

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

CONDOMINIUM PROJECT NAME	CALIFORNIA HALE
Project Address	360 California Avenue, Wahiawa, Hawaii 96786
Registration Number	6359
Effective Date of Report	July 2, 2007
Developer(s)	360 CALIFORNIA LLC, a Hawaii limited liability company

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; and (3) is not the Commission's judgment of the value or merits of the project.

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

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, including any omitted material facts, 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.]

1. The land of the Condominium will be transferred to the developer by the current title holders James and Patricia Oellien at or before the closing of the construction loan. Purchasers will receive a copy of the recorded deed to developer before their contracts become binding.

2. The contractor is listed as Metcalf Construction Co. Inc. but James Oellian, one of the indirect owners of the Developer, is currently forming and licensing a construction company to be called Oellien Pacific Construction and Development. If that company is formed and licensed before the construction contract is executed then Oellian Pacific Construction and Development will become the contractor.

3. Developer has not yet recorded the Declaration, By-Laws and Condominium Map for this "California Hale" condominium project (collectively the "condominium documents").

As a result, any sales contract entered into by Buyer is non-binding and may be cancelled at any time. Upon cancellation, buyer shall be entitled to a prompt and full refund of all moneys paid, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.

The sales contract between Buyer and Developer will become binding when ALL of the following events occur:

- The condominium documents have been recorded;
- A copy of an amended public report with an effective date issued by the Real Estate Commission has been delivered to the Buyer, along with copies of the recorded condominium documents; and
- The Buyer has waived Buyer's 30-day right to cancel the sales contract.

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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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Fee Owner's Name if Developer is not the Fee Owner	JAMES WILLIAM OELLIEN and PATRICIA JEAN OELLIEN,	
Address of Project	360 California Avenue, Wahiawa, Hawaii 96786	
Address of Project is expected to change because	N/A	
Tax Map Key (TMK)	(1) 7-3-4-020	
Tax Map Key is expected to change because	N/A	
Land Area	9,000 square feet	
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	Agreement to Convey (California Hale) dated as of July 19, 2006	

1.2 Buildings and Other Improvements

Number of Buildings	1
Floors Per Building	4
Number of New Building(s)	1
Number of Converted Building(s)	0
Principal Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Concrete, hollow tile, wood, steel and 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.)	Total Area
See Exhibit A .						

12	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:	20
Number of Guest Stalls in the Project:	2 initially
Number of Parking Stalls Assigned to Each Unit:	1 bedroom 1 stall; 2 and 3 bedroom 2 stalls
Attach Exhibit A specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact or tandem and indicate whether covered or open).	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights. Guest parking stalls may be reassigned by Developer to units. Developer has the same right as other owners to transfer stalls from one unit to another.	

1.5 Boundaries of the Units

Boundaries of the unit: See Exhibit B
--

1.6 Permitted Alterations to the Units

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

1.7 Common Interest

<u>Common Interest:</u> 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: 201 through 206 each has 0.0625; 301 and 304 each has 0.1025; 302 and 303 each has 0.0933; PH 1 and PH 2 each has 0.1167

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 checked="" type="checkbox"/>	Security Gate
<input type="checkbox"/>	Playground
<input checked="" type="checkbox"/>	Other (describe): Park dedication area of approximately 1397 square feet

1.9 Common Elements

<p><u>Common Elements</u>: 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.</p>	
<p>Described in Exhibit <u>D</u> .</p>	
<p>Described as follows:</p>	
Common Element	Number
Elevators	2
Stairways	2
Trash Chutes	0

1.10 Limited Common Elements

<p><u>Limited Common Elements</u>: 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.</p>
<p>Described in Exhibit <u>E</u> .</p>
<p>Described as follows:</p>

1.11 Special Use Restrictions

<p>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.</p>	
<input checked="" type="checkbox"/>	Pets: dogs, cats, caged birds, other small animals but not pigs, chickens, roosters; see Bylaws
<input type="checkbox"/>	Number of Occupants:
<input checked="" type="checkbox"/>	Other: Residential use. Not for business or commercial except residential rentals
<input type="checkbox"/>	There are no special use restrictions.

1.12 Encumbrances Against Title

<p>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).</p>
<p>Exhibit <u>F</u> describes the encumbrances against title contained in the title report described below.</p>
<p>Date of the title report: May 14, 2007</p>
<p>Company that issued the title report: Title Guaranty of Hawaii, Incorporated</p>

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 checked="" type="checkbox"/>	Residential	12	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	A-2 Med.Dens Apt
<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 checked="" 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.		N/A			

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"/>

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:

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 type="checkbox"/> Applicable <input checked="" 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:</p>	
<p>Developer's statement of the expected useful life of each item reported above:</p>	
<p>List of any outstanding notices of uncured violations of any building code or other county regulations:</p>	
<p>Estimated cost of curing any violations described above:</p>	

<p>Verified Statement from a County Official</p>
<p>Regarding any converted structures in the project, attached as Exhibit _____ is a verified statement signed by an appropriate county official which states that either:</p> <p>(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:</p> <ul style="list-style-type: none"> (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; <p>or</p> <p>(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 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 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 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>	

1.17 Project with Assisted Living Facility

<p>Does the project contain any assisted living facility units subject to Section 321-11(10), HRS? If answer is "Yes", complete information below.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Licensing requirements and the impact of the requirements on the costs, operations, 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(s)</p>	<p>Name: 360 California LLC 1750 Kalakaua Avenue, Suite 200 Honolulu, Hawaii 96826</p> <p>Business Address:</p> <p>Business Phone Number: 955-6677 E-mail Address:</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>Members and managers: California Hale, Inc. a Hawaii corporation and Architechnology, Inc. a Hawaii corporation</p> <p>California Hale: James W. Oellien - President Patricia J. Oellien - Vice President</p> <p>Architechnology: Jo Paul Rognstad - President Robert Austin - Vice President Linda Akamu - Secretary & Treasurer</p>
<p>2.2 Real Estate Broker</p>	<p>Name: Doug Davis Realty, Inc. Business Address: 745 Kapiolani Blvd, Suite C-405 Honolulu, Hawaii 96813</p> <p>Business Phone Number: (808) 596-4881 E-mail Address: edward@oahuexpert.com</p>
<p>2.3 Escrow Depository</p>	<p>Name: Title Guaranty Escrow Services, Inc. Business Address: 235 Queen Street, 2nd Fl Hon. Hi 96813</p> <p>Business Phone Number: 521-0210</p>
<p>2.4 General Contractor</p>	<p>Name: Metcalf Construction Co. Inc. but see p.1.a. Business Address: 73-4273 Hulikoa Dr., Kailua-Kona HI96740</p> <p>Business Phone Number: (808) 836-2500</p>
<p>2.5 Condominium Managing Agent</p>	<p>Name: Not applicable; self managed by the Association Business Address:</p> <p>Business Phone Number:</p>
<p>2.6 Attorney for Developer</p>	<p>Name: Cades Schutte LLP (Bernice Littman) Business Address: 1000 Bishop Street, #1200, Hon. Hi 96813</p> <p>Business Phone Number: 521-9200</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
Land Court		Not yet recorded

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
N/A		

3.2 Bylaws of the Association of Unit Owners

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

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court		Not yet recorded

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number
N/A		

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	Not yet recorded
Bureau of Conveyances Map Number	N/A
Dates of Recordation of Amendments to the Condominium Map:	
N/A	

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 type="checkbox"/>
Developer does not plan to adopt House Rules	<input checked="" 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>See Exhibit G</p>

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

<p><u>Management of the Common Elements:</u> 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.</p>	
<p>The Initial Condominium Managing Agent for this project is (check one):</p>	
<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

<p><u>Estimate of the Initial Maintenance Fees:</u> The Association will make assessments against your unit to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your unit and the unit may be sold through a foreclosure proceeding. Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.</p>
<p>Exhibit H __ 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.</p>

4.3 Utility Charges to be Included in the Maintenance Fee

<p>If checked, the following utilities are included in the maintenance fee:</p>	
<input checked="" type="checkbox"/>	Electricity for the common elements
<input type="checkbox"/>	Gas for the common elements
<input checked="" type="checkbox"/>	Water
<input type="checkbox"/>	Sewer
<input checked="" type="checkbox"/>	TV cable
<input type="checkbox"/>	Other (specify) Note basic cable included in Maintenance Fee

4.4 Utilities to be Separately Billed to Unit Owner

<p>If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:</p>	
<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 type="checkbox"/>	Other (specify) Note additional cable service billed to unit owner

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 I ___ 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: Name of Escrow Company: Exhibit J ___ 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 _____.
<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.

Type of Lien	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage	If lender does not honor contract purchaser's deposit refunded

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: One year warranty from Developer or general contractor starting at certificate of substantial completion
Appliances: Manufacturers' warranties

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

Status of Construction: Not yet begun. Estimated to begin approximately September 2007
Completion Deadline: If a sales contract for a unit is signed before the construction of the unit has been completed, or, in the case of a conversion, completion of any repairs, does not occur by the completion deadline set forth below, one of the remedies available to a purchaser is a cancellation of the purchaser's sales contract. The sales contract may include a right of the Developer to extend the completion deadline for force majeure as defined in the sales contract. The sales contract may also provide additional remedies for the purchaser.
Completion Deadline for any unit not yet constructed, as set forth in the sales contract: 24 months after the Effective Date when the contract becomes binding with force majeure extension.
Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract: N/A

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"/>	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.
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5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

Hawaii law provides that, if certain statutory requirements are met, purchaser deposits in escrow under a binding sales contract may be used before closing to pay for certain project costs. For this project, the Developer indicates that purchaser deposits may be used for the following purposes (check applicable box):	
<input type="checkbox"/>	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
<input type="checkbox"/>	For conversions: to pay for repairs necessary to cure violations of county zoning and building ordinances and codes, for architectural, engineering, finance and legal fees, and for other incidental expenses.

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

<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 decides 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 not 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.
8. 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 canceled and the purchaser's deposits returned to the purchaser, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.

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

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

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

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

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

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

- (1) Checking the waiver box on the rescission form; or
- (2) Letting the 30-day rescission period expire, without taking any action to rescind; or
- (3) Closing the purchase of the unit before the 30-day rescission period expires.

The rescission form must be signed by all purchasers of the affected unit and 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

None.

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.

360 CALIFORNIA LLC

Printed Name of Developer

By: James W Oellien
Duly Authorized Signatory*

June 19, 2007

Date

James W. Oellien, President of Manager

Printed Name & Title of Person Signing Above

Distribution: Real Property Assessment Division
City & County of Honolulu (map only)
Department of Finance, _____
Planning Department, NA

***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: LIST OF UNITS, AREAS, PARKING STALL ASSIGNMENTS, COMMON INTERESTS

A. Description of Units. (Declaration Exhibit B)

No.	201	202	203	204	205	206	301	302	303	304	PH 1	PH 2
Map Sheet	2	2	2	2	2	2	3	3	3	3	4	4
Type	1 bed	2 bed	2 bed	2 bed	2 bed	3 bed	3 bed					
Net interior living area s.f.	587	587	587	587	587	587	928	865	865	928	1072	1072
Gross living area	600	600	600	600	600	600	985	895	895	985	1120	1120
Lanai area s.f.	126	--	--	--	--	126	132	65	65	132	154	154
Foyer area	--	--	--	--	--	--	--	--	--	--	30	14
Total Net Area s.f	713	587	587	587	587	713	10560	930	930	1060	1256	1240
Total Gross Area s.f	726	600	600	600	600	726	1117	960	960	1117	1304	1288
Attic Storage area sf	--	--	--	--	--	--	--	--	--	--	560	560
Common Interest %*	.0625	.0625	.0625	.0625	.0625	.0625	.1025	.0933	.0933	.1025	.1167	.1167
Assigned parking stalls	4	5	6	7	8	9	1 2	17 18	15 16	11 12	19 20	13 14
Private Yard	--	--	--	--	--	--	1	--	--	2	4	3

All parking stalls are regular stalls 8ft 3inch wide x 18 ft deep except 15, 16, 17 and 18 which are compact stalls 8ft 3inch wide x 16 ft deep. Parking stalls 3 and 10 will initially be for guest parking but Developer during Developer's Rights Period (See Exhibit G) may amend the Declaration in accordance with **Section 22.12** of the Declaration.

Net interior living area is measured to interior surfaces of perimeter walls as required by the Commission. Gross area is measured to the exterior of exterior walls and the center of party walls as measured for permit purposes.

B. Method of Calculating Common Interest. Common interests are calculated by adding the total gross living area and dividing the gross living area of each type into the total gross living area, then rounding. (Declaration Exhibit B.)

EXHIBIT A: LIST OF UNITS, AREAS, PARKING STALL ASSIGNMENTS, COMMON INTERESTS

EXHIBIT B: UNIT BOUNDARIES

BOUNDARIES OF UNITS. The boundaries of the Units are as follows: (Declaration s. 2.4)

(A) General Common Element	(B) Limited Common Element, appurtenant only to the Unit	(C) Included in the Unit
(i) the perimeter or party walls floors and ceilings surrounding the Unit	(i) perimeter doors, door frames, windows and window frames and all hardware associated with them	(i) all of the walls and partitions which are not load-bearing within the Unit's perimeter or party walls
(ii) any interior load-bearing walls and columns	(ii) any shutters, awnings, window boxes, doorsteps, stoops, porches, patios, or other fixtures designed to serve a single Unit, that are located outside the Unit's boundaries	(ii) all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and any other materials that form any part of the inner decorated or finished surfaces of the elements in column (A) (i) (ii), (iii) and (iv), (B) (i) and (C) (i) and (iii).
(iii) any chute, flue, duct, wire, conduit, pumps and other utility or service line (a "Conduit") which is utilized for or serves more than one Unit even though it lies partially within and partially outside the boundaries of the Unit	(ii) any portion of a Conduit or other fixture that serves only one Unit even though it lies partially within and partially outside the boundaries of that Unit	
(iv) the structure including floor, ceiling, walls and railings of any lanai that is part of the Unit		

EXHIBIT C: PERMITTED ALTERATIONS

PERMITTED ALTERATIONS. (Declaration Section 16)

(a) Generally. Except where this Declaration expressly says otherwise, the restoration or replacement of the Condominium or any portion of it, or the construction of any additional improvement or structural alteration or addition to any improvement, that is different in any material respect from the Condominium Map of the Condominium, shall be undertaken by the Association or any Unit Owner only as described in an amendment of this Declaration made in accordance with Section 17 [of the Declaration], duly executed in accordance with Section 17 and accompanied by the written consent of the holders of first mortgage liens, if any, on at least sixty-seven per cent (67%) of the total number of Units involved, but only the holders who have provided written notice of their first mortgages to the Association, and in accordance with complete plans and specifications for the construction first approved in writing by the Board and by Developer during Developer's Rights Period. Promptly upon completion of the restoration, replacement or construction, the Association or Owner, as the case shall be, shall duly record the amendment, together with a complete set of floor plans of the Condominium as so altered, certified as built by a registered architect or professional engineer.

(b) Within a unit. Any alterations or additions solely within a Unit or a Limited Common Element that is appurtenant to a Unit, which do not affect the structural integrity of its Building or the soundness or safety of the Condominium, reduce the value of the Condominium, impair any easement or materially alter the exterior of any Building, shall require only the approvals provided in Section 16.4 [of the Declaration, (d) of this Exhibit.]

(c) Adjacent units. An Owner who owns two or more Units that are separated only by Common Elements that are non-load bearing walls and doors may alter or remove all or portions of the intervening walls or doors, if the Owner satisfies the following conditions:

(i) The Owner obtains the prior written approval of the Board, which approval shall not be unreasonably withheld or delayed but may be conditioned on such matters as evidence of financial ability, insurance and bonding;

(ii) The structural integrity of the Building and the soundness and safety of the Condominium are not affected, the value of the Condominium is not reduced, and no easement of the Condominium is impaired;

(iii) The remainder of the Common Elements that previously separated the Units are restored to a finish that is substantially comparable to the finish of those Common Elements prior to the work;

(iv) Upon the termination of the common ownership of adjacent Units, if the intervening walls and doors shall have been altered or removed in accordance with [Section 16.3 of the Declaration, (c) of this Exhibit] each of the Owners of such Units shall be obligated to restore the intervening walls and doors to substantially the condition in which they existed before the alteration or removal.

If the adjacent Units remain in common ownership, the Owner of the adjacent Units which have been altered or removed in accordance with [Section 16.3 of the Declaration, (c) of this Exhibit] may, at any time, restore the intervening walls and doors to substantially the condition in which they existed before the alteration or removal.

(d) Additional consents. Improvements in accordance with [Sections 16.2 and 16.3 of the Declaration (b) and (c) of this Exhibit] may be undertaken without an amendment to the Declaration or the filing of a complete set of floor plans of the Condominium as so altered. Such improvements, including their plans, which shall be prepared by a licensed architect, shall require the written approval of only the holders of liens affecting such Units (if the lien holders

EXHIBIT C: PERMITTED ALTERATIONS

require such approval), the Board, Developer during Developer's Rights Period, and all other Unit owners directly affected (as conclusively determined by the Board). Unit owners shall be determined to be directly affected only if such improvements are visible from such Owners' Units or increase the transmission of sound or heat to such Owners' Units or decrease the transmission of light, all as determined by the Board.

(d) Developer's alteration rights. Nothing in this Exhibit [Section 16 of the Declaration] shall restrict Developer's rights to make any alterations to any Unit owned by Developer or any Limited Common Elements appurtenant only to Units owned by Developer without the consent of the Board or any other Unit Owner, as more fully provided in Section 22 [of the Declaration, see the Developer's Reserved Rights Exhibit G].

EXHIBIT D: COMMON ELEMENTS

COMMON ELEMENTS. One freehold estate is designated in all remaining portions of the Condominium, which are called the Common Elements, including:

- (a) The Land in fee simple and any appurtenances to the Land as described in Exhibit "A";
- (b) All improvements described in Section 2.4 column (A) [See Exhibit B to this Report];
- (c) All structural components such as foundations, floor slabs, columns, girders, beams, supports, main walls, ceilings and roofs; and all concrete sidewalks and curbs;
- (d) All yards, grounds and landscaping, including the area shown on the Condominium Map as Park Dedication Area, any unimproved areas, and all trash enclosures within the Condominium;
- (e) All roads, driveways and parking areas as shown on the Condominium Map, and all access lanes, paved areas, ramps, loading areas and walkways within the Condominium;
- (f) All cables, conduits, ducts, sewer lines, irrigation lines, electrical equipment, wiring, pipes, catch basins and other central and appurtenant transmission facilities and installations over, under and across the Condominium which serve more than one Unit for services such as power, light, water, hot water, chilled water, gas, sanitary sewer, storm water, refuse, cable television, internet access, television signal distribution, and any future technologies installed in the Condominium, performing similar functions, including the Conduits described in Section 2.4 column A (iii). [See Exhibit B to this Report]
- (g) All hallways, corridors, stairways, stairwells and elevators;
- (h) The Building Structure;
- (i) All other areas on the Condominium Map that are not designated as a Unit.
- (j) All other apparatus and installations existing for common use, such as tanks, pumps, motors, fans, compressors, ducts, shafts, vents, water heating and distribution equipment, fire suppression equipment and other such installations and apparatus; and
- (k) All other parts of the Condominium necessary or convenient to its existence, maintenance and safety, or normally in common use. (Declaration s. 3)

EXHIBIT E: LIMITED COMMON ELEMENTS

LIMITED COMMON ELEMENTS. Certain parts of the Common Elements, which are called the Limited Common Elements, are designated, set aside and reserved for the exclusive use of certain Units, and such Units shall have appurtenant to them exclusive easements for the use of such Limited Common Elements as set out in the Declaration. Certain costs and expenses pertaining to the Limited Common Elements, shall be charged as provided in **Section Error! Reference source not found.** [of the Declaration] and the Bylaws. Unless Limited Common Elements are subject to Direct Administration they shall be managed and maintained by the Association or Managing Agent on behalf of their Owners. In any event that a dispute arises between the Owners of more than one Unit to which a particular Limited Common Element is appurtenant and which is not subject to Direct Administration, with respect to management or maintenance of that Limited Common Element, the dispute shall be resolved by the Board (or the Managing Agent if delegated by the Board), which shall be the sole arbiter with respect to such matters.

1.1 **PARKING STALLS.** Each Unit shall have the parking stall or stalls with the numbers shown on the Condominium Map that are listed for that Unit on **Exhibit "B"** [See Exhibit A of this Report]. Only the right to use the parking stalls is appurtenant exclusively to the Unit, the ground surface, signs and striping being General Common Elements. While parking stalls may be transferred between Units in accordance with Section 514B-40, each Unit shall always have at least one (1) parking stall and that stall may not be leased or licensed separately from the Unit and vice versa, so that the occupants of the Unit shall always have the use of at least one (1) parking stall.

1.2 **CORRIDORS, ELEVATORS and ELEVATOR LOBBIES.**

1.2.1 Corridors and elevator lobbies on the second and third floors will be Limited Common Elements appurtenant to the Units on those floors for privacy purposes (subject to the easement rights of the Association), but will be administered by the Association and their costs will be Common Expenses.

1.2.2 The corridors that serve only one or two Units on the second and third floors will be Limited Common Elements appurtenant to the Units they serve for privacy purposes (subject to the easement rights of the Association), but will be administered by the Association and their costs will be Common Expenses.

1.2.3 The Private Elevator shall be a Limited Common Element appurtenant to Penthouse 2 and will be subject to Direct Administration by the Owner of Penthouse 2. The Private Elevator will consist of the elevator car and all machinery and equipment serving the elevator car but not the walls, foundation or ceiling of the elevator shaft.

1.2.4 The common elevator serving all Units except Penthouse 2 will be a Limited Common Element appurtenant to all Units except Penthouse 2 and will be administered by the Association and certain costs will be charged to the Owners of all Units except Penthouse 2.

1.2.5 The portion of the stairway leading from the third floor to Penthouse 1 will be a Limited Common Element appurtenant to Penthouse 2 for privacy

EXHIBIT E: LIMITED COMMON ELEMENTS

EXHIBIT E: LIMITED COMMON ELEMENTS

purposes (subject to the easement rights of the Association), but will be administered by the Association and its costs will be Common Expenses.

1.2.6 The portion of the stairway leading from the third floor to Penthouse 2 will be a Limited Common Element appurtenant to Penthouse 2 for privacy purposes (subject to the easement rights of the Association), but will be administered by the Association and its costs will be Common Expenses.

1.3 MAILBOXES. One mailbox with the same number as the Unit will be a Limited Common Element appurtenant to that Unit.

1.4 PRIVATE YARDS. The four Private Yards approximately 9.5 feet by 18 feet will be appurtenant to the Units shown on **Exhibit "B"**. The boundaries of the private yards are marked as follows: the wall of the Building on one side and the boundary wall surrounding the Land on the other side form the side boundaries; the front boundary runs perpendicular to the front corner of the building column immediately adjacent to the Private Yard and the rear boundary is eighteen feet back from the front boundary and parallel to the front boundary. The Limited Common Element includes the grass paving of the Private Area and the airspace above it but not any portion of the Building or boundary wall.

(Declaration s. 4. subsections 1.1 to 1.4 correspond to Sections 4.1 to 4.4 of the Declaration)

EXHIBIT F: ENCUMBRANCES

1. Real Property Taxes, if any, that may be due and owing. For further information, check with the County Tax Assessor.
2. Perpetual rights of way for flumes, ditches, pipe lines, poles, lines of wire, tunnels and other works for the conveyance of water and the transmission of light or power for transportation purposes and for such other purposes and to such extent and in such places may be required, and also the right to enter upon such land for construction purposes, as set forth in DEED dated June 15, 1904, filed as Land Court Document No. 2.
3. DESIGNATION OF EASEMENT "H"
PURPOSE : sanitary sewer
SHOWN : on Map 90, as set forth by Land Court Order No. 13438, filed January 13, 1955
4. Easement for sanitary sewer purposes in favor of the owners, of Lot 4-B-1 thru 4-B-3 of Land Court Application No. 12 through and under Easement H within said Lot 4-B-5, as contained in Deed dated October 28, 1955, filed as Land Court Document No. 180932.
5. Any matters which a current survey would show.
6. A mortgage (loan no. 22103470) made by JAMES WILLIAM OELLIEN and PATRICIA JEAN OELLIEN, husband and wife as mortgagor in favor of BANK OF HAWAII, a Hawaii corporation as mortgagee dated July 19, 2006 filed as Land Court Document No. 3456330 to secure the principal sum of \$363,750.00.
[Note: encumbrance 6. will be released when the Condominium's construction loan is closed and will be replaced by the mortgage and other recorded loan documents of the construction loan.]

EXHIBIT G: DEVELOPER'S RESERVED RIGHTS

"Developer's Rights Period" means the period during which Developer will have special rights including consent rights. Developer's Rights Period will end on the earlier of (i) the fifth anniversary of recording the Declaration or (ii) when neither Developer nor any of its Affiliates has any interest in the Condominium.

"Developer's Rights" means all rights reserved to Developer in the Declaration and the Bylaws, including the easements reserved by Section 7 [of the Declaration] , the rights reserved by Section 22 [of the Declaration], and all consent rights reserved by the Declaration or the Bylaws. Developer's Rights do not include developer control of the Association (the right to appoint and remove directors or officers of the Association, as permitted by Section 514B 106 (d)) but Developer has the same right to elect or remove directors as other Owners.

"Developer" means 360 California LLC and shall also include any of its permitted assigns. (s.1.2).

Developer has the following reserved rights:

1. An exemption from certain requirements including the limits the Board may impose on open houses. (Declaration 9.4), Board approval for unit changes (s.16.5)
2. Consent rights including to changes to the exterior by the Board (9.6), alterations by Unit owners (s.16.1 and 16.4), to amendments (s. 17.3.1)
3. Rights to Amend.

(a) to file the "as built" verified statement (with plans, if applicable) required by Section 514A-12 of the Act, so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans previously filed fully and accurately depict the layout, location, apartment numbers and dimensions of the Units as built, or, so long as any plans filed with the amendment involve only immaterial changes to the layout, location, apartment numbers, or dimensions of the Units as built. (s. 17.2.1)

(b) for the purpose of meeting any requirement imposed by (i) any applicable law, (ii) the Real Estate Commission of the State of Hawaii, (iii) any title insurance company issuing a title insurance policy on the Condominium or any of the Units, (iv) any institutional lender lending funds on the security of the Condominium or any of the Units, or (v) the laws and rules of any state or country in which Developer intends to market or sell Units or interests in Units, or any other governmental or quasi-governmental agency, including the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the U.S. Department of Housing and Urban Development and the Veterans Administration. However, except as provided in **Section** Error! Reference source not found. of the Declaration, no amendment which would change the Common Interest appurtenant to a Unit or materially change the design, location or size of a Unit shall be made without the consent of all persons having an interest in that Unit and Developer cannot use its power of attorney to grant itself that consent. (s.17.2.2)

4. Additional Rights. (Section 22)

(a) Easement to complete construction of the condominium and all its units and improvements. Developer and its agents, employees, consultants, contractors, licensees, successors, mortgagees and assigns shall have an easement over, under and upon the

EXHIBIT G: DEVELOPER'S RESERVED RIGHTS

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Condominium as may be necessary or appropriate in the opinion of the Developer for the completion of construction to all Units and Improvements of the Condominium and the correction of defects in them.

(b) Easement for noise and dust. Developer and its agents, employees, consultants, contractors, licensees, successors and assigns shall have an easement over, under and on the Condominium or any portion of it, to cause or permit noise, dust and other nuisances to be created by or to result from any work that is connected with or incidental to the construction and sale of any Unit or any interest in it or other Improvements in the Condominium, the construction and sale of additional units that are or may be annexed to the Condominium or created on it, or the subdivision, consolidation, resubdivision and/or withdrawal of portions of the Land and/or Units.

(c) Easement for sales activities. Developer and its brokers, sales agents and other related persons shall have the right to conduct extensive sales, marketing, rental and leasing activities at the Condominium, on the General Common Elements and from any Unit and Limited Common Element owned by it, which right shall include showing the Condominium to potential buyers, renters and lessees, using model units, sales and management offices, permitting potential buyers to stay in Units in the Condominium, and using banners, signs and other displays and activities at the Condominium. Such activities may include the initial sale, resale, rental or leasing of Units and interests in them,. In the event that Developer's mortgage lender, if any, or any successor to or assignee of Developer's mortgage lender acquires any portion of the Condominium in the course of any foreclosure or other legal proceeding or in the exercise of the mortgage remedies or by a deed or an assignment in lieu of foreclosure, that mortgage lender and its successors and assigns shall have the same rights as Developer to conduct such extensive sales, marketing, rental and leasing activities on the Condominium to the fullest extent permitted by the Act.

(d) Easement for the subdivision and consolidation of units, the conversion of limited common elements to units. Developer and its agents, employees, consultants, contractors, licensees, successors, mortgagees and assigns shall have an easement over, under, upon and through the Common Elements, any Limited Common Elements and the Units or any portion of them as may be necessary or appropriate in the opinion of Developer to effect the subdivision or consolidation of Units or the conversion of Limited Common Elements to Units, as contemplated below, and this easement shall allow Developer and its agents, employees, consultants, contractors, licensees, successors, mortgagees and assigns to cause or permit noise, dust and other nuisances to be created by or to result from any work connected with or incidental to effecting any such subdivision or consolidation of Units, the conversion of Limited Common Elements to Units.

(e) To grant easements. Developer shall have the right to delete, relocate, realign, reserve, grant and receive any and all easements and rights-of-way over, under and on the Common Elements (including Limited Common Elements) deemed necessary or desirable in Developer's sole discretion, including easements and rights-of-way for utilities, sanitary and storm sewers, cable television, refuse disposal, driveways, parking areas and roadways.

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(f) To subdivide and consolidate units.

(i) With respect to any Unit which it owns to: (1) alter the floor plan of the Unit provided that the Common Interest appurtenant to the Unit shall not change, (2) subdivide the Unit to create two or more Units provided that the total Common Interest appurtenant to the newly created Units shall equal the Common Interest appurtenant to the original Unit; and (3) convert certain portions of any existing Unit to Common Element status to facilitate any subdivision provided that the total Common Interest appurtenant to the newly created Units shall equal the Common Interest appurtenant to the original Unit.

(ii) If Developer is the owner of any two Units separated by a party wall, floor or ceiling, to consolidate two or more Units and to alter or remove all or portions of the intervening wall, floor or ceiling at Developer's expense provided that: (1) the structural integrity of the Condominium is not affected by the alteration and (2) the finish of the Common Element then remaining is restored to a condition substantially compatible with that of the Common Element prior to such alteration.

(iii) Developer, in the process of consolidating Units, shall have the right to convert the area between the Units to a Unit (as opposed to the area remaining a Common Element) for so long as those Units shall remain consolidated or shall continue to be commonly used or owned.

The rights to consolidate and subdivide may be used together so that Units may be consolidated and resubdivided in the same amendment.

(g) To convert limited common elements to units.

(i) To convert a Limited Common Element appurtenant to a Unit or Units owned by Developer, or any portion of it, into a separate Unit of the Condominium. In such event, Developer shall have the right to alter the physical aspects of the Limited Common Element at Developer's expense in connection with the conversion, including building such structures as may be necessary or appropriate, if: (a) the structural integrity of the Condominium is not affected by the alteration and (b) the finish of the Unit is consistent with the quality of other Units in the Condominium and any remaining portion of the Limited Common Element that is not converted to a Unit, if any, is restored, to the extent feasible, to a condition substantially compatible with that of the Limited Common Element prior to such conversion.

(ii) To designate certain Common Elements or Limited Common Elements of the Condominium as Limited Common Elements appurtenant to the newly-created Unit. However, if there is any material adverse effect on any Unit in the Condominium owned by a person other than Developer, then the Developer must obtain the written consent of the Owners of that affected Unit.

(h) To redesignate limited common elements. Developer shall have the right to redesignate any Limited Common Elements as may be appurtenant to a Unit owned by Developer as being General Common Elements of the Condominium.

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(i) Recalculation of common interests. As provided in the Declaration, it may be necessary to recalculate the Common Interests appurtenant to the Units. In such event, the Common Interests appurtenant to each existing Unit shall be recalculated in accordance with the formula set out in Exhibit "B" to the Declaration.

(j) Reserved right to modify condominium. To effect such modifications to Units and Common Elements in the Condominium and/or to execute, record and deliver any amendments to the Declaration, the Condominium Map, the Bylaws and the Rules as may be necessary or required by Developer in its sole discretion, or to effect compliance by the Condominium, the Association, or by Developer, with laws which apply to the Condominium, including the Fair Housing Act, as amended, 42 U.S.C. §§3601 et seq., including any and all rules and regulations promulgated under it, and the Americans With Disabilities Act, as amended, 42 U.S.C. §§12101 et seq., including any and all rules and regulations promulgated under it (the "disabilities laws"). For instance, Developer will have the right to re-stripe parking stalls and reconfigure parking stalls to meet the requirements of the disabilities laws.

(k) To redesignate limited common elements as appurtenant to other units. Developer may amend the Declaration to designate all or a portion of certain Limited Common Elements as may be appurtenant to any Unit owned by Developer, to another Unit or Units owned by Developer.

(l) Reserved right to redesignate guest parking spaces as limited common elements. Developer may amend the Declaration to designate any guest parking stall as a Limited Common Element appurtenant to a Unit.

(m) Right to use. Developer shall have the reserved right to use (or to permit any Affiliate to use) any Unit which it owns for promotional purposes, and shall have the right to have guests stay in such Units for any length of time; provided that such guests shall abide by and be subject to all of the provisions of the Declaration, the Bylaws and the Rules. Additionally, Developer will have the right to utilize (or to permit any Affiliate, tenant or agent to utilize) Units which it owns or any Limited Common Element which is appurtenant to any Unit which it owns as sales, rental or leasing offices or as a place which is utilized to provide services to the Owners or other occupants of the Condominium, to the extent such use or uses are permitted under applicable law.

5. Assignment of developer's rights. The rights reserved to Developer in the Declaration shall be fully assignable by Developer, and Developer may assign or mortgage or grant a security interest in whole or in part in any rights reserved to Developer in the Declaration by a recorded instrument specifically assigning or mortgaging or granting a security interest in such rights, but such rights shall be held by only one person or entity at any time unless the assignment specifically provides otherwise. Every Owner of a Unit in the Condominium and all holders of liens affecting any of the Units and each and every other party acquiring an interest in the Condominium or in the Land or any part of it, by acquiring such Unit, lien or other interest, consents to any such assignment by Developer, and, to the extent designated by Developer, agrees to recognize any assignee as the "Developer" under the Declaration.

EXHIBIT G: DEVELOPER'S RESERVED RIGHTS

EXHIBIT G: DEVELOPER'S RESERVED RIGHTS

6. Developer provides for protection against the effects of disclosed conditions in Section 23 of the Declaration.

As used in Section 23 "Protected Person" means and includes Developer and their respective members, and all their Affiliates, all their successors and assigns, and their Affiliates.

(a) Acknowledgment of potential conditions.

(i) Description of Potential Conditions.

(A) The Condominium is adjacent to, nearby or in the vicinity of lands being, or which in the future may be, actively used for the growing, harvesting and processing of agricultural products (such growing, harvesting and processing activities collectively called the "Agricultural Activities"), which activities may from time to time bring upon the Condominium or result in exposure to smoke, dust, odors, vibrations, noise, heat, agricultural chemicals, particulates and similar substances and nuisances (collectively called the "Agricultural By-Products").

(B) For example, the Agricultural Activities or other characteristics of lands in the vicinity may result in insects (including mosquitoes), rodents and other pests and vermin (collectively called the "Pest Conditions").

(C) The Condominium has located within it or adjacent to it, electrical lines, retention basins, sewer lines, wires, cables, conduits, utility poles and other facilities which may cause odors, may interfere with views, television and radio reception, and may have adverse health effects (collectively called the "Utility Conditions")

(D) In the vicinity of the Condominium is a commercial complex which may contain restaurants, bars and other businesses likely to generate noise, light and vibrations, perhaps late at night, and a boat maintenance facility that may generate noise, dust and vibrations (collectively called the "Commercial Conditions").

The Agricultural Activities, Agricultural By Products, Pest Conditions, Utility Conditions, and Commercial Conditions are collectively called the "Conditions".

The listing of certain items in Section 23.2 is not a representation that there are no other sources of potential interference with the enjoyment of the Condominium or Unit.

(b) Assumption Release, Waiver and Indemnity. Each Unit Owner and Unit lessee, by acquiring any interest in a Unit or by occupying a Unit, by doing so automatically:

(i) Assumes complete risk of and forever releases the Protected Persons, from all claims for damages (including consequential, special, exemplary and punitive damages) and conditions occurring on the Condominium or Unit and arising out of any of the Conditions;

(ii) Forever waives any right to require and releases each Protected Person from any obligation, to take any action to correct, modify, alter, eliminate or abate any of the Conditions

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and waives any right to file any suit or claim against any Protected Person for injunction or abatement of conditions or damages;

(iii) Agrees to and shall indemnify, defend and hold harmless each Protected Person from and against all claims, demands, actions, losses, damages, liabilities, costs and expenses, including attorneys' fees, asserted against or incurred by each Protected Person which arise out of any injury, death or damage to person, property or business that occurs on the Unit Owner's Unit or the Condominium and is the result of any of the Conditions, no matter what theory of liability is asserted against a Protected Person; and

(iv) Agrees that any Conditions and any claim, demand, action, loss, damage, liability, cost or expense arising from them, shall not constitute a breach of any covenant or warranty of any Protected Person or be the basis for a suit or other claim for injunction or abatement of conditions or damages, and forever waives any right to file any such suit or claim.

EXHIBIT H: MAINTENANCE FEE SCHEDULE

CALIFORNIA HALE

Estimate of Initial Maintenance Fees

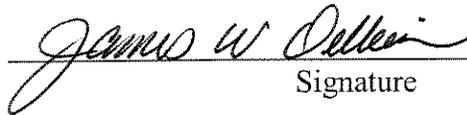
	<u>Annual</u>	<u>Monthly</u>
Audit:	525.00	43.75
Insurance:		
Fire & Liability:	6,079.00	506.58
Umbrella:	1,423.00	118.58
Bond:	459.00	38.25
Directors & Officers:	750.00	62.50
Legal Fees:	---	---
Management Fees:	3,900.00	325.00
Other Administrative:	300.00	25.00
Refuse:	---	---
Elevator:	7,200.00	600.00
Maintenance:		
Misc. Project Expenses	---	---
Pest Control:	---	---
Grounds:	1,200.00	100.00
Utilities:		
Electric:	6,000.00	500.00
Water & Sewer:	7,800.00	650.00
Telephone:	364.00	30.33
Gas:	---	---
Cable TV:	---	---
 Total Estimated Expenses:	 \$36,000.00	 \$3,000.00

List of Annual and Monthly Maintenance Fees per unit

Common Interest	Unit No.	Annual	Annual for type	Monthly	Monthly for Type
	201, 202, 203,				
0.0625	204,205,206	\$2250.00	\$13500.00	\$187.50	\$1125.00
0.1025	301, 304	\$3690.00	\$ 7380.00	\$307.50	\$ 615.00
0.0933	302, 303	\$3358.80	\$ 6717.60	\$279.90	\$ 559.80
0.1167	PH1, PH2	\$4201.20	\$ 8402.40	\$350.10	\$ 700.20
			\$36000.00		\$3000.00

I, James W. Oellien, President, of California Hale, Inc. a manager of 360 California LLC, a Hawaii limited liability company, certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Purchasers become obligated to pay maintenance fees upon closing


Signature

June 18, 2007
Date

EXHIBIT I: SALES CONTRACT SUMMARY

SALES CONTRACT SUMMARY

The Sales Contract provides for the sale of a Unit by Developer to a Buyer. The Sales Contract contains many important provisions which are not set out here and should be carefully reviewed by every prospective Buyer. This summary is not complete and will not control in the event of any conflict with a provision in the Sales Contract. Prospective Buyers are cautioned and encouraged to read the Sales Contract carefully.

1. In the Sales Contract the contract is called the "Agreement", Developer is called "Seller". The Sales Contract provides for the number, amount and timing of payments Buyer is to make to Escrow. The Sales Contract provides that all interest received by Seller or Escrow on Buyer's deposits will belong to Seller.

2. The Sales Contract describes the "Property" being sold, including the Apartment and its common interest.

3. The Sales Contract requires the Buyer to provide evidence of the Buyer's ability to pay the purchase price and closing costs either by providing a loan commitment or evidence of cash or both.

4. The Sales Contract provides: If Buyer needs to borrow money to buy the Property, Buyer shall provide Seller a final loan approval (a binding loan commitment subject only to lender's receipt and approval of title report and appraisal) from any lender of Buyer's choice within forty-five (45) days after the Reference Date. Getting the loan is Buyer's responsibility and not Seller's. Buyer promises to act in good faith and to do Buyer's best to qualify and get the loan. As soon as Buyer receives a final loan approval from a lender, Buyer will give Seller a copy. (Sales Contract 5.4.2(b))

5. The Sales Contract confirms that Buyer has had the opportunity to read and approve certain important legal documents for the Project, for example the Declaration, Bylaws and specimen Unit Deed. Seller's rights to change the documents are described.

6. The Sales Contract contains many disclaimers including the following:

“5.7.1 Insulation. Seller presently plans to install insulation in the building in which the Unit is located. The R-value of insulation is a measurement of the insulation's resistance to heat flow that is determined using tests designed by the American Society of Testing and Materials. The above R-values are minimums. Buyer acknowledges that this R-Value information is based solely upon information supplied by the manufacturer or installer and Seller does not represent or warrant the accuracy of this information. Buyer further acknowledges that the R-value may vary based on normal construction variance and constitutes only one element of the total energy package. Seller reserves the right to use different types of insulation with different thicknesses and R-values.

5.7.2 Mold Disclosure and Hazardous Material Release.

(a) Mold Disclosure. Mold and mold spores are present throughout our environment and the process of constructing residences is not, and cannot be, designed to exclude mold spores. If the growing conditions are favorable, mold can grow in the Unit. All

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types of mold are not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. Moisture is the only mold growth factor that can be controlled in a residential setting. By minimizing moisture, Buyer can reduce or eliminate mold growth. Buyer agrees to assume responsibility for taking appropriate steps to reduce or eliminate mold growth in the Unit. Buyer releases and discharges, and agrees to indemnify and defend the Protected Persons defined below and the general contractor from and against any and all claims, demands, damages, causes of action, liabilities, losses, and expenses, that the Buyer or any occupant of the Unit had, has, or may have in the future, that are in any way connected with indoor air quality, moisture or the presence of any mold, mold spores or chemicals on, in or about the Unit, whether or not caused by, in whole or in part, any act or omission of any of the Protected Persons, the Seller's general contractor, the subcontractors or material suppliers.

(b) Release and Indemnity by Buyer. Buyer releases and discharges, and agree to indemnify and defend, Seller and its successors and assigns, and the members, managers, officers, employees, agents of each of them (the "Protected Persons", from and against any and all claims, obligations, demands, damages, causes of action, liabilities, losses and expenses, including reasonable attorneys' and expert fees, whether now known or later known, foreseen or unforeseen, that Buyer or any occupant of the Unit had, has, or may have in the future, in law or in equity (the "claim"), that are attributable to: (1) bodily injury, sickness, emotional distress, disease, death or any other personal injury or adverse health effects, or (2) injury to or destruction of tangible personal property, including loss of their use arising out of or relating to, or in any way connected with, indoor air quality, moisture, or the growth, release, discharge, dispersal or presence of any hazardous materials in or on the Condominium or Unit, or microorganisms or chemicals in the air or on the interior surfaces of the Unit including, without limitation to, wall cavities, the attic, windows and the basement, or on the exterior surfaces of the unit or on any part thereof, or any other aspect of the condition of the Unit or the Condominium, whether or not the claim is caused by, in whole or in part, any act or omission of Seller or its employees or agents.

5.7.3 Limited Warranty. Seller shall have the option of providing protection to Buyer and the Association against defects in the Condominium in one of two ways, by a Contractor's Warranty or a Seller's Warranty.

(a) If Seller obtains from Seller's general contractor a warranty ("Contractor's Warranty") to correct any defective materials and workmanship in the Unit reported in writing to the contractor within the "Warranty Period" and that is assignable to Buyer then Seller will assign the Contractor's Warranty to Buyer at Closing without recourse and will provide no Seller's Warranty to Buyer. The Warranty Period will be at least one (1) year from the date Seller's architect issues a Certificate of Substantial Completion that includes the Unit.

(b) If Seller does not obtain and assign a Contractor's Warranty to Buyer, then Seller shall correct, or have Seller's contractor correct any defective materials or workmanship in the Unit reported in writing to Seller within the one (1) year warranty period ("Seller's Warranty").

(c) Warranties with respect to the Common Elements will be treated in the same manner as warranties on Buyer's Unit by providing Contractor's Warranty or Seller's

EXHIBIT I: SALES CONTRACT SUMMARY

Warranty. No later than the first meeting of the members of the Association, either Contractor's Warranty on the Common Elements will be assigned without recourse to the Condominium Association or Seller's Warranty will be provided to the Condominium Association.

(d) In addition, Seller shall assign to Buyer, without recourse, any assignable manufacturer's or dealer's warranties covering the furnishings and appliances in the Unit ("Appliance Warranty").

(e) It is Buyer's responsibility to cooperate with Seller or other warrantors and to permit inspections, and if Buyer fails to inspect (or permit inspection of) Buyer's Unit on the dates and times specified by Seller or other warrantors, then Buyer acknowledges that such conduct will constitute a waiver of Buyer's warranty rights under this Purchase Agreement.

(f) EXCEPT FOR THE CONTRACTOR'S WARRANTY OR THE SELLER'S WARRANTY, IF APPLICABLE, AND THE APPLIANCE WARRANTY, NO PERSON ACTING ON BEHALF OF SELLER IS AUTHORIZED TO MAKE, AND BY SIGNING THIS AGREEMENT, BUYER AGREES THAT SELLER HAS NOT MADE, AND DISCLAIMS, ANY REPRESENTATIONS, WARRANTIES OR PROMISES OF ANY KIND WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, CONCERNING OR WITH RESPECT TO: THE MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE CONDOMINIUM; THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE CONDOMINIUM; ANY ARCHAEOLOGICAL SITES, REMAINS OR ARTIFACTS ON THE LAND; THE CONDOMINIUM'S COMPLIANCE WITH LAWS, ORDINANCES OR REGULATIONS; THE QUALITY OF THE CONSTRUCTION OR MATERIALS INCORPORATED INTO THE CONDOMINIUM OR THE REPAIRS OR RENOVATIONS; THE PRESENCE OR ABSENCE OF MOLD, STANDING WATER OR HAZARDOUS MATERIALS AT, ON, UNDER, OR ADJACENT TO THE CONDOMINIUM; THE CONFORMITY OF THE CONDOMINIUM TO PAST, CURRENT OR FUTURE APPLICABLE ZONING OR BUILDING REQUIREMENTS OR SPECIAL PERMITS; THE FACT THAT ALL OR A PORTION OF THE CONDOMINIUM MAY BE LOCATED ON OR NEAR A TSUNAMI INUNDATION AREA; THE ABILITY OF THE CONDOMINIUM TO WITHSTAND EARTHQUAKE OR HURRICANE DAMAGE; THE EXISTENCE OF TERMITES OR OTHER PESTS OR TERMITE DAMAGE OR ANY OTHER MATTER CONCERNING THE CONDOMINIUM.

(g) HAWAII REVISED STATUTES, CHAPTER 672E, CONTAINS IMPORTANT REQUIREMENTS BUYER MUST FOLLOW BEFORE BUYER MAY FILE A LAWSUIT OR OTHER ACTION FOR DEFECTIVE CONSTRUCTION AGAINST THE CONTRACTOR WHO DESIGNED, REPAIRED, OR CONSTRUCTED BUYER'S HOME OR FACILITY. NINETY DAYS BEFORE BUYER FILES BUYER'S LAWSUIT OR OTHER ACTION, BUYER MUST SERVE ON THE CONTRACTOR A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS BUYER ALLEGES ARE DEFECTIVE. UNDER THE LAW, A CONTRACTOR HAS THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR AND/OR PAY FOR THE DEFECTS. BUYER IS NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY A CONTRACTOR. THERE ARE STRICT DEADLINES AND

EXHIBIT I: SALES CONTRACT SUMMARY

PROCEDURES UNDER THE LAW, AND FAILURE TO FOLLOW THEM MAY NEGATIVELY AFFECT BUYER'S ABILITY TO FILE A LAWSUIT OR OTHER ACTION.

This Section 5.7 shall survive the Closing and shall not be merged with the Unit Deed.

5.7.4 The Condominium Map, Artist's Renderings and Building Plans and Specifications Are Not Warranties. The Condominium Map is intended to show only the (a) unit numbers, (b) approximate layout, location, boundaries and dimensions of units, (c) approximate elevation of the Condominium, and (d) parking plan and any other detail which is specifically required to be shown under Section 514B 33; the Condominium Map is not intended to and shall not be interpreted as creating any obligation to construct or install any other improvements, amenities or facilities as may be depicted and no person may rely in any way on any other detail or other matter depicted. In no event, whether before or after the Effective Date, shall any artist's renderings or models constitute a representation or warranty in any way.

5.7.5 Estimate of Maintenance Fees. Seller's estimate of the monthly maintenance fees for the Condominium, as shown in the Public Report, was prepared based upon information believed to be accurate and correct. However, Seller makes no warranty or promise regarding the accuracy of these amounts. BUYER AGREES THAT SUCH ESTIMATES ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY REPRESENTATION OR WARRANTY BY SELLER; FOR EXAMPLE THEY ARE NOT A REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF ANY LINE ITEM. Buyer acknowledges and agrees also that the maintenance fees may increase, for example, as a result of changes in the Condominium permitted by the Declaration, increases in insurance premiums, utility costs, maintenance services and management fees, etc.

5.7.6 Seller Makes No Promises About Rentals or Other Economic Benefits. BUYER AGREES THAT NO ONE (INCLUDING SELLER OR ANY SALESPERSON) HAS TALKED TO BUYER AT ALL ABOUT ANY RENTAL INCOME OR RENTAL OR SALES SERVICES FOR BUYER'S UNIT. IF BUYER WANTS TO RENT OR SELL THE UNIT, HOW BUYER DOES IT WILL BE UP TO BUYER SUBJECT TO THE RESTRICTIONS CONTAINED IN THIS AGREEMENT. BUYER ALSO AGREES THAT NO ONE HAS TALKED TO BUYER AT ALL ABOUT INCOME FROM THE UNIT OR ANY OTHER ECONOMIC BENEFIT TO BE DERIVED FROM THE PURCHASE OR OWNERSHIP OF THE UNIT OR ABOUT THE TAX EFFECTS OF BUYING THE UNIT."

7. The Sales Contract provides a full range of remedies for Buyer's default but limits remedies for Seller's default to cancellation of the Sales Contract and provides if Buyer cancels the Agreement because of Seller's default, then Buyer shall receive the return of Buyer's Deposits with interest from the date of each Deposit at the rate of five (5%) per cent per year. This right of cancellation and refund with interest shall be Buyer's sole remedy.(See section 5.6.1 and 5.10).

EXHIBIT J: ESCROW AGREEMENT SUMMARY

The Escrow Agreement provides how the funds paid by Buyer under the Sales Contract to Escrow are to be held and released. The Escrow Agreement contain many important provisions which are not set out here and should be carefully reviewed by every prospective Buyer. This summary is not complete and will not control in the event of any conflict with a provision in the Escrow Agreement. Prospective Buyers are cautioned and encouraged to read the Escrow Agreement carefully.

1. The Escrow Agreement provides that Escrow is to collect Buyer's payments and hold them in accounts with banks or savings institutions that are federally insured.

2. The Escrow Agreement provides for the closing or settlement of the sale. Escrow collects all payments and other amounts owed under the Sales Contract, including closing costs which are shared between Developer and Buyer as described in the Sales Contract.

3. Escrow handles the closing and the transfer of title in accordance with the Escrow Agreement.

4. The Escrow Agreement provides certain protections to Escrow in the event of a dispute between Buyer and Developer. These rights include filing an "interpleader" and the right to recover certain fees and costs. In an interpleader action the escrow deposit is given to the court to decide what action to take.

5. The Escrow Agreement describes the escrow fees, escrow cancellation fees and the fees for certain policies of title insurance.