

**DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME	1901 AND 1903 PACIFIC HTS. ROAD CONDOMINIUM
Address	1901 and 1903 Pacific Hts. Road Honolulu, HI 96813
Registration Number	6197
Effective Date of Report	January 11, 2007
Developer	ON AND TAM PACIFIC HEIGHTS 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 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.]

TABLE OF CONTENTS

	<u>Page</u>
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 Owner	10
3.3 Condominium Map	11
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 Changes to be Included in the Maintenance Fees	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

TABLE OF CONTENTS

	<u>Page</u>
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 Will be Disbursed Before Closing	14
5.7 Rights Under 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 Right to Cancel a Sales Contract 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
EXHIBIT A: Description of Units	
EXHIBIT B: Common Elements and Limited Common Elements	
EXHIBIT C: Encumbrances Against Title	
EXHIBIT D: Estimate Maintenance Fees	
EXHIBIT E: Summary of Sales Contract	
EXHIBIT F: Summary of Escrow Agreement	
EXHIBIT G: Disclosure Abstract	
EXHIBIT H: Visual letter from engineer	
EXHIBIT I: Letter from C&C Dept. of Planning & Permit	

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 individually bought, 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 significantly 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	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Fee Owner's Name if Developer is not the Fee Owner	
Fee Owner's Address	2203 Laukahi Street Honolulu, HI 96821
Address of Project	1901 and 1903 Pacific Hts. Road Honolulu, HI 96813
Address of Project is expected to change because	NA
Tax Map Key (TMK)	(1) 2-2-008-019
Tax Map Key is expected to change because	NA
Land Area	8,241 sq. ft.
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	NA

1.2 Buildings and Other Improvements

Number of Buildings	2
Floors Per Building	2
Number of New Building(s)	1
Number of Converted Building(s)	1
Principal Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Concrete Slab, wood, glass

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
A (1901)	1	3/1-1/2	1,218.0 sq. ft.			
B (1903)	1	5/3	2,428.0 sq. ft.		garage	403sf.
See Exhibit A						

2	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:	4
Number of Guest Stalls in the Project:	0
Number of Parking Stalls Assigned to Each Unit:	Unit A (1901) 2 open parking; Unit B (1903) 2 car gar.
Attach Exhibit ____ 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:
 (1) all perimeter walls, floors, foundations and roofs of each building; and
 (2) all pipes, wires, conduits or other utility and service lines in such building or outside such building, if the same are not utilized for or serve more than one unit.

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):

Notwithstanding anything to the contrary contained in this Declaration each unit owner has the right, at his sole option, at any time, without the consent of anyone other than the holders of all liens affecting his unit, to improve, renovate, remodel, make additions to, remove, replace, or restore the improvements to or in his unit.

1.7 Common Interest

Common Interest: Each unit will have a percentage interest 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 _____

As follows:

Unit A (1901): 50%

Unit B (1903): 50%

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

<input type="checkbox"/>	Swimming Pool
<input type="checkbox"/>	Laundry Area
<input type="checkbox"/>	Storage Area
<input type="checkbox"/>	Tennis Court
<input type="checkbox"/>	Recreation Area
<input type="checkbox"/>	Trash Chute/Enclosure(s)
<input type="checkbox"/>	Exercise Room
<input type="checkbox"/>	Security Gate
<input type="checkbox"/>	Playground
<input type="checkbox"/>	Other (describe):

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 B .

Described as follows:

Common Element	Number
Elevators	0
Stairways	0
Trash Chutes	0

1.10 Limited Common Elements

Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.

Described in Exhibit _____ .

Described as follows:

Certain parts of the common elements called "Limited Common Elements", are hereby designated and set aside for the exclusive use of each unit(s), and each unit(s) shall have appurtenant thereto exclusive easements for the use of such limited common elements. Unless otherwise specified, all costs, of every kind pertaining to each limited common element, including, but not limited to, costs of landscaping, maintenance, repair, replacement, and improvement, shall be borne entirely by the unit(s) to which it is appurtenant. The limited common elements so set aside and reserved to each unit is the limited common area of each unit consisting of the land beneath and immediately adjacent thereto (including any yard areas, landscaping, driveway and access areas), as shown and delineated on said Condominium Map, provided that Unit 1903 has a driveway easement over and across Unit 1901. The limited common area of each unit is set forth in Exhibit "B" of the Declaration.

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.

<input type="checkbox"/>	Pets:
<input type="checkbox"/>	Number of Occupants:
<input type="checkbox"/>	Other:
<input type="checkbox"/>	There are no special use restrictions.

1.10 Encumbrances Against Title

An encumbrance is a claim against or a liability on the property of 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 C describes the encumbrances against title contained in the title report described below.

Date of the title report: November 29, 2006

Company that issued the title report: First Hawaii Title Corporation

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	
<input type="checkbox"/>	Residential	2	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	R3-5	
<input type="checkbox"/>	Commercial		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<input type="checkbox"/>	Mix Residential/Commercial		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<input type="checkbox"/>	Hotel		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<input type="checkbox"/>	Timeshare		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<input type="checkbox"/>	Ohana		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<input type="checkbox"/>	Industrial		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<input type="checkbox"/>	Agricultural		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<input type="checkbox"/>	Recreational		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<input type="checkbox"/>	Other(specify)		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
Is/Are this/these use(s) specifically permitted by the project's Declarations or Bylaws?			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No		
Variances to zoning code have been granted.			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No		
Describe any variances that have been granted to zoning code.						

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots
<p>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 structure that is destroyed or damaged cannot be reconstructed.</p> <p>If a variance has been granted or if uses, structures or lots are either non-conforming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above.</p> <p>A purchaser may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure or lot.</p>

	Conforming	Non-Conforming	Illegal
Uses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Structures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lot	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<p>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:</p>
--

1.15 Conversions

<p>Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.</p>	<p><input checked="" type="checkbox"/> Applicable <input type="checkbox"/> Not Applicable</p>
<p>Developer's statement, based upon a report prepared by a Hawaii-licensed architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units: 1) The structural components of the dwelling appear in good condition. The dwelling is habitable and appears free from major structural defects; 2) The plumbing and electrical system appear functioning properly and appear to be in good condition; 3) No representation is being made as to the expected useful life of the structural components and plumbing and electrical installations of the dwelling.</p>	
<p>Developer's statement of the expected useful life of each item reported above: No representation is being made as to the expected useful life of the structural components, plumbing and electrical installations of the dwellings.</p>	
<p>List of any outstanding notices of uncured violations of any building code or other county regulations: NA</p>	
<p>Estimated cost of curing any violations described above: NA</p>	
<p>Verified Statement from a County Official Regarding any converted structures in the project, attached as Exhibit <u>I</u> 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 have 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 ordinances or codes; and (iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the structure 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.</p> <p>Other disclosures and information:</p>	

1.16 Project In Agricultural District

<p>Is the project in an agricultural district as designated by the land use laws of the State of Hawaii? If the answer is "Yes", provide information below.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the answer is "No", provide explanation.</p>	
<p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.</p>	
<p>Other disclosures and information:</p>	

Project with Assisted Living Facility

<p>Does the project contain any assisted living facility units subject to Section 321-11(10), HRS? If the answer is "Yes", provide information below.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Listing requirements and the impact of the requirements on the costs, operation, management and governance of the project.</p>	
<p>The nature and the scope of services to be provided.</p>	
<p>Additional costs, directly attributable to the services, to be included in the association's common expenses.</p>	
<p>The duration of the provision of the services.</p>	
<p>Other possible impacts on the project resulting from the provision of the services.</p>	
<p>Other disclosures and information.</p>	

2. PERSONS CONNECTED WITH THE PROJECT

<p>2.1 Developer</p>	<p>Name: ON AND TAM PACIFIC HEIGHT LLC Address: 2203 Laukahi Street Honolulu, HI 96821 Business Phone Number: (808) 373-2255 E-mail Address:</p>
<p>Names of officers and directors of developers that are corporations; general partners of a partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).</p>	<p>DAVID MING TAT ON, Member-manager HELEN LINH THIEU HOANG ON, Member-manager DAVID SHUI KI TAM, Member-manager JOANNIE HSIEH TAM, Member-manager</p>
<p>2.2 Real Estate Broker</p>	<p>Name: CENTRAL PACIFIC PROPERTIES, INC. Address: 1446 Liliha Street, Suite 210 Honolulu, HI 96817 Business Phone Number: (808) 521-3777 E-mail Address:</p>
<p>2.3 Escrow Depository</p>	<p>Name: FIRST HAWAII TITLE CORPORATION Address: 201 Merchant Street, Suite 2000 Honolulu, HI 96813 Business Phone Number: (808) 521-3411</p>
<p>2.4 General Contractor</p>	<p>Name: WYM CONSTRUCTION INC. Address: P.O. Box 235566 Honolulu, HI 96823 Business Phone Number: (808) 225-8775</p>
<p>2.5 Condominium Managing Agent</p>	<p>Name: NONE, Self managed by the Association Address: Business Phone Number:</p>
<p>2.6 Attorney for Developer</p>	<p>Name: LESTER G. L. WONG Address: 1188 Bishop Street, Suite 702 Honolulu, HI 96813 Business Phone Number: (808) 526-3033</p>

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	November 20, 2006	2006-218140

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 meeting 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	November 20, 2006	2006-218141

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	4342
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 by the Developer. Changes to House Rules do not need to be recorded to be effective.

The House rules for this Project:	
Are Proposed	<input type="checkbox"/>
Have Been Adopted and Date of Adoption	<input checked="" type="checkbox"/> November 28, 2006
Developer does not plan to adopt House Rules	<input type="checkbox"/>

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

<input type="checkbox"/>	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
<input checked="" type="checkbox"/>	<p>Developer has reserved the right to change the Declaration, Bylaws, Condominium Map and House rules (if any) and to add to or merge the project or to develop the project in one or more phases, and such rights are summarized as follows:</p> <p>a) To maintain development facilities and conduct sales of units until unit deeds are issued to unit purchasers with respect to all units in the Project. These rights shall include, but not be limited to, maintaining model units, operating a sales and construction office, conducting advertising, placing signs, using parking spaces, and erecting lighting in connection with such sales; PROVIDED, however, that the Declarant shall not use any unit with respect to which a deed has been issued (other than to the developer); and PROVIDED FURTHER, that in exercising such right, the Declarant shall not interfere with the rights of any unit owner to the use of, or access to his unit or any of the common elements appurtenant thereto.</p> <p>b) To enter upon the land and the Project and carry on such construction and demolition activities as may be necessary in connection with such alterations, modifications, and restoration, including, but not limited to, parking and storage of construction equipment and materials, provided that the Declarant shall not interfere with the rights of any other unit owner to the use of or access to his unit or any of the common elements thereto.</p>

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):

<input type="checkbox"/>	Not affiliated with the Developer
<input checked="" type="checkbox"/>	None (self-managed by the Association)
<input type="checkbox"/>	The Developer or an affiliate of the Developer
<input type="checkbox"/>	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 service provided.

Exhibit D 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:	
<input type="checkbox"/>	Electricity for the common elements
<input type="checkbox"/>	Gas for the common elements
<input type="checkbox"/>	Water
<input type="checkbox"/>	Sewer
<input type="checkbox"/>	TV cable
<input type="checkbox"/>	Other (specify)

4.4 Utilities to be Separately Billed to Unit Owner

If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:	
<input checked="" type="checkbox"/>	Electricity for the Unit only
<input type="checkbox"/>	Gas for the Unit only
<input checked="" type="checkbox"/>	Water
<input checked="" type="checkbox"/>	Sewer
<input checked="" type="checkbox"/>	TV cable
<input checked="" type="checkbox"/>	Other (specify) Telephone

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:	
<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit <u>D</u> contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement dated: November 28, 2006 Name of Escrow Company: First Hawaii Title Corporation Exhibit <u>E</u> contains a summary of the pertinent provisions of the escrow agreement.
<input type="checkbox"/>	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 sale to Owner-Occupants. NA

<input type="checkbox"/>	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
<input type="checkbox"/>	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit _____.
<input type="checkbox"/>	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.

<input type="checkbox"/>	There are no blanket liens affecting title to the individual units.
<input checked="" type="checkbox"/>	There are blanket liens that may affect title to the individual units.

Type of Lien	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage	If foreclosed, buyer's deposit shall be refunded (less any escrow shall cancellation fees) and the sales contract between Buyer and Seller be cancelled.

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: Unit B (1903) The standard one year contractor's warranty on materials and workmanship. The one year begins when unit is sold.

Appliances: The appliances will have warranties as provided by the manufacturer.

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

<p>Status of Construction: Unit A (1901): Completed in 1937 Unit B (1903) Completed in 2006</p>
<p>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 for the 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.</p>
<p>Completion Deadline for any unit not yet constructed, as set forth in the sales contract: NA</p>
<p>Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract: NA</p>

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

<input checked="" type="checkbox"/>	<p>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, Sections 5.6.2 and 5.7, which follow below, will not be applicable to the project.</p>
-------------------------------------	---

5.6.2 Purchaser Deposits Will be Disbursed Before Closing

<p>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):</p>	
<input type="checkbox"/>	<p>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</p>
<input type="checkbox"/>	<p>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.</p>

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

<p>Box A <input type="checkbox"/></p>	<p>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 decided not to use purchaser deposits before closing, the Developer does not need to amend this report.</p> <p>If Box A is checked, you should read and carefully consider the following notice, which is required by law:</p> <p><u>Important Notice Regarding Your Deposits:</u> 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 purchase.</p>
<p>Box B <input type="checkbox"/></p>	<p>The Developer has <u>not</u> submitted all information and documents required by law and the Commission, and, until all such information and documents are submitted, thus, the Developer cannot use purchaser deposits.</p> <p>If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then 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 <u>Important Notice Regarding Your Deposits</u> 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, <u>you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment.</u> (This, however, does not affect your right to rescind for material changes or any other right you may have to rescind or cancel the sales contract, as described in Section 5.8 below.) If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report.</p> <p>You should understand that, although the <u>Important Notice Regarding Your Deposits</u> 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.</p>

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.

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 Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), provided that rules and regulations under Chapter 514B have not yet been adopted.
Other:	

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

Joannie Hsieh Tam (RB17565) is the Principal Broker for Central Pacific Properties, Inc., the Real Estate Broker for this project. Joannie Tam is also a Member-manager in the On and Tam Pacific Heights LLC, the Developer of this project.

Hazardous Materials

The developer neither prepared nor commissioned a Phase 1 Environmental Site Assessment and makes no representations or warranties whatsoever. The developer has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project; including but not limited to radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of, hazardous materials laws. Buyer acknowledges that in light of the age of the Project, there may be asbestos and other hazardous substances in the apartments, or in, under or around the Project. Because of the possible presence of such substances, Buyer should have the apartment inspected to determine the extent(if any) of such contamination and any necessary remedial action. The developer will not correct any defects in the apartments or in the Project or anything installed or contained therein and Buyer expressly releases the developer from any liability to Buyer if any hazardous materials are discovered.

Lead Warning Statement

Pursuant to federal law, 42, U.S.C. 4852(d), the Residential Lead-Based Paint Reduction Act, "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase".

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 Section 1.15 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 and include either or all material facts, material or pertinent changes to any information contained in or omitted from 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.

ON & Tam Pacific Height, LLC
Printed Name of Developer

By: Helen Linh Thieu H. ON 12/15/06
Duly Authorized Signatory Date

HELEN LINH THIEU H. ON
Printed Name & Title of Person Signing Above

JOANNIE SHIEH TAM

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

*Must be signed for a corporation by an officer; 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

DESCRIPTION OF UNITS

One (1) freehold estate is hereby designated in each of the dwellings. The Project consists of two (2) freehold estates.

Unit A consists of three (3) bedrooms and one and one-half (1-1/2) bathrooms, den, living/dining room, kitchen and laundry room.

Unit B consists of five (5) bedrooms and three (3) bathrooms. The first floor consists of two (2) bedrooms, one (1) bathroom, family room, wet bar, foyer/entry, laundry and 2-car garage. Second floor consists of three (3) bedrooms, two (2) bathrooms, kitchen and dining area/living room.

There are no basements in either units.

Unit A has two (2) open stalls. Unit B has a two-car garage. No other parking will be provided.

Unit A will have a driveway easement consisting of approximately 944 square feet over Unit B to a public street. Unit B will have access to a public street over their own driveway.

The apartments will be numbered in the manner shown on said Condominium Map. All apartment areas are approximate and are based on the net living area, as measured from the interior surface of the apartment perimeter walls.

The apartments by number, net living area, limited common and common elements area are as follows:

<u>Unit No.</u>	<u>Net Living Area</u>	<u>Limited Common Area</u>
A	1,218.0 sq. ft.	4,220.25 sq. ft.
B	2,428.0 sq. ft.	4,020.75 sq. ft.

EXHIBIT B

DESCRIPTION OF COMMON ELEMENTS

One freehold estate is hereby designated as the common elements in all of the remaining portions and appurtenances of the Project, excluding those items defined as part of any apartment hereof, but including the portions of the land on which the buildings are located, including specifically, but not limited to:

- (a) The land in fee simple described in Exhibit "A" of the Declaration;
- (b) All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities and installation which serve the units for services such as power, light, water, gas, refuse, telephone, radio and television signal distribution.

EXHIBIT C

ENCUMBRANCES AGAINST TITLE

1. Reservation in favor of the State of Hawaii of all minerals and metallic mines.
2. Any variations in and along the boundaries running along Pauoa Stream, as may be caused by the natural deviation of said Stream.
3. GRANT dated April 7, 1936, in favor of EN KUI CHUNG and MABEL SUI LAN CHUNG, husband and wife, recorded as aforesaid Liber 1406, Page 287, granting an easement over, across, along and upon a portion of said land and incidental purposes.
4. GRANT dated February 12, 1968, in favor of the CITY AND COUNTY OF HONOLULU, recorded as aforesaid in Liber 5990, Page 48, granting an easement to construct, reconstruct, install, maintain, operate and repair a stream channel improvement or structure, as part of Pauoa Stream Channel drainage system over, across and along a portion of said land and incidental purposes, said easements being more particularly described as follows:

(a) PARCEL 17 - of Pauoa Stream Channel (between Kuakini and Lusitana Streets): Being a portion of Lot 3 of the Olomana Tract (File Plan No. 69) and being also a portion of R. P. 503, L. C. Aw. 6059 to Papamakua and Grant 2179 to Pupuka and Kaaihua, including a portion of Pauoa Stream. Situate on Olomana and Kalokohonu, Honolulu, Oahu, Hawaii, and more particularly described as follows:

Beginning at the Northwest corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station, "PUNCHBOWL" being 2,202.69 feet North and 391.28 feet West, as shown on Division of Land Survey and Acquisition Parcel Map File No. 15-9-2-1, thence running by azimuths measured clockwise from true South:

- | | | | | |
|----|------|-----|-------|--|
| 1. | 248° | 27' | 26.41 | feet along remainder of Lot 3 of the Olomana Tract (File Plan No. 69); |
| 2. | 341° | 30' | 16.44 | feet along Auwaiolimu Playground; |
| 3. | 70° | 56' | 19.23 | feet along Auwaiolimu Playground and along Grant 2530 to Alexander Adams, Jr.; |

4.	136°	21' 30"	16.82	feet along Lot 2 of Olomana Tract (File Plan No. 69) to the point of beginning and containing an area of 364 square feet, more or less.
----	------	---------	-------	---

(b) PARCEL E-18 - of Pauoa Stream Channel (between Kuakini and Lusitana Streets):

Being a portion of Lot 3 of the Olomana Tract (File Plan No. 69) and also being a portion of R. P. 503, L. C. Aw, 6059 to Papamakua and Grant 2179 to Pupuka and Kaaihua. Situate at Olomana and Kalokohonu, Honolulu, Oahu, Hawaii, and more particularly described as follows:

1.	136°	21' 30"	5.40	feet along Lot 2 of the Olomana Tract (File Plan No. 69);
2.	248°	27'	28.71	feet along remainder of Lot 3 of Olomana Tract (File Plan No. 69);
3.	341°	30'	5.01	feet along Auwaiolimu Playground;
4.	68°	27'	26.41	feet along remainder of Lot 3 of the Olomana Tract (File Plan No. 69) to the point of beginning and containing an area of 138 square feet, more or less.

5. The following "de minimus structure position discrepancy" (as said term is defined in Chapter 669-11 to 13, Hawaii Revised Statutes, as amended), as shown on the survey map prepared by Dennis K. Hashimoto, Licensed Professional Land Surveyor, dated April 14, 2006:

- (a) Hollow tile #1 along the east boundary which extends into parcel 20 by 0.0 ft. to 0.1 ft. for a length of 5 ft.
- (b) Fence #3 along the west boundary which extends into the subject parcel by 0.0 ft. to 0.3 ft. and to 0.1 ft. for a length of 155 ft.

6. The following encroachment(s), as shown on the survey map prepared by Dennis K. Hashimoto, Licensed Professional Land Surveyor, April 14, 2006:
 - (a) Fence #1 along the east boundary which extends into parcel 59 by 1.3 ft. to 0.2 ft. for a length of 61.4 ft.
7. MORTGAGE (Loan No. 1549062) by JOANNIE HSIEH TAM, wife of David Shui Ki Tam and LINH THIEU HOANG ON , wife of David Ming Tit On, as Mortgagor, and FIRST HAWAIIAN BANK, a corporation organized and existing under the laws of the State of Hawaii, dated April 25, 2006, recorded in the Bureau of Conveyances of the State of Hawaii, as Document No. 2006-079413, for the amount of \$538,350.00.
8. AFFIDAVIT dated May 5, 2006, recorded in said Bureau as Document No. 2006-088817 for building permit.
9. The covenants, agreements obligations, conditions, easements and other provisions, as contained in the DECLARATION OF CONDOMINIUM PROPERTY REGIME OF "1901 AND 1903 PACIFIC HTS. ROAD CONDOMINIUM", dated November 20, 2006, recorded in the Bureau of Conveyances of the State of Hawaii on November 29, 2006, as Document No. 2006-218140.
10. BY-LAWS OF ASSOCIATION OF APARTMENT OWNERS OF "1901 AND 1903 PACIFIC HTS. ROAD CONDOMINIUM", dated November 20, 2006, recorded in said Bureau of Conveyances of the State of Hawaii on November 29, 2006, as Document No. 2006-218141.
11. Condominium Map No. 4342 and any amendments thereto.

TOGETHER ALSO, WITH all built-in furniture, attached existing fixtures, built-in appliances, water heater, electrical and/or gas and plumbing fixtures, and attached carpeting, all of said personal property being situate in or used in connection with the above described real property.

TMK: (1) 2-2-8-19

EXHIBIT D

**ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

Estimate of Initial Maintenance Fees:

<u>Apartment/Unit</u>	<u>Monthly Fee x 12 months</u>	<u>Yearly Total</u>
A	\$ 0 x 12 =	\$0
B	\$ 0 x 12 =	\$0
	\$ 0 x 12 =	\$0
	\$ 0 x 12 =	\$0

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months Yearly Total

Utilities and Services

- Air Conditioning
- Electricity
 - common elements only
 - common elements and apartments
- Elevator
- Gas
- Refuse Collection
- Telephone
- Water and Sewer

Maintenance, Repairs and Supplies

- Building
- Grounds

Management

- Management Fee
- Payroll and Payroll Taxes
- Office Expenses

Insurance

\$0

Reserves(*)

Taxes and Government Assessments

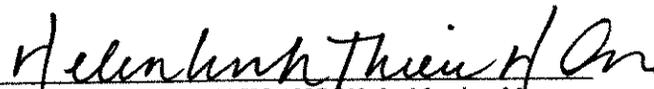
Audit Fees

Other

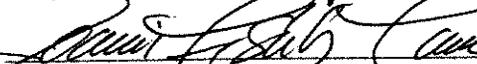
TOTAL

\$0

ON & TAM PACIFIC HEIGHTS LLC, a Hawaii limited liability company, the Developer for the condominium project 1901 and 1903 PACIFIC HTS. ROAD CONDOMINIUM, hereby certifies that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.


HELEN LINH THIEU HOANGON, Its Member-Manager

Date: 11/28/06


JOANNIE HSIEH TAM, Its Member-Manager

Date: 11/28/06

(*) Mandatory reserves assessment and collection is effect beginning 1994 budget year. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves", the Developer has conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserves rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. Pursuant to §514A-83.6, HRS, a new association created after January 1, 1993, need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

EXHIBIT E

SUMMARY OF SALES CONTRACT

The sales contract contains the price, description and location of the apartment and other terms and conditions under which a buyer will agree to buy an apartment in the Project. Among other things, the sales contract provides:

1. A section for financing to be filled in and agreed to by the parties which will set forth how the buyer will pay the purchase price.
2. That a Buyer's deposits will be held in escrow until the sales contract is closed or cancelled. In the event Buyer fails to perform Buyer's obligations under this DROA (Seller not being in default), Seller may (a) bring an action for damages for breach of contract (b) retain the initial deposit and all additional deposits provided for herein as liquidated damages, and (c) Buyer shall be responsible for any costs incurred with this DROA.
3. That the buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.
4. What will happen if there is a default under the sales contract by Seller or Buyer. If Buyer defaults, Seller may cancel the contract or bring legal action to force sale, obtain money damages or retain Buyer's deposit. If Seller defaults, Buyer can bring an action to force the sale.

The sales contract contains various other provisions which the buyer should become acquainted with.

5. Buyers are also made aware of the following:

“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 HOME OR FACILITY. 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. THESE 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.”

EXHIBIT F

SUMMARY OF ESCROW AGREEMENT

The escrow agreement sets up an arrangement under which the deposits a Buyer makes under a sales contract will be held by a neutral party ("Escrow"). Under the escrow agreement these things will or may happen:

- (a) Escrow will collect payments due pursuant to the sales contract.
- (b) Escrow will deposit all monies received pursuant to the sales contract in a special account with a financial institution.
- (c) Escrow will let Buyers know when payments are due.
- (d) Escrow will disburse Buyer's funds only after the following have happened:
 - 1. The Real Estate Commission has issued a final public report;
 - 2. Buyer has received a copy of the final report and given Seller a Receipt;
 - 3. 2 working days after Seller has notified Escrow that it has received the receipt;
 - 4. Seller has notified Escrow in writing that the requirements of §§ 514A-39 and -63, HRS, have been satisfied;
 - 5. Seller notifies Escrow that the sales contract has become binding and that Seller's and Buyer's rights of cancellation have lapsed or become void.
- (e) Escrow will refund Buyer's funds if Seller tells Escrow in writing that a refund should be made in accordance with the sales contract. No refund will be made a Buyer's request unless Escrow receives written approval from the Seller.
- (f) Escrow will refund owner/occupant Buyer's deposits, if Seller and Buyer request a refund in writing, and (1) Seller does not offer Buyer a sales contract; or (2) Buyer fails to obtain financing within the prescribed time; or (3) Buyer asks to cancel because of hardship circumstances; or (4) Buyer does not plan to occupy the apartment.
- (g) If Buyer defaults Seller will notify Escrow of such default. Escrow will notify Buyer by registered mail that Seller has canceled sales contract because of Buyer's default. After 10 days following Buyer's receipt of cancellation notice, Escrow will treat Buyer's funds (less escrow cancellation fee) as Seller.

- (h) A Buyer's funds will be refunded without interest, less a cancellation fee if Buyer cancels the sales contract and either the seller requests that Buyer's funds be returned prior to issuance of the final public report, or Buyer's funds were obtained prior to issuance of the final public report and Buyer decides to cancel their reservation prior to receipt of the final public report.
- (i) The escrow agreement says what will happen to a Buyer's funds upon default under the sales contract.
- (j) Escrow will arrange for and supervise the signing of all necessary documents.
- (k) The escrow agreement sets forth Escrow's responsibilities in the event of any disputes.

The escrow agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.

EXHIBIT G

DISCLOSURE ABSTRACT

1. a. **PROJECT:** 1901 and 1903 PACIFIC HTS. ROAD CONDOMINIUM
1901 and 1903 Pacific Hts. Road
Honolulu, HI 96813
- b. **DEVELOPER:** ON & TAM PACIFIC HEIGHTS LLC
2203 Laukahi Street
Honolulu, HI 96821
- c. **MANAGING AGENT:** None. Project will be self-managed.
- d. **REAL ESTATE BROKER:** JOANNIE TAM
Central Pacific Properties, Inc.
1448 Liliha Street, #201
Honolulu, HI 96817

2. **Estimated Maintenance Fee Assessments and Disbursements**

Maintenance Fees: The routine maintenance and repair of each apartment unit, including all utility charges, is the sole responsibility of each owner.

Individual Insurance: Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the Project's improvements. It is contemplated that each apartment owner will purchase and maintain his own homeowner's insurance policy which will include fire and liability coverage, and name the Association as an additional insured. As such, the premiums on said policies will be the individual responsibility of each apartment owner rather than a common expense of the Association. The premiums for said fire insurance will vary depending upon the insurance company and the coverage. Developer's best estimate regarding the cost of said coverage is approximately \$500.00 to \$2,000.00 per year per unit. If it is necessary for the Association to have its own public liability coverage (which could occur), this will become a common expense of the Association shared by the apartment owners.

3. **Description of All Warranties Covering the Apartments and Common Elements.**

NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO ANY APARTMENTS.

4. Use of Apartments. The "1901 and 1903 PACIFIC HTS. ROAD CONDOMINIUM" condominium project will consist of two (2) residential dwellings which will be used for residential purposes by the owners, their tenants, servants, guests and invitees and for no other purpose.

5. Structural Components and Mechanical and Electrical Installations.

It is the Developer's opinion that all structural components and mechanical and electrical installations material to the use and enjoyment of the apartments appear to be sound and in satisfactory working condition. However, NO REPRESENTATIONS OF ANY KIND ARE MADE AS TO THE EXPECTED USEFUL LIFE, IF ANY, OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS MATERIAL TO THE USE AND ENJOYMENT OF ANY OF THE APARTMENTS.

6. Code Violations. To the best of the knowledge, information and belief of the undersigned, there are no outstanding notices of uncured violations of the building code or municipal regulations of the City and County of Honolulu.

7. Sale of Apartments. The developers and owners intend to offer Units A (1901) and B(1903) for sale to the public.

DATE: November, 28, 2006

ON & TAM PACIFIC HEIGHTS LLC

By Helen On
HELEN ON, Its Member

By Joannie Tam
JOANNIE TAM, Its Member

"Developer"

EXHIBIT H

Date: 5 / 12 / 06

To: Name of Owner/Developer: ON 9 TAM PACIFIC HEIGHT LLC.

SUBJECT: Visual Inspection Report

Gentlemen:

Pursuant to your instructions, a visual inspection was made of the dwelling situated on the property located at:

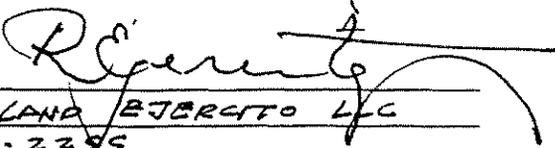
1901 PACIFIC HEIGHT ROAD HON. HI. 96813

TMK: (1) 2-2-008:019

The purpose of the inspection was to examine and comment on the present condition of the dwelling at said address.

The following described my assessment of the present condition of the dwelling:

1. The structural components of the dwelling appear in good condition. The dwelling is habitable and appears to be free from major structural defects.
2. The plumbing and electrical systems appear to be functioning properly and appear to be in good condition.
3. No representation is being made as to the expected useful life of the structural components and plumbing and electrical installations of the dwelling.

Signature of Architect/Engineer: 

Print Name:

ROLANDO EJERCITO LLC

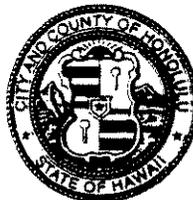
Registration/License No.:

5-2285

DEPARTMENT OF PLANNING AND PERMIT 3
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
TELEPHONE: (808) 523-4432 • FAX: (808) 527-6743
DEPT INTERNET: www.honoluluodpp.org • INTERNET: www.honolulu.gov

MUFI HANNEMANN
MAYOR



HENRY ENG, FA
DIRECTOR

DAVID K. TANO
DEPUTY DIRECTOR

2006/ELOG-1202(EE)

October 13, 2006

Ms. Helen Linh Thieu Hoang On
Ms. Joannie Hsieh Tam
On & Tam Pacific Heights LLC
2203 Laukahi Street
Honolulu, Hawaii 96821

Dear Mses. On and Tam:

Subject: Condominium Conversion Project
1901 and 1903 Pacific Heights Road
Tax Map Key (TMK): 2-2-008: 019

This is in response to your letter dated May 1, 2006, requesting verification that the structures on the above-referenced property met all applicable code requirements at the time of construction.

Investigation revealed that the two-story single-family detached dwelling at 1903 Pacific Heights Road and the one-story single-family detached dwelling at 1901 Pacific Heights Road with four (4) all-weather-surface off-street parking spaces met all applicable code requirements when they were constructed in 2006 and 1937, respectively, on this 8,241 square-foot R-3.5 Residential District zoned lot.

An inspection on July 31, 2006 revealed the off-street parking spaces and driveway were not provided with an all-weather surface. A follow-up inspection on October 4, 2006 revealed the parking spaces and driveway are paved with an all-weather surface.

Investigation also revealed a consolidation (File No. 68/sub-73) was approved on February 8, 1968 to consolidate Lots 3-A, 3-B and 3-C, same being Lot 3 of Olomana Tract (File Plan 69) at Pauoa into one lot of 8,241 square feet. Presently, the two (2) single-family detached dwellings are on this lot (TMK: 2-2-008: 019).

For your information, the Department of Planning and Permitting cannot determine all legal nonconforming uses or structures, as a result of the adoption or amendment of any ordinance or code.

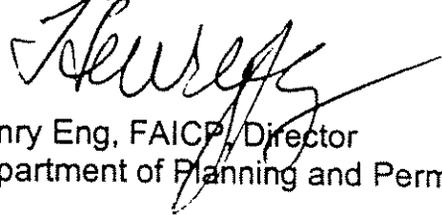
Ms. Helen Linh Thieu Hoang On
Ms. Joannie Hsieh Tam
October 13, 2006
Page 2

No variances or other permits were granted to allow deviations from any applicable codes.

Conversion to a condominium property regime (CPR) is not recognized by the City and County as an approved subdivision. CPR delineates ownership; it does not create separate lots of record for subdivision and zoning purposes.

If you have any questions regarding this matter, please contact Mr. Ivan Matsumoto of our Commercial and Multi-Family Code Enforcement Branch at 527-6341.

Very truly yours,



Henry Eng, FAICP, Director
Department of Planning and Permitting

HE:ft

doc487201