activities at the Condominium.

4. Developer's Reserved Rights and Easements to Complete Improvements and Correct Defects. The Developer and its Representatives, licensees, invitees (including, without limitation, any governmental officials invited by the Developer), successors and assigns, shall have the right and an easement over, under and upon the Property and the Condominium, including, without limitation, the Common Elements, Limited Common Elements, and all Units, as may be reasonably necessary or convenient to complete any Improvements and correct any defects and other punch list items in the Common Elements, Limited Common Elements, or any Unit. The Reserved Right provided for in this Section 4 shall expire sixty (60) months after the later to occur of: **(a)** the date of Recordation of the first deed to a purchaser of a Unit in the Condominium; and **(b)** the "date of completion" (as such term is used in Chapter 507, Part II, Hawaii Revised Statutes) of the Improvement to be completed or corrected in the Condominium.

5. Developer's Reserved Rights and Easement for Noise, Dust, Etc. Each of the Developer and its Representatives, licensees, and invitees, have the right and an easement over, under and upon the Property and the Condominium and each and all of its parts, to create and cause noise, dust, soot, smoke, odors, surface water runoff, vibrations, and other nuisances or hazards in connection with the construction of the Condominium or exercise of any and all of the Developer's Reserved Rights and Easements.

5. Developer's Reserved Right to Change the Condominium to Comply With Law. The Developer has the Reserved Rights to change the Units, the Common Elements, the Limited Common Elements, and/or to amend the Condominium Documents as required to comply with any laws that apply to the Condominium, the Association, or the Developer, including, without limitation, the requirements of any government agency (such as the Hawaii Real Estate Commission) in connection with the registration of the Project, or to permit the sale of Units, or the Americans With Disabilities Act 42 U.S.C. §12101 *et seq.*, (the **"ADA"**), and any rules and regulations adopted with respect to either of them. By way of example and not limitation, the Developer may utilize such right to do any of the following: **(a)** to re-stripe or reconfigure parking stalls to comply with the ADA; **(b)** to change the slope of a ramp for wheelchairs to comply with the ADA; and **(c)** to comply with any other requirements of ADA. .

6. Developer's Reserved Rights to Amend The Condominium And Other Documents. The Developer has the Reserved Rights to amend this Declaration, the By-Laws and, when applicable, the Condominium Map,

(a) By filing an "as built" verified statement (with plans, if applicable) as required by *HRS Section 514B-34(a)* so long as: **(1)** such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed or being filed simultaneously with such amendment fully and accurately depict the layout, location, Unit numbers and dimensions of the Units as built, or **(2)** any plans filed therewith involve only changes to the layout, location, Unit numbers, dimensions of or other changes to the Units and Common Elements as built which the Developer is permitted to make pursuant to its Reserved Rights.

(b) To satisfy requests for changes made by any institutional Lender loaning money to the Developer or by any title company licensed to do business n the State of Hawaii.

(c) To correct any misstatements of fact or similar errors in the Condominium Documents.

7. Transfer of Developer's Rights. The Developer has the right to transfer and assign from time to time any one or more of its Reserved Rights as follows:

(a) If the Developer assigns Developer's Reserved Rights or any of its other rights as the Developer under the Condominium Documents, the assignee thereof will become the "Developer" to the extent of the rights assigned, and such assignee may further assign such rights. Upon such assignment, such assignee shall have and may exercise all rights transferred to it, and the Developer or other assignor thereof shall be released of any and all liability arising after such assignment takes effect with respect to the rights and duties it has assigned. Each Unit Owner and other Interested Person, by acquiring a Unit or other interest in the Project, shall be conclusively deemed to have consented to the Developer's right of assignment provided for in this *Section 7*, and agrees to recognize any assignee of the original Developer as the "Developer" under the Condominium Documents to the extent of the rights assigned.

(b) The Developer may also assign any or all of the Developer's Reserved Rights as collateral for a loan. Any lender to whom any such rights are collaterally assigned will not have the rights of the "Developer" unless:

(1) such lender forecloses such loan,

(2) a document evidencing a transfer of such Reserved Rights pursuant to foreclosure has been Recorded, or

(3) the Developer transfers such Rights in lieu of foreclosure, and Records a document effectuating such assignment.

(c) No deed, lease, mortgage, or other conveyance of all or any part of the Land or any Unit or any interest in it, will constitute an assignment of any of the Developer's Reserved Rights, or any of its other rights under the Condominium Documents unless the document expressly so provides.

END OF EXHIBIT F

EXHIBIT G

ESTIMATE OF INITIAL MAINTENANCE FEES [INCLUDING SHARE OF LIMITED COMMON ELEMENT EXPENSES] AND ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Unit	Common Interest	% Share of Limited Common Element Expenses	Monthly Fee	Fee x 12 Months = Yearly Total
101	6.96%	8.64%	$ 820	$ 9,840
102, 103	7.31%	9.09%	$ 861	$ 10,332
104, 204, 304	6.49%	8.08%	$ 765	$ 9,180
201, 301	6.53%	8.12%	$ 769	$ 9,228
202, 203	6.57%	8.17%	$ 774	$ 9,288
302, 303	6.58%	8.18%	$ 775	$ 9,300
105	19.59%	N/A	$ 1,843	$ 22,116
TOTALS	100%	100%	$11,316	$135,792

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

	Monthly Fee x 12 months	Yearly Total
REVENUE		
Maintenance Fees	$11,316	$135,792
COMMON EXPENSES		
Utilities		
Electricity	$850	$10,200
Water and Sewer*	$600	$7,200
Subtotal Utilities	$1,450	$17,400
* for normal use only; extraordinary use, if any, will be charged separately to each Unit per Declaration		
Repairs and Maintenance		
Building	$200	$2,400
Parking Lot	$200	$2,400
Fire System	$190	$2,280
Supplies	$100	$1,200
Landscaping	$550	$6,600
Refuse	$650	$7,800
Subtotal Repairs and Maintenance	$1,890	$22,680
Administrative		
Audit and Tax Fees	$200	$2,400
Management & Accounting Fee	$1,250	$15,000
Association Dues	$270	$3,240
Legal	$50	$600
Bank Services	$20	$240
Security	$410	$4,920
Insurance	$1,150	$13,800
Subtotal Administrative	$3,350	$40,200

LIMITED COMMON ELEMENT EXPENSES		
Janitorial	$900	$10,800
Window Cleaning	$400	$4,800
Elevator	$100	$1,200
Subtotal Limited Common Expenses	$1,400	$16,800
Reserves – Common Elements*	$512	$6,144
Reserves – Limited Common Elements*	$2,717	$32,604
TOTAL EXPENSES	**$11,318**	**$135,816**

I, Anthony Levoy, III, as agent for/and/or employed by Peake & Levoy, LLC., the condominium managing agent/developer for the South Shore Plaza Condominium hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Anthony Levoy III
Signature

11/3/06
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 §514B-148, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

Pursuant to §514B-148, HRS, a new association, need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

DEVELOPER'S STATEMENT REGARDING RESERVES

All Units in the Condominium are restricted to nonresidential uses, and pursuant to and as permitted by Section 514B-101(b)(1), the Condominium is not subject to Part VI. Management of Condominiums, including without limitation §514B-148, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. However, the Condominium Declaration and Bylaws require Reserves, and in arriving at the figures for "Reserves" stated above, the Developer has required the condominium managing agent Peake & Levoy to conduct a reserve study in substantial accordance with §514B-148, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

END OF EXHIBIT G

EXHIBIT H

Summary of Purchase and Sale Contract (the "Purchase Contract") and Escrow Agreement

1. Purchase Contract and Escrow Agreement Complementary. The Purchase Contract between the Developer as The Developer and each Buyer and the Escrow Agreement dated July 7, 2006 between the Developer and Old Republic Title and Escrow of Hawaii, Ltd., as Escrow Agent complement each other, as follows:

1.1 Purchase Price, Payment Terms and Handling of Buyer's Funds. The Purchase Contract states the purchase price and payment terms for Buyer's purchase and requires that all Buyer's Funds be deposited with and held, handled and disbursed by the Escrow Agent in accordance with the Escrow Agreement, including as follows.

(a) Interest on Buyer's Funds. Any interest earned on Buyer's Funds held in escrow belongs to Developer, except as otherwise agreed in writing or as stated below in *Section 1.3(c)* of this Exhibit.

(b) Disbursement of Buyer's Funds. Escrow shall disburse Buyer's Funds:

(1) To pay certain construction and related costs on the conditions stated above in *Section 5.6.2* of this Public Report;

(2) Upon Closing to the Developer;

(3) As a refund to Buyer: if either Buyer or the Developer cancels the Contract before it become legally binding as stated above in *Section 5.8.1* of this Public Report; or if as Buyer's sole and exclusive remedy Buyer cancels if the Completion Deadline for the completion of construction is missed as stated above in *Section 5.8.2* of this Public Report; or if as Buyer's sole and exclusive remedy Buyer rescinds after a material change as stated above in *Section 5.8.3* of this Public Report; or if as Buyer's sole and exclusive remedy Buyer elects to terminate the Purchase Contract if the Developer defaults on the Contract and does not cure that default within the time period required by the Contract; or if the Developer exercises any of its rights to cancel, rescind or terminate where Buyer is not in default.

(4) As Liquidated Damages to The Developer, if the Developer terminates because the Buyer is in default.

1.2 Closing Terms and Conditions. The Purchase Contract and Escrow Agreement state the terms and conditions on which each Buyer's purchase will close as scheduled by the Developer, including as follows:

(a) Construction is substantially completed as evidenced by the first publication of the Notice of Completion pursuant to *HRS Chapter 507, Part 2*. The Developer will attempt to schedule an inspection of Buyer's Unit prior to the Closing but Closing shall not be delayed if the inspection does not occur prior to the Closing or if Buyer, for any reason, does not attend the inspection or does not accept Buyer's Unit; *however,* any incomplete items shall be completed by the Developer as soon as reasonably possible after Closing;

(b) There is a commitment to issue to Buyer upon Closing an Owner's Title Policy insuring that Buyer's title to the Unit is free and clear of:

(1) All Blanket Liens as stated above in *Section 5.3* of this Public Report; and

(2) All Other Encumbrances except for the Permitted Encumbrances which are stated in Exhibit E to this Public Report.

Buyer shall pay for the Title Policy and is free at Buyer's expense to choose any Title Insurer Buyer wants that is licensed in Hawaii to issue the Title Policy. But unless Buyer tells Escrow in writing differently, the Escrow Agent will make its own arrangements for title insurance for Buyer. If the Title Commitment is arranged for by the Escrow Agent, the premium for the Title Policy shall be as stated in the Escrow Agreement.

(c) **Protection against Mechanic's and Materialmen's Liens.** Closing may occur prior to the expiration of the applicable lien period established pursuant to said *HRS Chapter 507, Part II* as long as the Title Insurer issuing the Title Policy to Buyer is committed upon closing to include in Buyer's Title Policy protections against any and all mechanic's and materialmen's liens, whether or not filed, arising from the construction of the Unit, or if the Title Insurer cannot insure the Buyer against such liens, the Closing shall occur only when such liens have been released, or sufficient funds have been set aside to cover the amount of such lien.

(d) **Buyer shall pay all closing expenses,** which *include* but are not limited to: **(1)** the cost of evidence of title and the premium for the Buyer's Title Policy, and any additional costs relating to the issuance of endorsements, an extended coverage policy, or a lender's policy; **(2)** the cost of drafting any revisions or addenda to this Contract; **(3)** the cost of obtaining any consent necessary for Buyer to enter into and/or fulfill its obligations under this Contract; **(4)** Buyer's notary fees; **(5)** all conveyance taxes and recording fees; **(6)** two months' maintenance fees and start-up fees for the Condominium Association; **(7)** Buyer's share of pro-rated property taxes and if applicable insurance premiums; **(8)** the Escrow Agent's fees; and **(9)** any fees or charges incurred in connection with any mortgage loan obtained by Buyer; and *exclude* only the costs of preparation of the Unit Deed (provided Buyer will pay all costs of redrafts due to changes made by Buyer), preparation and recording of The Developer's partial release of Blanket Liens, and The Developer's share of pro-rated property taxes and The Developer's notary fees.

1.3 **Cancellation, Rescission and Termination Rights.**

(a) **Buyer's Rights** are summarized above in *Section 1.1(b)(3)* of this Exhibit.

(b) **Developer's Rights include the right to terminate** at any time before the Contract becomes as stated in *Section 5.8.1*, of this Public Report; or if Buyer does not return to the Developer any cancellation, rescission or waiver notice delivered to Buyer within the prescribed time period; or if Buyer (or if multiple Buyers or any one of them) should die or become incompetent or suffer any incapacitating injury or disease prior to the Closing; or if Buyer shall fail to qualify or maintain Buyer's qualification for mortgage financing; or if Buyer should default on the Contract.

(c) **Refund to Buyer and Termination Expenses.** Upon any cancellation, termination or rescission of the Contract except upon a default by Buyer, Buyer shall be entitled to a prompt and full refund of all moneys paid, without interest, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250 as stated above in *Section 5.8.1* of this Public Report (collectively, the **"Termination Costs"**). *However,* if either the Developer or Buyer terminates this Contract before it becomes legally binding or if the Developer terminates where the Buyer is not in default or as Buyer cancels as Buyer's sole and exclusive remedy where the Developer is in default, *then*, the Developer shall pay the Termination Costs, and in the case of Buyer termination due to default of the Developer, Buyer shall also be entitled to any interest earned on Buyer's Funds deposited in escrow.

2. **Other Purchase Contract Provisions.** The Contract also provides as follows:

2.1 **Buyer's Default and The Developer's Remedies, Including Liquidated Damages.** Buyer will be in default under the Contract if: Buyer fails to make a payment when due; or Buyer acts in bad faith as determined by the Developer in an attempt to qualify or maintain Buyer's qualification for mortgage financing; or if Buyer fails to observe or perform any other material obligation required to be observed or performed by Buyer under this Contract and such failure continues for fifteen (15) days after the Developer gives written notice to Buyer of such failure.

If the Developer cancels where Buyer is in default, the injury to the Developer will be uncertain as to the nature and amount and difficult to ascertain in view of, but not limited to: the Developer's financial commitments with respect to the Condominium, including without limitation, Developer's construction loan; the connection between the sale, cancellation or such default with respect to one Unit and the sale, cancellation or any default with respect to other Units in the Condominium; and the nature of the real estate market in Hawaii. As a reasonable estimate of the Developer's damages resulting from any such default, the sums previously paid by Buyer under the Contract together with all accrued interest thereon shall become, at Developer's option, the sole property of the Developer as liquidated damages and not as a penalty for such default. It is understood that the damages suffered by the Developer by virtue of such a default later in time will likely be greater than such a default occurring at an earlier point in time. If the Developer does not elect to retain Buyer's Funds as liquidated damages, the Developer may instead pursue any other rights and remedies and combination thereof permitted at law or in equity, including, but not limited to, actual and consequential damages, and specific performance. The Developer may also, at its sole discretion, elect to have its claims for Preclosing and Closing defaults by Buyer resolved by binding arbitration on an expedited basis.

If Closing does not occur on the date scheduled by the Developer due to any event of default by Buyer, but the Developer does not then elects to terminate the Contract and Closing occurs at a later date, *then*, upon Closing, as liquidated damages for Buyer's default, Buyer shall be required to pay the Developer through the Escrow Agent One Hundred and No/100 Dollars ($100.00) per day for each day the Closing is delayed due to Buyer's default, commencing as of the initially scheduled Closing date and continuing until the actual Closing date.

2.2 Default by the Developer; The Developer's Cure Rights; Buyer's Exclusive Remedies. If the Developer shall fail to perform any material obligation required of the Developer prior to or at Closing, the Developer shall have the opportunity to cure such default within fifteen (15) days after the date Buyer notifies the Developer in writing of such default by certified or registered mail. If the Developer does not cure the default within that period, Buyer may elect, at Buyer's sole discretion, to either: **(1)** terminate this Purchase Contract, or **(2)** seek specific performance of the Contract. Buyer shall give written notice of its election to the Developer. If Buyer elects to terminate, *then* as its sole and exclusive remedy Buyer shall be entitled to receive a full refund of Buyer's Funds in escrow plus any interest accrued thereon, and shall have no other rights or remedies whatsoever, including, without limitation, claims for damages, and the Developer shall be released and discharged from any further obligation under this Contract. If Buyer seeks specific performance, *then* Buyer shall not be entitled to recover any damages from, pursue any other right or remedy against, or obtain any other relief from the Developer, and Buyer's Funds and any interest thereon shall be not refunded to Buyer.

2.3 Buyer Qualification for Mortgage Financing and; Credit Inquiries. Immediately upon signing the Contract, Buyer must qualify for mortgage financing and qualify to purchase as a **"qualified household"** and during the term of the Contract must keep and maintain those qualifications and confirm them at the request of the Developer. Buyer hereby authorizes the Developer to make credit inquiries about Buyer including, but not limited to, obtaining credit reports on Buyer and verifying by any legal means any financial information submitted to the Developer.

2.4 Buyer Approval of Estimated Initial Budget and Schedule of Maintenance Fees and Buyer's Obligation to the Condominium Association. The Contract also provides: that Buyer has examined and approved the estimated initial budget for the Association and the estimated monthly maintenance assessments for the Unit as shown in *Exhibit G* attached to the Public Report; and that Buyer is aware and accepts: **(1)** that such amounts are only estimates, are subject to change for various reasons, and Buyer also accepts any such changes; **(2)** that SUCH ESTIMATES ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY REPRESENTATION OR WARRANTY BY THE DEVELOPER OR THE MANAGING AGENT, INCLUDING, BUT NOT LIMITED TO, ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF SUCH ESTIMATES; and **(3)** that under the Condominium Documents, Buyer shall be liable for the payment of a monthly assessment to the Association for the operation and maintenance of the Common Elements and the Limited Common Elements of the Condominium and the administration of the affairs of the Association.

2.5 Regarding Construction. The Contract also provides that:

(a) Notice to Buyer Required By HRS Chapter 672E: "CHAPTER 672E OF THE HAWAII REVISED STATUTES CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT OR OTHER ACTION FOR DEFECTIVE CONSTRUCTION AGAINST THE CONTRACTOR WHO DESIGNED, REPAIRED, OR CONSTRUCTED YOUR UNIT. NINETY DAYS BEFORE YOU FILE YOUR LAWSUIT OR OTHER ACTION, YOU MUST SERVE ON THE CONTRACTOR A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE. UNDER THE LAW, A CONTRACTOR HAS THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR AND/OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY A CONTRACTOR. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THE LAW AND FAILURE TO FOLLOW THEM MAY NEGATIVELY AFFECT YOUR ABILITY TO FILE A LAWSUIT OR OTHER ACTION."

Buyer shall provide to Seller a copy of any notice Buyer serves on any Contractor pursuant to *HRS Chapter 672E*.

(b) No Developer Warranties, Express or Implied; Assignment of Warranties from Others. THE DEVELOPER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE UNIT, THE CONDOMINIUM, ANY CONSUMER PRODUCTS OR ANYTHING ELSE INSTALLED IN THE UNIT OR IN THE CONDOMINIUM, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION, ADEQUACY OF DESIGN OR FITNESS OF THE UNIT FOR A PARTICULAR PURPOSE. By recording the Unit Deed to Buyer, the Developer is assigning to the Buyer and where applicable to the Condominium Association whatever warranties are received from others including appliance warranties and the customary warranty (the **"Contractor's Warranty"**) to correct any construction work found to be defective within one year after the date of substantial completion of such work, as such terms are defined in the construction contract entered into by the Developer and the General Contractor for the Condominium identified above in *Section 2.4* of this Public Report (the appliances warranties and Contractor's Warranty are referred to above in *Section 5.4* of this Public Report), as well as any subcontractor's, materialmen's, manufacturer's or dealer's warranties that the General Contractor may have secured for the benefit of Buyers and as well as any warranties provided directly to Seller by other building contractors, suppliers, manufacturers or dealers. All assignments of warranties by the Developer are without recourse to the Developer. The Developer is not providing any warranty to Buyer, is merely attempting to pass through to Buyer any warranties given by others, and is not adopting any such warranties or acting as co-warrantor. In the event of the breach of any warranty, Buyer shall have no claim against the Developer on account of such breach. Instead Buyer's sole remedy shall be expressly limited to the party making the warranty. The Developer's obligation with respect to any defects will be limited to assisting Buyer and if applicable the Condominium Association in presenting to the warranting party those claims for defects reported in writing to the Developer within the first year following the date of substantial completion of the Condominium applicable to the Contractor's Warranty or on any other warranty within the term of such warranty.

(c) Certain Buyer Acknowledgments and Agreements. The Contract also includes certain Buyer acknowledgement and agreements regarding construction matters that the Developer recommends Buyer read with care, as well as certain required procedures to be followed should Buyer discover any material, structural or other defect in the Unit that Buyer believes may be the responsibility of the Developer (any **"Defect"**), including giving notice, inspection rights and the opportunity to cure to the Developer. The Developer is not liable for any general, special or consequential damage, cost, diminution in value or other loss Buyer may suffer as a result of any Defect which reasonably might have been avoided had Buyer followed such procedures; *however,* following such procedures will not create or otherwise establish any contractual duty or obligation on the part of the Developer to repair, replace or cure any Defect or affect any other limitation on the Developer's liability.

2.6 General Limitations on the Developer's Liability. The Contract also provides other general limitations on the Developer's liability, for example: **(a)** The Developer is using every commercially

reasonable effort to avoid, eliminate, minimize and mitigate inherent risks in connection with the development and construction of the Condominium; **(b)** The Developer is not responsible for the actions of third parties or events beyond its control; and **(c)** to the fullest extent permitted by law and without limiting the applicability of any of the provisions of the Contract, the Developer's total liability to Buyer for any and all injuries, claims, losses, expenses, damages, or claim expense related to, arising from or associated with, directly or indirectly, in whole or in part, the acts or omissions of the Developer, shall not exceed the limits of any applicable insurance covering such injuries, claims, losses, expenses, damages, or claim expense; **(d)** Buyer waives all claims for consequential damages including without limitation, damages incurred for rental expenses, loss of use, income, profit, financing, business and reputation, and for loss of productivity or services; **(e)** The Developer and Buyer waive trial by jury; and **(f)** The Developer shall be notified as prescribed in the Contract.

Also at the election of the Developer, claims, disputes or other matters in question between the Developer and Buyer (other than Preclosing or Closing matters which at the Developer's election are subject to special arbitration proceedings) shall be subject to mediation and/or arbitration, and where a dispute involves common issues of fact or law requiring the presence of third-persons or entities if complete relief is to be accorded in arbitration, or where the failure to consolidate would create a risk of inconsistent results in disputes between the Developer and Buyer, or between the Developer or Buyer and third-persons or entities, any such third person or entity necessary to resolve a claim shall be made parties to the same dispute resolution proceeding by consolidation or joinder.

2.7 **Brokers.** The Contract also provides that: the Developer's Broker represents only the Developer; that the Developer is not responsible for any representation or statement of Buyer's Broker, if any, that is inconsistent with those set forth in the Contract or the Public Report. If Buyer writes in the Contract that Buyer does not have any Broker, Buyer warrants that no real estate broker or other person represented Buyer or was engaged by Buyer in connection with Buyer's purchase and agrees to indemnify, defend, and hold the Developer harmless against claims to the contrary.

3. **Other Provisions of the Escrow Agreement.** The Escrow Agreement also provides that the Developer shall provide a copy of each executed Purchase Contract to the Escrow Agent as well as other information relevant to that Contract and that Escrow Agents given certain protections by the Developer and Buyer for acting as the escrow for the sale and purchase between the parties. The Escrow Agreement shall be subject to and shall be interpreted to comply with the Condominium Property Act.

END OF EXHIBIT H