

**AMENDMENT 1 TO  
AMENDED DEVELOPER'S PUBLIC REPORT  
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME:	Makaha Oceanview Estates
PROJECT ADDRESS:	84-575 Kili Drive, Waianae, Hawaii 96792 (formerly 84-621 Ala Mahiku Street, Waianae, Hawaii 96792)
REGISTRATION NUMBER:	6311
EFFECTIVE DATE OF REPORT:	<b>April 24, 2009</b>
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input checked="" type="checkbox"/> Amended Report dated <u>February 11, 2008</u> <input type="checkbox"/> Supersedes all prior amendments: Includes all prior amendment(s) and <u>must</u> be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input type="checkbox"/> Amended Report dated _____
DEVELOPER(S):	Makaha Oceanview Estates, LLC, a Hawaii limited liability company

**Preparation of this Amendment**

The Developer prepared this amendment pursuant to the Condominium Property Act, Section 514B-56, Hawaii Revised Statutes (HRS), as amended from time to time. Section 514B-56, HRS, requires that after the Commission has issued an effective date for the Developer's Public Report, if there are any changes, either material or pertinent changes, or both, regarding the information contained in or omitted from the Developer's Public Report, or if the developer desires to update or change the information set forth in the Developer's Public Report, the developer shall immediately submit to the Commission an amendment to the Developer's Public Report or an amended Developer's Public Report clearly reflecting the change, together with such supporting information as may be required by the Commission, to update the information contained in the Developer's Public Report.

The law defines "material change" as used in parts IV and V of Chapter 514B, HRS means 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 law defines "pertinent change" to mean, as determined by the commission, a change not previously disclosed in the most recent public report that renders the information contained in the public report or in any disclosure statement inaccurate, including, but not limited to (1) The size, construction materials, location, or permitted use of a unit or its appurtenant limited common element; (2) The size, use, location, or construction materials of the common elements of the project; or (3) The common interest appurtenant to the unit. A pertinent change does not necessarily constitute a material change.

The filing of an amendment to the Developer's Public Report or an amended Developer's Public Report, in and of itself, shall not be grounds for a purchaser to cancel or rescind a sales contract. A purchaser's right to cancel or rescind a sales contract shall be governed by sections 514B-86 and 514B-87, HRS, the terms and conditions of the purchaser's contract for sale, and applicable common law.

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*This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (808) 586-2643 to submit your request.*

This Amendment 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 amendment to the 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, material changes, or pertinent changes about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

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 amendment may be used by the Developer for promotional purposes only if it is used with the last Developer's Public Report in its entirety.

Prospective purchasers and purchasers are encouraged to read this amendment carefully and to seek professional advice.

Summary of Changes from Earlier Developer's Public Report are Described Beginning on the Next Page

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Summary of Changes from Earlier Developer's Public Report:

This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public Report with the effective date as noted on the top of page 1 if they wish to know the specific changes that have been made.

Changes made are as follows (include a description of what the change is and page number and or exhibit alphabet or number; additional pages may be used):

1. The Project (except for 7 already sold units) was acquired by Makaha Oceanview Estates, LLC, a Hawaii limited liability company, with its address at 575 McClay Road, Novato, California 94947. This company is now the Developer of this Project.
2. The Project address is now 84-575 Kili Drive, Waianae, Hawaii 96792 (changed from 84-621 Ala Mahiku Street, Waianae, Hawaii 96792). This information replaces the information near the top of the first page of the public report (under the heading "Project Address"), in section 1.1 of the public report (under the heading "Address of Project"), and anywhere else in the public report where the Project address appears.
3. Additional CPR numbers have been assigned, and the present tax map key (TMK) designation of the Project is Tax Map Key (TMK) (1) 8-4-002-064 (CPR Nos. 001 - 068). This information replaces the information at section 1.1 of the public report (under the heading "Tax Map Key (TMK)"), and anywhere else in the public report where the Project Tax Map Key (TMK) numbers appear
4. The numbers which physically appear on the mailboxes at the project and the respective units' apartment numbers for United States Postal Service purposes are different from the unit numbers appearing on the condominium map and declaration for the project. Interested persons and prospective purchasers must inquire to determine the mailbox number and postal apartment number assigned to any particular unit. There are no mailboxes yet constructed for the Duplex Units and therefore there are no physical mailbox numbers for them yet. The foregoing information does not replace any particular information in the public report but is in addition to the existing information.
5. The attorney for Makaha Oceanview Estates, LLC is Klevansky Piper Van Etten, LLP, attention: George T. Okamura. Their telephone number is (808) 536-0200, fax number is (808) 536-0221, email is gokamura@kpvlaw.com, and website is www.kpvlaw.com. This information replaces the information in section 2.6 of the public report.
6. The Real Estate Broker for the Project now is EAST OAHU REALTY, LLC, a Hawaii limited liability company, whose address is 6600 Kalaniana'ole Highway, #114, Honolulu, Hawaii 96825, attention: Suzanne Yen. Their telephone number is (808) 396-2000, fax number is (808) 396-2020, email is information@eastoahu.com, and website is www.eastoahu.com. This information replaces the information in section 2.2 of the public report.
7. In addition to any sales contract form previously submitted to the Real Estate Commission for use with sales of units in the Project, the Purchase Contract form published by the Hawaii Association of Realtors from time to time may be used.

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Changes continued:

8. Exhibit F of the Public Report (List Of Encumbrances) and section 1.12 of the Public Report have been revised and updated.

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The Developer declares subject to the penalties set forth in Section 514B-69, HRS that this project continues to conform 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 as amended, 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 as amended, 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 as amended and the exhibits attached to this report (if any) as amended 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 as amended 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 as amended at least 30 days prior to the anniversary date of the effective date of this report.

MAKAHA OCEANVIEW ESTATES, LLC  
By Its Member/Manager  
K&C Investments Inc.

\_\_\_\_\_  
Printed Name of Developer

*Mark Kramer*

\_\_\_\_\_  
Duly Authorized Signatory\*

*3/03/09*

\_\_\_\_\_  
Date

[Mark Kramer, President]

\_\_\_\_\_  
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, \_\_\_\_\_

**\*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.**

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**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		
Address of Project	84-575 Killi Drive, Waianae, Hawaii 96792	
Address of Project is expected to change because	N/A	
Tax Map Key (TMK)	(1) 8-4-002-064 (CPR Nos. 0001-0068)	
Tax Map Key is expected to change because	Additional CPR numbers may be given to each Duplex Unit or Single Unit	
Land Area	13.530 acres	
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)		

**1.2 Buildings and Other Improvements**

Number of Buildings	2 residential apartment buildings; 46 airspace units ("Duplex Units")
Floors Per Building	1 2-story residential apartment building; 1 3-story residential apartment building
Number of New Building(s)	N/A
Number of Converted Building(s)	2 residential apartment buildings
Principle Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	The residential apartment buildings are wood-framed with concrete spread footings and appropriate trim.

**1.3 Unit Types and Sizes of Units**

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc.)	Total Area
2-Story Bldg 197-A	1	2BR/1 BA	812 sf	128 sf	2 Lanais	940 sf
2-Story Bldg 198-A	1	2BR/1 BA	812 sf	128 sf	2 Lanais	940 sf
2-Story Bldg 197-B	1	2BR/1 BA	815 sf	36 sf	2 Lanais	851 sf
2-Story Bldg 198-B	1	2BR/1 BA	815 sf	36 sf	2 Lanais	851 sf
3-Story Bldg 199-A, 201-A, 203-A	3	2BR/1 BA	810 sf	110 sf	1 Lanai	920 sf
3-Story Bldg 200-A, 202-A, 204-A	3	2BR/1 BA	810 sf	110 sf	1 Lanai	920 sf
3-Story Bldg 199-B, 199-C, 201-B, 201-C, 203-B, 203-C	6	2BR/1 BA	813 sf	18 sf	1 Lanai	831 sf
3 Story Bldg 200-B, 200-C, 202-B, 202-C, 204-B, 204-C	6	2BR/1 BA	813 sf	18 sf	1 Lanai	831 sf
Duplex Units (see Ex. A)	46	N/A	N/A	See Exhibit A	Duplex Unit LCE Land Area & Buildable Area	See Exhibit A
See Exhibit <u>A</u> .						
<b>68</b>		<b>Total Number of Units</b>				

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.

### 1.9 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  D .

Described as follows:

Common Element	Number
Elevators	0
Stairways	4
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  D\* .

Described as follows:

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

### 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 checked="" type="checkbox"/>	Pets: Pets are allowed in the Project in accordance with and subject to the House Rules.
<input type="checkbox"/>	Number of Occupants:
<input type="checkbox"/>	Other:
<input type="checkbox"/>	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  F  describes the encumbrances against title contained in the title report described below.

Date of the title report: December 12, 2008 (Owner's Title Policy)

Company that issued the title report: Title Guaranty of Hawaii, Inc.

## 2. PERSONS CONNECTED WITH THE PROJECT

<b>2.1 Developer(s)</b>	<p>Name: Makaha Oceanview Estates LLC, a Hawaii limited liability company</p> <p>Business Address: 575 McClay Road Novato, California 94947</p> <p>Business Phone Number : (415) 893-9005 Business Fax Number: (415) 893-9173</p>
<p>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).</p>	<p>Member: K&amp;C Investments Inc., a California corporation Mark Kramer, Its President and Director</p>
<b>2.2 Real Estate Broker</b>	<p>Name: East Oahu Realty Business Address: 6600 Kalaniana'ole Highway, Suite 114 Honolulu, HI 96825 Attn: Suzanne Yen</p> <p>Business Phone Number: (808) 396-2000 E-mail Address: Suzanne.Yen@EastOahu.com</p>
<b>2.3 Escrow Depository</b>	<p>Name: Title Guaranty Escrow Services, Inc. Business Address: 235 Queen Street, 1st Floor Honolulu, HI 96813 Attn: Theresa Widmer</p> <p>Business Phone Number: (808) 521-0211</p>
<b>2.4 General Contractor</b>	<p>Name: To be determined. Business Address:</p> <p>Business Phone Number:</p>
<b>2.5 Condominium Managing Agent</b>	<p>Name: Hawaiiana Management Company, Ltd. Business Address: 711 Kapiolani Boulevard, 7th Floor Honolulu, HI 96813 Attn: Mr. Scott T. Sakai</p> <p>Business Phone Number: (808) 593-6896</p>
<b>2.6 Attorney for Developer</b>	<p>Name: Klevansky Piper Van Etten, LLP Business Address: 1003 Bishop Street, Suite 770 Honolulu, HI 96813 Attn: George T. Okamura</p> <p>Business Phone Number: (808) 536-0200</p>

## 5. SALES DOCUMENTS

### 5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit <u>H</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: March 3, 2009 Name of Escrow Company: Title Guaranty Escrow Services, Inc. Exhibit <u>I</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.

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

<u>Type of Lien</u>	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage; Second Accommodation Mortgage; Third Mortgage; First Charge to Third Mortgage; and Fourth Mortgage	Lenders have priority over Buyer's rights under a sales contract, and have a right to terminate sales contracts upon foreclosure of their mortgages before a unit sale is closed. Buyer's interest is specifically made subject and subordinate to such lien(s). Buyer's contract may be canceled and Buyer may lose all rights to acquire the unit. Buyer's deposit, less escrow cancellation fee, will be returned if default and foreclosure occur before conveyance. Note: At the time of conveyance of each unit, partial release(s) of the lenders' lien(s) releasing the conveyed unit will be recorded.

### 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:	No warranties. The units (and fixtures) are being conveyed in "as is" condition
Appliances:	The appliances, if any, are being conveyed in "as is" condition

## EXHIBIT F

### ENCUMBRANCES AGAINST TITLE

The encumbrances against title appearing in the Owner's Title Policy dated December 12, 2008 prepared by Title Guaranty of Hawaii, Inc. are as follows:

1. Real Property Taxes as may be due and owing. Check with the Office of the Tax Assessor, City and County of Honolulu.
2. GRANT in favor of CITY AND COUNTY OF HONOLULU dated February 6, 1950, filed as Land Court Document No. 116618; granting all rights in basal water only.
3. The terms and provisions contained in the following:  
  
INSTRUMENT : WARRANTY DEED  
  
DATED : June 28, 1973  
FILED : Land Court Document No. 651892
4. Designation of Easement "87", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
5. Designation of Easement "91", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
6. Designation of Easement "92", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
7. Designation of Easement "93", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
8. Designation of Easement "94", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
9. Designation of Easement "95", as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975.
10. Designation of Easement "144" for drainage purposes, as shown on Map 128, as set forth by Land Court Order No. 45667, filed October 20, 1976.
11. Designation of Easement "145" for sanitary sewerline purposes, as shown on Map 128, as set forth by Land Court Order No. 45667, filed October 20, 1976.

12. Access rights in favor of Lot 1009-B, as shown on Map 128, filed in the Office of the Assistant Registrar of the State of Hawaii with Land Court Application No. 1052 (amended), over and across Lot 1009-A for the purpose of maintaining Easement "144" (a surface drainage area) and Easement "145" (a sanitary sewerline), as set forth by Land Court Order No. 45667, filed October 20, 1976.

13. The terms and provisions contained in the following:

INSTRUMENT : SECOND AMENDED AND RESTATED DECLARATION OF  
CONDOMINIUM PROPERTY REGIME FOR MAKAHA  
OCEANVIEW ESTATES; JOINDER

DATED : August 29, 2007  
FILED : Land Court Document No. 3654272  
MAP : 1822 and any amendments thereto

Joinder by M & M AT MAKAHA LLC, a Hawaii limited liability company, dated ----- (acknowledged August 29, 2007), filed as Land Court Document No. 3654272.

The foregoing Amended and Restated Declaration restates the original Declaration dated June 13, 2006, filed as Land Court Document No. 3446067, and any amendments thereto.

Said Amended and Restated Declaration was amended by instruments dated October 10, 2007, filed as Land Court Document No. 3666794, dated October 26, 2007, filed as Land Court Document No. 3677645, dated November 9, 2007, filed as Land Court Document No. 3691673, and dated February 6, 2008, filed as Land Court Document No. 3709242.

Joinder and Consent to Fourth Amendment to Second Amended and Restated Declaration of Condominium Property Regime of Makaha Oceanview Estates by M & M AT MAKAHA, LLC, a Hawaii limited liability company, dated February 12, 2008, filed as Land Court Document No. 3739486.

QUITCLAIM ASSIGNMENT OF DEVELOPMENT RIGHTS by and between HIDC MAKAHA OCEANVIEW ESTATES LLC, a Hawaii limited liability company ("Assignor"), and MAKAHA OCEANVIEW ESTATES, LLC, a Hawaii limited liability company ("Assignee"), dated December 3, 2008, filed as Land Court Document No. 3812768.

14. The terms and provisions contained in the following:

INSTRUMENT : SECOND AMENDED AND RESTATED BY-LAWS OF THE  
ASSOCIATION OF UNIT OWNERS OF MAKAHA OCEANVIEW  
ESTATES; JOINDER

DATED : August 29, 2007  
FILED : Land Court Document No. 3654273

Joinder by M & M AT MAKAHA LLC, a Hawaii limited liability company, dated ----- (acknowledged August 29, 2007), filed as Land Court Document No. 3654273.

The foregoing Amended and Restated Bylaws restate the original Bylaws dated June 13, 2006, filed as Land Court Document No. 3446068, and any amendments thereto.

QUITCLAIM ASSIGNMENT OF DEVELOPMENT RIGHTS by and between HIDC MAKAHA OCEANVIEW ESTATES LLC, a Hawaii limited liability company ("Assignor"), and MAKAHA OCEANVIEW ESTATES, LLC, a Hawaii limited liability company ("Assignee"), dated December 3, 2008, filed as Land Court Document No. 3812768.

15. THIRD MORTGAGE

MORTGAGOR : M & M AT MAKAHA LLC, a Hawaii limited liability company

MORTGAGEE : ERIC HENRY McLAUGHLIN and SANDRA PAULETTE  
McLAUGHLIN, husband and wife

DATED : January 17, 2007  
FILED : Land Court Document No. 3557219  
AMOUNT : \$300,000.00 - covers the premises described herein, besides other premises

SUBORDINATION AGREEMENT

DATED : April 4, 2007  
FILED : Land Court Document No. 3587873

Subordinates said above Mortgage to the lien of that certain Mortgage filed as Land Court Document No. 3587871.

SUBORDINATION AGREEMENT

DATED : as of July 13, 2007  
FILED : Land Court Document No. 3629741

Subordinates said above Mortgage to the lien of that certain Mortgage filed as Land Court Document No. 3629740.

ABOVE MORTGAGE ASSIGNED

TO : MAKAHA OCEANVIEW ESTATES, LLC, a Hawaii limited liability company

DATED : November 19, 2008

FILED : Land Court Document No. 3812766

16. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

LOAN/ACCOUNT NO. 8100281756

MORTGAGOR : M & M AT MAKAHA LLC, a Hawaii limited liability company

MORTGAGEE : CENTRAL PACIFIC BANK, a Hawaii corporation

DATED : April 4, 2007

FILED : Land Court Document No. 3587871

AMOUNT : \$2,000,000.00 - covers the premises described herein, besides other premises

17. FINANCING STATEMENT

DEBTOR : M & M MAKAHA LLC

SECURED

PARTY : CENTRAL PACIFIC BANK

RECORDED : Document No. 2007-066743

RECORDED ON : April 13, 2007

18. SECOND ACCOMMODATION MORTGAGE

MORTGAGOR : M & M AT MAKAHA LLC, a Hawaii limited liability company

MORTGAGEE : MARK KRAMER

DATED : July 6, 2007

FILED : Land Court Document No. 3629740

AMOUNT : \$1,600,000.00 - covers the premises described herein, besides other premises

ABOVE MORTGAGE BY MESNE ASSIGNMENTS ASSIGNED

TO : MAKAHA OCEANVIEW ESTATES, LLC, a Hawaii limited liability company

DATED : October 3, 2008

FILED : Land Court Document No. 3812765

19. FIRST ADDITIONAL CHARGE TO THIRD MORTGAGE

MORTGAGOR : M & M AT MAKAHA LLC, a Hawaii limited liability company

MORTGAGEE : ERIC HENRY McLAUGHLIN and SANDRA PAULETTE  
McLAUGHLIN, husband and wife

DATED : July 27, 2007

FILED : Land Court Document No. 3636758

AMOUNT : \$18,150.00 - covers the premises described herein, besides other premises

Being an additional charge to that certain Mortgage filed as Land Court Document No. 3557219.

ABOVE MORTGAGE ASSIGNED

TO : MAKAHA OCEANVIEW ESTATES, LLC, a Hawaii limited liability company

DATED : November 19, 2008

FILED : Land Court Document No. 3812766

20. FOURTH MORTGAGE

MORTGAGOR : M & M AT MAKAHA LLC, a Hawaii limited liability company

MORTGAGEE : ERIC HENRY McLAUGHLIN, husband of Sandra Paulette  
McLaughlin

DATED : July 27, 2007

FILED : Land Court Document No. 3636759

AMOUNT : \$1,200,000.00 -covers the premises described herein, besides other premises

ABOVE MORTGAGE ASSIGNED

TO : MAKAHA OCEANVIEW ESTATES, LLC, a Hawaii limited liability company

DATED : November 19, 2008

FILED : Land Court Document No. 3812766

21. The terms and provisions contained in the following:

INSTRUMENT : WARRANTY DEED

DATED : October 18, 2008

FILED : Land Court Document No. 3812767

22. Encroachments or any other matters which would be shown on a correct survey.
23. Any facts, rights, interests or claims which are not recorded [or filed] in the public records at the [date of the policy] but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof or of the lessees in any lease of the land.
24. Easements or claims of easements which are not recorded [or filed] in the public records at the [date of the policy].

And any discrepancies, conflicts in boundary lines, shortage in area, or any other matters which a correct survey or archeological study would disclose.

## EXHIBIT H

### SUMMARY OF THE SALES CONTRACT

A specimen Deposit Receipt, Offer, Acceptance, and Sales Contract and Addendum "A" (collectively, the "Unit Contract") has been submitted to the Real Estate Commission. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ THE CONTRACT IN FULL, because this summary is NOT A COMPLETE DESCRIPTION of its provisions. The Unit Contract, among other things, covers in more detail the following items:

1. Buyer agrees to deliver to Seller, no later than three (3) business days after the date Seller signs the Unit Contract, written proof of Buyer's ability to pay the Total Purchase Price under the Unit Contract. Written proof shall include a pre-qualification letter based upon a full credit report. Seller will also have the right to require Buyer to give to Seller and Seller's agent a letter of credit from a bank or other financial institution acceptable to Seller securing Buyer's promises and agreements under the Unit Contract and any other information required by Seller.
2. Seller, in its sole discretion, and in addition to any other rights of cancellation or termination reserved to Seller, may elect to cancel the Unit Contract if Buyer defaults under the Unit Contract. Buyer may lose all of its deposits with Escrow and Seller. Seller may, at its option, pursue other legal remedies. If Seller defaults under the Unit Contract, Buyer shall not be entitled to specific performance of the Unit Contract, and shall have only the right to cancel and terminate the Unit Contract.
3. Buyer is required to prepay maintenance fees, start-up fees, closing costs and prorations as more particularly described in the Unit Contract.
4. The Unit Contract confirms that Buyer has had the opportunity to read and approve the project documents, including the Declaration, the Bylaws, the Condominium Map, the form of Unit Deed, the Escrow Agreement, and this Public Report, and all amendments and supplements to all such documents, if any. Buyer (or buyer's lender, if any) may inspect copies of each of these documents at Seller's sales agent's office. The Unit Contract also provides that the rights of Seller's lender with a mortgage against the Project will be superior to the rights of Buyer under the Unit Contract until the Closing Date and delivery of a signed Unit Deed to Buyer.
5. Buyer specifically acknowledges and accepts certain enumerated conditions regarding on-going development and marketing of the Project stated in the Unit Contract as well as any inconvenience or annoyance which Buyer or other people may experience as a result of such conditions, and expressly waives any rights, claims or action which Buyer might otherwise have against Seller or third parties as a result of such circumstances.
6. Buyer shall have the right to rescind the Unit Contract only if there is a material change in the Project which directly, substantially and adversely affects the use or value of (a) Buyer's unit or appurtenant limited common element, or (b) amenities of the Project available for Buyer's use. Waiver of such right is governed more specifically by the terms of the Unit Contract.
7. If Buyer cancels the Unit Contract because of Seller's default, Seller will repay to Buyer all sums paid by Buyer to the Seller or to Escrow under the Unit Contract, without interest (except that Buyer will get interest on sums held by Escrow in an interest-bearing account in favor of Buyer, if Buyer checked the appropriate box on the first page of the Unit Contract and paid the \$25 noted there). Buyer agrees that if Seller defaults at any time, Buyer will only have the rights mentioned in the Unit Contract and that Buyer waives any other rights Buyer might otherwise have.

8. Seller shall have certain rights and remedies against Buyer in the event Buyer fails to perform any of the terms and conditions of the Unit Contract, including failure to comply with the pre-closing and closing requirements, as more particularly described in the Unit Contract, including the right to retain Buyer's deposits and the right to other actual and liquidated damages, the right to specifically enforce the Unit Contract, and the right to charge late fees on amounts past due.

9. The Unit Contract prohibits Buyer from assigning the Unit Contract.

10. The execution, delivery and recordation of Buyer's Unit Deed shall constitute the assignment by Seller to Buyer of any and all unexpired warranties given to Seller by the contractors for the Project, if any. Except for the foregoing, BUYER ACKNOWLEDGES THAT SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, HABITABILITY OR WORKMANLIKE CONSTRUCTION WITH RESPECT TO THE UNIT, THE PROPERTY, ANY COMMON ELEMENT, LIMITED COMMON ELEMENT, OR ANYTHING ELSE.

11. Buyer agrees to intentionally waive, relinquish and subordinate the priority or super priority of any interest under the Unit Contract in favor of the liens or charges upon the Property of any lender's mortgage loan.

ALL BUYERS SHOULD READ THEIR RESPECTIVE SALES CONTRACTS IN FULL BECAUSE THIS SUMMRAY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE SALES CONTRACT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESRIPTION OF SOME OF THE ITEMS CONTAINED IN THE SALES CONTRACT, AND DOES NOT ALTER OR AMEND THE SALES CONTRACT IN ANY MANNER, AND DOES NOT AFFECT ANY RIGHTS OR OBLIGATIONS OF SELLER OR OF BUYER. IF ANY PROVISIONS OF THIS SUMMARY CONTRADICT THE PROVISIONS CONTAINED IN THE SALES CONTRACT IN ANY WAY, THE PROVISION OF THE SALES CONTRACT SHALL OVERRIDE THE PROVISIONS OF THIS SUMMARY. EVERYTHING IN THE SALES CONTRACT IS BINDING ON SELLER AND ON BUYER, EVEN IF NOT MENTIONED IN THIS SUMMARY. NOTHING IN THIS SUMMARY IS BINDING ON SELLER OR ON BUYER IF NOT IN THE SALES CONTRACT. ONLY THE SALES CONTRACT IS A LEGAL DOCUMENT IF SIGNED BY SELLER AND BY BUYER. THIS SUMMARY IS NOT A PART OF THE SALES CONTRACT AND DOES NOT AMEND OR AFFECT IT.

## EXHIBIT I

### SUMMARY OF THE ESCROW AGREEMENT

A copy of the Escrow Agreement ("Escrow Agreement") between the Seller and Title Guaranty Escrow Services Inc. ("Escrow") has been submitted to the Real Estate Commission. The Escrow Agreement, among other things, covers in more detail the following items:

1. Seller shall deliver an executed copy of each sales contract for the sale of a unit any amendments thereto to Escrow. Each sales contract shall be accompanied by the initial deposit required thereunder.

2. Seller shall pay Escrow monies received from Buyers under sales contracts covering units in the Project. Escrow shall receive and hold in escrow and disburse funds as set forth in detail in the Escrow Agreement. Escrow shall deposit all funds so received in an account at a federally-insured interest-bearing account at a bank, savings and loan association, or trust company authorized to do business in the State. Except for specific circumstances stated in the Escrow Agreement, any interest earned on funds deposited in Escrow under the Escrow Agreement shall accrue to the credit of Seller.

3. No disbursements of funds held in escrow shall be made unless and until the Buyer's sales contract has become effective and the disbursement is permitted or not prohibited by law or the sales contract.

4. Buyer shall be entitled to a return of funds and Escrow shall pay such funds to Buyer, together with any interest that may have accrued to the credit of Buyer, if any one of the following has occurred: (a) Seller and Buyer together request Escrow in writing to return to Buyer the funds of Buyer held by Escrow; or (b) Seller notifies Escrow of Seller's exercise of the option to cancel or rescind the sales contract pursuant to any rights of cancellation or rescission provided therein or otherwise available to Seller; or (c) Buyer exercises such Buyer's right to cancel or rescind the contract pursuant to the Condominium Property Act.

In the event of a default by Buyer in any matter being handled by Escrow, upon certification by Seller of Seller's termination of the sales contract, Escrow will thereafter treat all funds of Buyer paid on account of such Buyer's sales contract as funds of Seller and not as funds of Buyer.

5. Except for the sales contract and any note and mortgage that is to be closed by the mortgagee thereof, Escrow shall promptly and diligently arrange for and supervise the execution of all documents related to the Project and shall promptly, and diligently close the transactions and perform such services as are necessary or proper therefor, in the manner established in the Escrow Agreement.

NOTE: ALL BUYERS AND PROSPECTIVE BUYERS SHOULD READ THE ESCROW AGREEMENT AND ALL AMENDMENTS, IF ANY, IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE ESCROW AGREEMENT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE ESCROW AGREEMENT, AND DOES NOT ALTER OR AMEND THE ESCROW AGREEMENT IN ANY MANNER. EVERYTHING IN THE ESCROW AGREEMENT IS BINDING ON SELLER, ON BUYER AND ON ESCROW, EVEN IF NOT MENTIONED IN THIS SUMMARY. NOTHING IN THIS SUMMARY IS BINDING ON SELLER, ON BUYER, OR ON ESCROW IF NOT IN THE ESCROW AGREEMENT. IF ANYTHING IN THE ESCROW AGREEMENT IS DIFFERENT FROM ANYTHING IN THIS SUMMARY, THE ESCROW AGREEMENT OVERRIDES THIS SUMMARY. THIS SUMMARY IS NOT A PART OF THE ESCROW AGREEMENT AND DOES NOT AMEND OR AFFECT IT.