

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

CONDOMINIUM PROJECT NAME	657 HAUSTEN CONDOMINIUM
Project Address	657 Husten Street, Honolulu, Hawaii 96826
Registration Number	6858 (Conversion)
Effective Date of Report	September 1, 2009
Developer(s)	CYNTHIA M. KOBATAKE and EDWIN M. KOBATAKE, Co-Trustees of the Cynthia M. Kobatake Trust dated June 21, 2007, as amended or restated, RONALD TOYOKI HAJIME, husband of Arlene Kam Oi Hajime, CYNTHIA M. KOBATAKE, CAROLE N. KAJIHIRO and RONALD T. HAJIME as Successor Co-Trustees under those certain unrecorded Trust Agreements known as (1) The Masanori Hajime Trust dated May 9, 1996, and (2) the Jane Y. Hajime Trust dated May 9, 1996, and CAROLE N. KAJIHIRO, Trustee under that certain unrecorded Trust Agreement Known as The Carole N. Kajihiro Trust dated February 16, 2005 (collectively, "Developer")

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. 505239.3

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]

SEE PAGE 18 FOR ADDITIONAL DISCLOSURES.

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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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Fee Owner's Name if Developer is not the Fee Owner	
Address of Project	657 Hausten Street, Honolulu, Hawaii 96826
Address of Project is expected to change because	N/A
Tax Map Key (TMK)	(1) 2-7-014-025
Tax Map Key is expected to change because	The City and County of Honolulu will assign CPR numbers for each unit.
Land Area	5,000 sq. ft.
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	N/A

1.2 Buildings and Other Improvements

Number of Buildings	1
Floors Per Building	3
Number of New Building(s)	0
Number of Converted Building(s)	1
Principle Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Concrete

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"						

4	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:	5
Number of Guest Stalls in the Project:	1
Number of Parking Stalls Assigned to Each Unit:	1*
*See Exhibit "A" specifying the Parking Stall assigned to each unit.	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights.	

1.5 Boundaries of the Units

Boundaries of the unit: See Exhibit "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

Common Interest: Each unit will have a percentage interest in the common elements appurtenant to each unit. This interest is called the "common interest". It is used to determine each unit's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by unit owners. The common interest for each unit in this project, as described in Declaration, is:
Described in Exhibit "A".
As follows:

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

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

1.9 Common Elements

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

1.10 Limited Common Elements

<p>Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.</p>
<p>Described in Exhibit "E"</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: As described in the House Rules.
<input checked="" type="checkbox"/>	Number of Occupants: As described in the House Rules.
<input checked="" type="checkbox"/>	Other: There are numerous additional restrictions on the use and occupancy of the units set forth in the Declaration. Purchaser should make careful review of such provisions.
<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 "F" describes the encumbrances against title contained in the title report described below.</p>
<p>Date of the title report: May 30, 2009</p>
<p>Company that issued the title report: First Hawaii Title Corporation</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	4	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	A-2, Apartment District (Medium Density)
<input type="checkbox"/>	Commercial		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Mix Residential/Commercial		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Hotel		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Timeshare		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Ohana		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Industrial		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Agricultural		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Recreational		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Other (specify)		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Is/Are this/these use(s) specifically permitted by the project's Declarations or Bylaws?			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Variances to zoning code have been granted.			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Describe any variances that have been granted to zoning code.					

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots
<p>In general, a non-conforming use, structure or lot is a use, structure or lot that was lawful at one time but that does not now conform to present zoning requirements. Under present zoning requirements, limitations may apply to extending, enlarging or continuing the non-conformity and to altering and repairing non-conforming structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.</p> <p>If a variance has been granted or if uses, structures or lots are either non-conforming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above.</p> <p>A purchaser may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure or lot.</p>

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

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

1.15 Conversions

<p>Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.</p>	<p><input checked="" type="checkbox"/> Applicable</p> <p><input type="checkbox"/> Not Applicable</p>
<p>Developer's statement, based upon a report prepared by a Hawaii-licensed architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units: See Exhibit "L"</p>	
<p>Developer's statement of the expected useful life of each item reported above: Neither the Developer, nor the architects, engineers nor consultants whom prepared the property report discussed in Exhibit "M" make any representations as to the expected useful life of the structural components and mechanical and electrical installations.</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 "M" 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 style="text-align: center;">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: CYNTHIA M. KOBATAKE and EDWIN M. KOBATAKE, Co-Trustees of the Cynthia M. Kobatake Trust dated June 21, 2007, as amended or restated, RONALD TOYOKI HAJIME, husband of Arlene Kam Oi Hajime, CYNTHIA M. KOBATAKE, CAROLE N. KAJIHIRO and RONALD T. HAJIME as Successor Co-Trustees under those certain unrecorded Trust Agreements known as (1) The Masanori Hajime Trust dated May 9, 1996, and (2) the Jane Y. Hajime Trust dated May 9, 1996, and CAROLE N. KAJIHIRO, Trustee under that certain unrecorded Trust Agreement Known as The Carole N. Kajihiro Trust dated February 16, 2005 (collectively, "Developer")</p> <p>Business Address: c/o Ronald Hajime, 98-1953 Kaulahao Street, Aiea, Hawaii 96701</p> <p>Business Phone Number: (808) 488-6250 E-mail Address: rhajime570@aol.com</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>2.2 Real Estate Broker</p>	<p>Name: Real Estate Inc. Business Address: 975 Kapiolani Blvd., #200 Honolulu, Hawaii 96814</p> <p>Business Phone Number: (808) 596-0833 E-mail Address: ronlee@pixi.com</p>
<p>2.3 Escrow Depository</p>	<p>Name: First Hawaii Title Corporation Business Address: 201 Merchant Street, 20th Floor Honolulu, Hawaii 96813</p> <p>Business Phone Number: (808) 521-3411</p>
<p>2.4 General Contractor</p>	<p>Name: Business Address: Business Phone Number:</p>
<p>2.5 Condominium Managing Agent</p>	<p>Name: To be self-managed by the Association Business Address: Business Phone Number:</p>
<p>2.6 Attorney for Developer</p>	<p>Name: Imanaka Kudo & Fujimoto Attention: Nina Yang Takamori, Esq. Business Address: 745 Fort Street, 17th Floor Honolulu, Hawaii 96813 Business Phone Number: (808) 521-9500</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	October 2, 2008	3803223

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.2 Bylaws of the Association of Unit Owners

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

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	September 29, 2008	3803224

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.3 Condominium Map

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

Land Court Map Number	1978
Bureau of Conveyances Map Number	
Dates of Recordation of Amendments to the Condominium Map:	

3.4 House Rules

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

The House Rules for this project:

Are Proposed	<input type="checkbox"/>	
Have Been Adopted and Date of Adoption	<input checked="" type="checkbox"/>	September 29, 2008
Developer does not plan to adopt House Rules	<input type="checkbox"/>	

3.5 Changes to the Condominium Documents

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

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

3.6 Rights Reserved by the Developer to Make changes to the Condominium Project or Project 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"/>	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: See Exhibit "G"

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

Management of the Common Elements: The Association of Unit Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

The Initial Condominium Managing Agent for this project is (check one):

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

4.2 Estimate of the Initial Maintenance Fees

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

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.

THE AMOUNTS SET FORTH BELOW ARE ESTIMATES ONLY AND MAY CHANGE FOR REASONS BEYOND THE CONTROL OF THE DEVELOPER.

INSURANCE, ENERGY AND LABOR COSTS ARE CURRENTLY IN FLUX AND CAN SUBSTANTIALLY INCREASE OVER A SHORT PERIOD OF TIME. THE DEVELOPER CANNOT PREDICT HOW CHANGES IN THE ECONOMIC, SOCIAL AND POLITICAL CONDITIONS IN HAWAII, THE U.S. AND/OR GLOBALLY MAY IMPACT SUCH COSTS. PURCHASERS ARE AWARE AND ACKNOWLEDGE THAT THE BUDGET, AND, AS A RESULT, EACH PURCHASER'S MAINTENANCE FEE, MAY INCREASE SUBSTANTIALLY DUE TO INCREASING COSTS, INCLUDING COSTS ATTRIBUTED TO THE INSURANCE COVERAGE AND ENERGY.

PURCHASER RECOGNIZES AND ACKNOWLEDGES THAT SUCH COMMON INTERESTS AND MAINTENANCE FEES ARE SUBJECT TO CHANGE AS THE PROJECT EVOLVES. SUCH ESTIMATES ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY REPRESENTATION OR WARRANTY BY THE DEVELOPER, INCLUDING, BUT NOT LIMITED TO ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF SUCH ESTIMATES.

4.3 Utility Charges to be Included in the Maintenance Fee

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

4.4 Utilities to be Separately Billed to Unit Owner

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

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

<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: April 28, 2009 Name of Escrow Company: First Hawaii Title Corporation Exhibit "J" contains a summary of the pertinent provisions of the escrow agreement.
<input checked="" type="checkbox"/>	Other: Exhibit "K" contains a summary of the pertinent provisions of the specimen Unit Deed

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 type="checkbox"/>	Developer has or will designate the units for sale to Owner-Occupants by publication.

*Pursuant to Section 514B-99.5 of the Hawaii Revised Statutes ("HRS"), as the developer is conveying all of the residential units of the Project to family members related by blood, subpart B of Part V of HRS Chapter 514B containing the rules regarding sales to owner-occupants shall not apply to this Project.

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

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: None. Units to be conveyed "as is".
Appliances: None. Appliances sold "as is".

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

Status of Construction: Completed in 1971.
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:
Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract:

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 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 this box is checked, Section 5.6.2, which follows below, will not be applicable to the project.	

5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

Hawaii law provides that, if certain statutory requirements are met, purchaser deposits in escrow under a binding sales contract may be used before closing to pay for certain project costs. For this project, the Developer indicates that purchaser deposits may be used for the following purposes (check applicable box):

<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</p> <p><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</p> <p><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

Additional Information Not Covered Above

6.1. Developer Makes No Promises or Warranties About the Units and/or the Project. PURCHASER UNDERSTANDS AND AGREES THAT THE UNIT BEING SOLD "AS IS, WHERE IS" WITH ALL FAULTS AND THAT THE DEVELOPER DISCLAIMS AND MAKES NO WARRANTIES OR PROMISES OF ANY KIND, EXPRESS OR IMPLIED, ABOUT THE UNIT, THE LAND UNDERLYING THE PROJECT OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT), OR ABOUT ANY FURNISHINGS, FIXTURES, APPLIANCES OR OTHER CONSUMER PRODUCTS, MECHANICAL SYSTEMS, PLUMBING SYSTEMS, ELECTRICAL SYSTEMS, VENT SYSTEMS, COOLING OR HEATING SYSTEMS OR ANYTHING ELSE INSTALLED, ATTACHED, AFFIXED OR OTHERWISE CONTAINED IN THE UNIT, THE LAND OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT), INCLUDING ANY WARRANTIES OR PROMISES OF "HABITABILITY", "MERCHANTABILITY", "WORKMANSHIP" OR "FITNESS FOR A PARTICULAR USE OR PURPOSE".

WITHOUT LIMITING THE GENERALITY OF ANY OF THE FOREGOING, DEVELOPER DISCLAIMS AND MAKES NO WARRANTIES OR PROMISES: (A) THAT THE PROJECT OR ANY IMPROVEMENTS THEREON, INCLUDING THE UNIT, THE COMMON ELEMENTS, OR LIMITED COMMON ELEMENTS, OR THE LAND OR THE PROJECT WILL BE FREE FROM CRACKS IN, OR OTHER DAMAGE TO, THE CONCRETE OR OTHER BUILDING MATERIALS; (B) REGARDING THE VALUE, QUALITY, GRADE OR USEFUL LIFE OF THE UNIT, THE PROJECT OR ANYTHING INSTALLED, ATTACHED, AFFIXED OR OTHERWISE CONTAINED IN THE UNIT, THE LAND OR THE PROJECT (INCLUDING THE COMMON ELEMENTS OF THE PROJECT); (C) REGARDING THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL HISTORY OR CONDITION OF THE PROJECT, INCLUDING, WITHOUT LIMITATION, ANY DEFERRED MAINTENANCE AT THE PROJECT AND DAMAGE FROM TYPICAL WEAR AND TEAR AND WEATHERING.

6.2. Developer Makes No Promises or Warranties About the Condominium Map. The Condominium Map is intended to show only the layout, location, apartment numbers and approximate dimensions of the units and the elevations of the buildings in which the apartments are located (collectively, the "Buildings"). PURCHASER AGREES THAT NEITHER THE CONDOMINIUM MAP NOR THE BUILDING PLANS AND SPECIFICATIONS FOR THE PROJECT ARE INTENDED TO CONSTITUTE ANY WARRANTIES OR PROMISES BY DEVELOPER.

6.3. Developer Makes No Promises or Warranties About the Amount of Monthly Maintenance Fees. Purchaser has examined and approved the estimate of monthly maintenance fees and assessments for the Project prepared by the Developer and attached as Exhibit "H" to this Public Report. Purchaser is aware that such amounts are only estimates and may change for reasons beyond the control of Developer, and Purchaser hereby specifically accepts and approves any changes in such estimate made by Developer or the Association. PURCHASER AGREES THAT SUCH ESTIMATES AND AMOUNTS ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY WARRANTY OR PROMISE BY DEVELOPER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OR PROMISE AS TO THE ACCURACY OF SUCH ESTIMATES AND AMOUNTS.

6.4. Developer Makes No Promises or Warranties About Third-Party Reports. To the extent that Developer may have hired or commissioned any study, test or other investigation of the condition, useful life, legal compliance or any other matter relating to the Units, the Land, the Project, or any furnishings, fixtures, appliances or other consumer products or anything else installed, attached, affixed or otherwise contained in the Units, the Land or the Project, and to the extent Developer may make the results of any such study, test or investigation available to Purchaser in connection with the offer or sale of a Unit in the Project, Developer disclaims and makes no warranty or promise regarding the accuracy, reliability or value of any statement or opinion expressed by such third-party. PURCHASER AGREES THAT PURCHASER'S USE OR CONSIDERATION OF ANY SUCH INFORMATION IN CONNECTION WITH THE OFFER OR SALE OF THE UNIT SHALL BE AT PURCHASER'S SOLE RISK.

6.5. Securities Laws and Regulations. Developer makes no representations: (i) regarding the possibility or probability of economic benefit from the purchase and ownership of a Unit; (ii) to the effect that Developer will provide services relating to the rental of a unit; or (iii) as to the possible advantages of the ownership or rental of a unit under federal law or state tax laws. Developer makes no representation regarding either the economic benefits to be derived from the ownership, rental or tax treatment of any purchaser of a unit. The tax treatment and economic benefits may vary with individual circumstances, and Developer recommends that a purchaser consult with his or her own attorney, accountant or other tax counsel for advice regarding tax treatment.

6.6. Use of Units. The Declaration of Condominium Property Regime of 657 Hausten Condominium (the "Declaration") provides that the Units in the Project may be used for any uses permitted in A-2 Apartment (Medium-Density) District in accordance with Sections 21-3.80 and 21-3.80-1 of the Land Use Ordinance contained in Chapter 21 of the Revised Ordinances of Honolulu, which permits, among other uses, the use of a walk-up apartment. The Project is subject to the Declaration, the Bylaws and the House Rules, as the same may be amended from time to time. FOR INFORMATION REGARDING THE OWNERS' RIGHTS AND OBLIGATIONS REGARDING THE USE OF THE UNIT, PURCHASERS SHOULD READ THE CONDOMINIUM DOCUMENTS, INCLUDING THE DECLARATION, BYLAWS AND HOUSE RULES. There are also other restrictions that may apply. Purchasers should carefully review this condominium public report for particulars.

6.7. Potential Nuisance Disclosure. The following is a partial list of potential items which Unit owners and occupants may find objectionable:

a. Noise and Odor from Airflow and Wind. Noises, odors, including smoke (from tobacco or other smoking substances), barbeque odors or other cooking odors, and other odors being transmitted to the Unit or the Project.

b. Traffic. Nuisances arising from traffic, including, dust, sounds (alarms, engines, etc.) and exhaust fumes.

c. Neighbors. Neighbors, including adjacent apartment owners, their guests and invitees, whether below, above or on the side of the Apartment and their respective behaviors and idiosyncrasies, whether occurring in an apartment or the common areas of the Project.

d. Adjacent Properties. Nuisances arising from adjacent properties and their respective operational issues, such as trash pickup, deliveries, guests, tenants, clients and invitees, and any construction work they may perform from time to time.

e. Condominium Living. Some Buildings are multi-storied, and as such, there are other apartments located adjacent to the apartments. There is some possibility of sound transmission, smells, smoke, and other possible nuisances between apartments.

This is not a complete list of all potential objectionable matters, and Purchaser acknowledges there may be others. Purchaser releases and indemnifies Developer, its agents, consultants, contractors and employees from any and all liability or claims made by Purchaser, any successor or assigns of Purchaser, or any tenant or guest of Purchaser, arising from all such matters, whether listed above or otherwise.

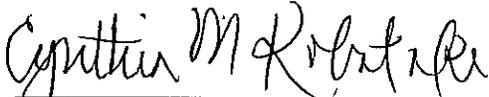
EACH PURCHASER AGREES TO ACCEPT EACH CONDITION, CIRCUMSTANCE AND RISK DESCRIBED ABOVE OR IN ANY OF THE REPORTS OR INFORMATION PROVIDED BY DEVELOPER AND FURTHER AGREES THAT DEVELOPER SHALL BE RESPONSIBLE FOR CORRECTING ANY SUCH CONDITIONS.

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.

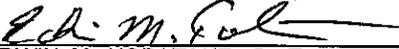
For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified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

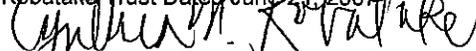
DEVELOPER: CYNTHIA M. KOBATAKE and EDWIN M. KOBATAKE, Co-Trustees of the Cynthia M. Kobatake Trust dated June 21, 2007, as amended or restated, RONALD TOYOKI HAJIME, husband of Arlene Kam Oi Hajime, CYNTHIA M. KOBATAKE, CAROLE N. KAJIHIRO and RONALD T. HAJIME as Successor Co-Trustees under those certain unrecorded Trust Agreements known as (1) The Masanori Hajime Trust dated May 9, 1996, and (2) the Jane Y. Hajime Trust dated May 9, 1996, and CAROLE N. KAJIHIRO, Trustee under that certain unrecorded Trust Agreement Known as The Carole N. Kajihiro Trust dated February 16, 2005 (collectively, "Developer")



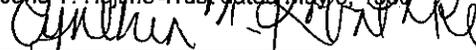
CYNTHIA M. KOBATAKE, Co-Trustee of the Cynthia M. Kobatake Trust dated June 21, 2007



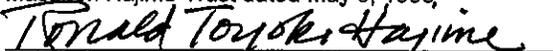
EDWIN M. KOBATAKE, Co-Trustee of the Cynthia M. Kobatake Trust dated June 21, 2007



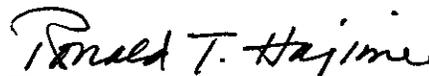
CYNTHIA M. KOBATAKE, Successor Co-Trustee of The Jane Y. Hajime Trust dated May 9, 1996



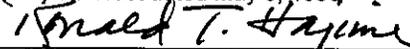
CYNTHIA M. KOBATAKE, Successor Co-Trustee of The Masanori Hajime Trust dated May 9, 1996,



RONALD TOYOKI HAJIME



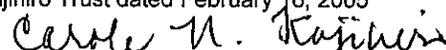
RONALD T. HAJIME, Successor Co-Trustee of The Jane Y. Hajime Trust dated May 9, 1996



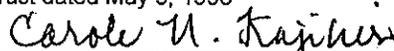
RONALD T. HAJIME, Successor Co-Trustee of the Masanori Hajime Trust dated May 9, 1996



CAROLE N. KAJIHIRO, Trustee of The Carole N. Kajihiro Trust dated February 16, 2005



CAROLE N. KAJIHIRO, Trustee of The Jane Y. Hajime Trust dated May 9, 1996



CAROLE N. KAJIHIRO, Trustee of The Masanori Hajime Trust dated May 9, 1996

Dated: June 24, 2009

Distribution: Department of Finance, City & County of Honolulu
Department of Planning & Permitting, City & County of Honolulu

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

EXHIBIT "A"

Unit Numbers, Approximate Net Square Footage, Approximate
Lanai Area, Parking Stall Assignment and Percentage Common Interest

Unit Number	Bedrooms/ Bathrooms	Approximate Net Square Footage	Approximate Lanai Area (sf)	Parking Stall Assignment	Percentage Common Interest
A	2/1	714	57	2	24.965035%
B	2/1	716	0	4	25.034965%
C	2/1	714	57	1	24.965035%
D	2/1	716	0	5	25.034965%
TOTAL		2,860	114		100.00%

1. Location of Apartments.

Four (4) Units located in one (1) three-story multi-family condominium dwelling unit building, as depicted on the Condominium Map.

2. Layout of Apartments.

All Units have the number of bedrooms and bathrooms indicated on the above table, as well as one kitchen and one living room.

3. Determination of Approximate Net Square Footage.

The approximate net square footage of each Unit in the Project was determined by measuring the area between the perimeter walls of each Unit, and includes the area occupied by non-load bearing walls located between said perimeter walls.

4. Parking Stalls.

Each Unit shall have the exclusive use of the parking stall assigned to such Unit as indicated in the fifth column of the table above. The total number of parking stalls in the Project is five (5), including one (1) guest parking stall.

5. Calculation of Common Interest.

The common interest attributable to each Unit was calculated by dividing the net square footage of each individual Unit by the total net square footage of all Units within the Project.

EXHIBIT "B"

Boundaries of the Unit

Each Unit shall be deemed to include (i) all walls and partitions that are not load-bearing within its perimeter or party walls, (ii) all pipes, shafts, vents, ducts, pumps, conduits, cables, wiring, other utility or service lines running through such Unit or other utility meters that are utilized for and serve only that Unit, (iii) the decorated or finished interior surfaces of all perimeter and party walls and load-bearing walls, floors and ceilings of each Unit, and the areas within said walls, floors and ceilings, including, but not limited to, the air space and improvements, (iv) the decorated or finished interior surfaces of any doors, door frames, windows or window frames, (v) all cranks and other window hardware, (vi) all appliances and fixtures installed in the Unit, and replacements therefor.

The respective Units shall not be deemed to include: (i) the perimeter or party walls surrounding a Unit from the undecorated or unfinished interior surfaces thereof and any improvements and/or air space located beyond such undecorated or unfinished interior surface of such perimeter or party walls, (ii) the undecorated or unfinished interior surfaces of the floors and ceilings surrounding a Unit and the entire roof of the building in which the Unit is located, and any improvements and/or air space (if any) located beyond such floors and ceilings, (iii) the decorated or finished exterior surfaces of perimeter doors, door frames, windows and window frames surrounding a Unit, (iv) the interior of any load-bearing walls and columns (if any) located in the building in which the Unit is located and the undecorated or unfinished surfaces thereof, (v) any pipes, shafts, vents, ducts, pumps, conduits, cables, wiring and other utility or service lines running through each Unit or other utility meters, which are utilized for or serve more than one Unit, (vi) the entirety of any attic or basement in any building within the Project, and (vii) the Common Elements, including the Limited Common Elements described below.

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE UNIT BOUNDARIES DESCRIBED IN THE DECLARATION. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE UNIT BOUNDARIES DESCRIBED IN THE DECLARATION, PURCHASER SHOULD REFER TO THE DECLARATION TO DETERMINE THE UNIT BOUNDARIES IN DETAIL. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE DECLARATION, THE DECLARATION WILL CONTROL.

EXHIBIT "C"

Permitted Alterations to the Units

A. **GENERAL PROVISIONS.** No Unit Owner shall do any work that may jeopardize the soundness and safety of the Project, reduce the value thereof, or impair any easement, as reasonably determined by the Board. Except as otherwise expressly provided in this Declaration, restoration or replacement of the Project or any portion thereof or construction of any additional improvement or structural alteration or addition to any improvement, different in any material respect from the Condominium Map of the Project, shall be undertaken by any Unit Owner only pursuant to an amendment of this Declaration in accordance with Article XI of the Declaration, duly executed pursuant to the provisions thereof, accompanied by the written consent of the holders of all mortgage liens affecting any of the Units involved, and in accordance with complete plans and specifications therefor. Promptly upon completion of such restoration, replacement or construction the Owner shall duly record such amendment, together with a complete set of floor plans of the Project as so altered, certified as built by a State of Hawaii registered architect or professional engineer.

B. **APPROVAL OF ADDITIONS OR ALTERATIONS.** No Unit Owner may make or allow any "nonmaterial additions and alterations," as such term is defined in Section 514B-140 of the Act, to his or her Unit or the Limited Common Elements appurtenant thereto, without the approval of the Board, as provided in Article X, Section C of the Declaration. No Unit Owner may make or allow any material addition or alteration without first obtaining the written consent of sixty-seven percent (67%) of the Unit Owners, the consent of all Unit Owners whose Units or appurtenant Limited Common Elements are directly affected, and the approval of the Board. The Board may only disapprove a proposed addition or alteration where the Board reasonably believes that the addition or alteration could jeopardize the soundness of the Project or impair any easement, or interfere with or deprive any nonconsenting Owner of the use and enjoyment of part of the Project.

C. **ADDITIONS OR ALTERATIONS TO UNITS.** In addition to the foregoing requirements, and to ensure a uniform appearance and consistent level of quality among the Units, no Unit Owner may make any addition, alteration or improvement to his or her Unit without the prior written consent of the Board. The Board may deny consent where it determines that the addition, alteration or improvement would otherwise be inconsistent with the uniform appearance of the Units. Moreover, nothing contained in this paragraph shall authorize any work or alteration that would jeopardize the soundness or safety of any part of the Project, reduce the value thereof, materially adversely affect any other Unit or Limited Common Element, materially alter the uniform external appearance of the Project, materially increase the transfer of sounds, noise, air or smoke to other Units or materially affect or impair any easement or rights of any of the other Unit Owners, or materially interfere with or deprive any non-consenting Owner of the use or enjoyment of any part of the Common Elements.

Notwithstanding the foregoing, any Unit Owner may submit a written request to the Board to make additions or alterations solely within his or her Unit. Said Owner shall be permitted to, at his or her sole cost and expense, make any of the following alterations within the Unit or Limited Common Element which such Owner controls: to install, maintain, remove and rearrange partitions (including the party wall between two (2) Units owned by the same Owner) and other structures from time to time within such Unit or Limited Common Element, to finish, alter or substitute any plumbing, electrical or other fixture attached to the ceilings, floors and walls as shall be appropriate for the utilization of such Unit or Limited Common Element by such Owner, and to tile, re-carpet and do or cause to be done such work on the floors of any Unit or Limited Common Element that does not increase the acoustical transfer from such Unit or Limited Common Element and subject further to the restrictions stated above.

D. **UNIT OWNERS TO EXECUTE AMENDMENT DOCUMENTS IN CERTAIN CASES.** In the event that any change or alteration of a Unit pursuant to and in compliance with Article X, Section C of the Declaration shall alter the depiction of the particular Unit on the Condominium Map or the description thereof in this Declaration, then the Owner of such Unit shall amend this Declaration and/or the

Condominium Map to set forth such approved change or alteration, which amendment(s) may be executed by the Owner of the affected Unit or Units and by no other party, and shall become effective upon the filing thereof in said Bureau. The provisions of Article XI of the Declaration notwithstanding, such amendment shall not require the consent or joinder of the Owner of any other Unit or any other person or entity, other than any mortgagee of such Unit or Units which are changed or altered (if the mortgagee requires such consent or joinder). Every Unit Owner and all holders of liens affecting any of the Units of the Project and each and every other party acquiring an interest in the Project or any part thereof, by acquiring such Unit, lien or other interest, consents to and agrees that he or she shall, if required by law or by any such Owner who shall have changed or altered a Unit as aforesaid, join in, consent to, execute, deliver and record all instruments and documents necessary or desirable to effect the amendment of this Declaration and/or the Condominium Map; and appoints such Owner and his or her assigns his or her attorney-in-fact with full power of substitution to execute, deliver and record such documents and to do such things on his or her behalf, which grant of such power, being coupled with an interest, is irrevocable and shall not be affected by the disability of any such party.

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL RESTRICTIONS ON ALTERATIONS TO UNITS CONTAINED IN THE CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF RIGHTS AND OBLIGATIONS UNDER THE CONDOMINIUM DOCUMENTS, PURCHASER MUST REFER TO THE CONDOMINIUM DOCUMENTS TO DETERMINE THE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONDOMINIUM DOCUMENTS, THE CONDOMINIUM DOCUMENTS WILL CONTROL.

EXHIBIT "D"

Common Elements

One freehold estate is hereby designated in all remaining portions of the Project not otherwise defined as a "Unit," herein called the "Common Elements." The Common Elements shall include specifically, but shall not be limited to, the following:

1. The Land in fee simple and any appurtenances thereto as described in Exhibit "A" of the Declaration;
2. Regarding the building in which the Unit is located: (i) the perimeter or party walls surrounding a Unit from the undecorated or unfinished interior surfaces thereof, and any improvements and/or air space located beyond such undecorated or unfinished interior surface of such perimeter or party walls, (ii) the undecorated or unfinished interior surfaces of the floors and ceilings surrounding a Unit and the entire roof of the building in which the Unit is located, and any improvements and/or air space (if any) located beyond such floors and ceilings, (iii) the decorated or finished exterior surfaces of perimeter doors, door frames, windows and window frames surrounding a Unit, (iv) the interior of any load-bearing walls and columns (if any) located in the building and the undecorated or unfinished surfaces thereof, and (v) any pipes, shafts, vents, ducts, pumps, conduits, cables, wiring and other utility or service lines running through each Unit or other utility meters, which are utilized for or serve more than one Unit, and (vi) the entirety of any attic or basement in any building within the Project;
3. Any and all other apparatus and installations existing for common use, such as tanks, motors, fans, compressors and other such installations and apparatus;
4. The landscaping throughout the Project and planter strips along certain roadways of the Project and other plants and refuse facilities (if any);
5. All driveways; parking stalls, including guest stalls (if any); parking areas, including the carport; access lanes; the group mailbox structure (if any); sidewalks, hallways, and walkways of the Project;
6. Maintenance and storage areas, electrical and utility rooms, and other similar areas that are not part of a Unit;
7. The laundry room (including all appliances and fixtures located therein) and storage room on the first floor of the Project;
8. All ducts, pipes, valves, sewer lines, drain lines, electrical equipment, cables, chutes, pipes, shafts, wire conduits or other utility service lines that are utilized to serve some or any of the Common Elements described herein and other central and appurtenant transmission facilities over, under and across the Project which serve any Common Element for services such as power, light, water, gas, sewer, refuse, telephone and radio and cable television signal distribution;
9. All of the Limited Common Elements described in Section D. of the Declaration; and
10. All other areas of the Project that are not described as a Unit or a part thereof, and that are necessary or convenient to the Project's existence, maintenance and safety, or normally in common use.

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL COMMON ELEMENTS CONTAINED IN THE CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF RIGHTS AND OBLIGATIONS UNDER THE CONDOMINIUM DOCUMENTS, PURCHASER MUST REFER TO THE CONDOMINIUM DOCUMENTS TO DETERMINE THE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONDOMINIUM DOCUMENTS, THE CONDOMINIUM DOCUMENTS WILL CONTROL.

EXHIBIT "E"

Limited Common Elements

The Limited Common Elements are hereby designated, set aside and reserved for the exclusive use of certain Units, and such Units shall have appurtenant thereto exclusive easements for the use of such Limited Common Elements as set forth herein. Subject to Article VI, Section F of the Declaration, the costs and expenses of every description pertaining to such Limited Common Element, including, but not limited to, the costs of maintenance, repair, replacement, improvement or additions to the Limited Common Elements shall be charged to the Owner of the Unit to which the Limited Common Element shall be appurtenant. Unless otherwise provided herein, Limited Common Elements shall be managed and maintained by the Owner of the Unit to which the Limited Common Elements shall be appurtenant.

1. Lanai. Unit A and Unit C shall have as a Limited Common Element appurtenant thereto the lanai affixed to the Unit, as depicted on the Condominium Map; including, without limitation, the decorated or finished interior surfaces of the perimeter or party walls and ceilings and the interior of any perimeter doors, door frames, windows and window frames, the decorated or finished surface of the floors, including all areas within the finished or decorated perimeter interior surfaces of the perimeter walls and ceiling and floors.

2. Parking Stall. Each Unit shall have as a Limited Common Element appurtenant thereto the entire area, measured from the demarcation of such space on the ground (if applicable), of the parking space assigned to such Unit in Exhibit "B" of the Declaration, as further depicted on the Condominium Map.

3. Mailbox. Each Unit shall have as a Limited Common Element appurtenant thereto the interior of that certain mailbox designated with the same number as the Unit and located within the group mailbox structure in the Project.

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL LIMITED COMMON ELEMENTS CONTAINED IN THE CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF RIGHTS AND OBLIGATIONS UNDER THE CONDOMINIUM DOCUMENTS, PURCHASER MUST REFER TO THE DECLARATION, BYLAWS AND HOUSE RULES TO DETERMINE THE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONDOMINIUM DOCUMENTS, THE CONDOMINIUM DOCUMENTS WILL CONTROL.

EXHIBIT "F"

Encumbrances Against Title

1. Any and all Real Property Taxes that may be due and owing. Reference is made to the Tax Assessor's Office, City and County of Honolulu.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. The terms, provisions, conditions and restrictions, if any, contained in those certain Trust Agreement(s) herein referred to.
4. The covenants, agreements, obligations, conditions, easements and other provisions as contained in the following:

DECLARATION OF CONDOMINIUM PROPERTY REGIME OF "657 HAUSTEN CONDOMINIUM"

Dated: September 29, 2008 and October 02, 2008

Document No. 3803223

but omitting any covenants or restrictions if any, based upon race, color, religion, sex, handicap, familial status, or national origin unless an donly to the extent that said covenant (a) is exempt under Chapter 42, Section 3607 of the United States code or (b) relates to handicap but does not discriminate against handicapped persons.

Condominium Map No. 1978, to which reference is hereby made.

5. BY-LAWS OF THE ASSOCIATION OF UNIT OWNERS OF 657 HAUSTEN CONDOMINIUM

Dated: September 29, 2008

Document No. 3803224

to which reference is hereby made

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL THE ENCUMBRANCES ON TITLE CONTAINED IN THE UDPATED PRELIMINARY TITLE REPORT FOR THE PROJECT ("TITLE REPORT"). WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF RIGHTS AND OBLIGATIONS UNDER THE TITLE REPORT, PURCHASER MUST REFER TO THE TITLE REPORT PURCHASER RECEIVES UPON CLOSING TO DETERMINE THE MOST UPDATED ENCUMBRANCES AFFECTING THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND ANY TITLE REPORT, THE UPDATED TITLE REPORT RECEIVED UPON CLOSING WILL CONTROL.

EXHIBIT "G"

Rights Reserved by Developer

Among other rights, the Developer will have the following reserved rights with respect to the Project, which are more particularly set forth in the Declaration, Bylaws and House Rules. Capitalized terms used herein shall have the meaning set forth in the Declaration, unless otherwise defined herein.

DECLARATION

A. RESERVED RIGHT TO GRANT AND RECEIVE EASEMENTS.

1. Notwithstanding anything herein provided to the contrary, Developer does hereby reserve the right unto itself, its successors and assigns, to and until December 31, 2029, to delete, cancel, relocate, realign, reserve, designate, grant and receive any and all easements, rights of way and/or licenses over, under, through, across and upon the Common Elements (including, without limitation, the Limited Common Elements), or involving adjacent parcels of land, deemed necessary or desirable in Developer's sole discretion, including, but not limited to, easements and/or rights of way for utilities, any public-type facility (e.g. for mail delivery), fire lane access, sanitary and storm sewers, cable television, refuse disposal, access rights to adjacent parcels of land, public or other access to open space or any private park area and other similar purposes; provided that such easements, rights of way and/or licenses shall not be located on or within any existing structure of the Project and shall not be exercised so as to unreasonably disturb, impair or interfere with the normal use and enjoyment of the Project by the Unit Owners; and provided that Developer shall have the right to negotiate and agree to such terms with respect to such easements, rights of way and/or licenses as Developer deems appropriate in its sole discretion. In the event that Developer assigns to the Association any rights or obligations it acquires, through exercise of this reserved right, whether the same constitute easement rights or otherwise, the Association shall assume such rights or obligations, and shall indemnify, defend and hold Developer harmless from any loss incurred by Developer as a result of any claim made against Developer by a third party through Developer's exercise of this reserved right.

B. RESERVED RIGHT TO ALTER, SUBDIVIDE AND CONSOLIDATE UNITS.

Notwithstanding anything provided to the contrary, and except as otherwise provided by law:

1. Developer shall have the reserved right, without obtaining the approval of any other Unit Owner of any party with an interest in the Project, including any other Owner and/or mortgagee, to: (1) alter the floor plan of any Unit which it owns at any time, and in any manner Developer deems appropriate, in its absolute discretion, provided that the Common Interest appurtenant to the Unit shall not change; (2) cause the subdivision of any Unit which it owns at any time 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; (3) convert certain portions of any existing Unit to Limited Common Element status to facilitate any subdivision; (4) consolidate two or more Units which it owns and convert any area between Units to part of a Unit; and (5) recalculate the Common Interest appurtenant to each Unit upon such subdivision and/or consolidation; provided that the total Common Interest appurtenant to the newly-created Units shall equal the Common Interest appurtenant to the original Unit.

2. If Developer is the owner of any two or more Units separated by a party wall, floor or ceiling, Developer shall have the right, without obtaining the approval of any party with an interest in the Project, including any other Owner and/or mortgagee, to consolidate two or more Units that are so separated, to later subdivide such Units once consolidated, and to alter, remove or restore all or portions of the intervening wall, floor or ceiling at Developer's expense, provided that: (1) the structural integrity of the Project is not thereby affected, (2) the finish of the Limited Common Element then remaining is restored to a condition substantially compatible with that of the Limited Common Element prior to such alteration, and (3) all construction activity necessary to any such alteration or removal shall be completed

within a reasonable period of time after the commencement thereof, subject to delays beyond the reasonable control of Developer or its contractors, whether caused by strikes, the unavailability of construction materials or otherwise, in which case any such construction activity shall be completed in such additional time as may be reasonably necessary in the exercise of due diligence.

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

Any such alteration, subdivision or consolidation of Unit(s) as provided above shall be effective provided that:

a. Developer shall file or cause to be filed an amendment to this Declaration describing the Unit(s) in question and setting forth at least: (a) a description of the newly-formed Unit(s); (b) in the case of the consolidation of Units by Developer, the undivided percentage interest appurtenant to the newly-formed Unit, which shall be calculated by adding together the undivided percentage interests for the Units to be consolidated; or (c) in the case of the subdivision of a Unit by Developer, the undivided percentage interest appurtenant to each of the newly-formed Units, which shall equal the total of the undivided percentage interest appurtenant to the original Unit.

b. Developer shall file or cause to be filed an amendment to the Condominium Map for the Unit(s) being altered and/or expanded, subdivided or consolidated to show an amended floor plan, as necessary, together with a verified statement of registered architect or professional engineer, in the manner required by Section 514B-34 of the Act, that said Condominium Map, as so amended, is an accurate copy of portions of the plans of the altered and/or expanded Unit(s) as filed with and approved by the county officer having jurisdiction over the issuance of permits for the completion of buildings, and that the plans fully and accurately depict the layout, location, Unit numbers, and dimensions of the Units substantially as built; and

c. Any such alteration shall comply in all respects with all applicable governmental codes, statutes, ordinances and rules and regulations, or with all variances granted therefrom.

Developer expressly reserves the right to amend the aforesaid Declaration and Condominium Map to effect any subdivision or consolidation of Units or alterations to floor plans at any time or times prior to December 31, 2029, and Developer may, without being required to obtain the consent or joinder of any Owner, lienholder or other persons, execute and record amendments to this Declaration and Condominium Map and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the rights, powers or privileges herein reserved to Developer. To the extent permitted by applicable law, this Article XVII of the Declaration shall not be amended without the prior written consent of Developer.

C. RESERVED RIGHT TO RECHARACTERIZE AND REDESIGNATE LIMITED COMMON ELEMENTS.

Developer shall have the reserved right, to amend this Declaration to (1) recharacterize all or a portion of certain Limited Common Elements as may be appurtenant to a Unit owned by Developer as being Common Elements of the Project, thus giving up or waiving the exclusive use of any such area or areas; or (2) redesignate all or a portion of certain Limited Common Elements as may be appurtenant to any Unit owned by Developer, to another Unit or Units. Upon recharacterization of any Limited Common Element to a Common Element of the Project, the Association shall be required to maintain such areas at its expense for the benefit of all Unit Owners, and the cost of maintaining such areas shall be assessed to all Unit Owners as a Common Expense.

The right to amend the Declaration to effect such recharacterization or redesignation of any Limited Common Element appurtenant to a Unit shall occur at any time or times prior to December 31,

2029, and Developer may, without being required to obtain the consent or joinder of any Owner, lienholder or other persons, execute, deliver and record any deed and/or amendments to this Declaration or to the Condominium Map, and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the foregoing rights, powers or privileges.

D. RESERVED RIGHT TO MODIFY PROJECT.

Developer shall have the reserved right, to and until December 31, 2029, to effect such modifications to Units and Common Elements in the Project and/or to execute, record and deliver any amendments to this Declaration, the Condominium Map as well as the Bylaws and House Rules promulgated hereunder, as may be necessary or required by Developer in its sole and absolute discretion, or to effect compliance by the Project, the Association or by the Developer, with laws which apply to the Project, including, without limitation, the Act and the Fair Housing Act, as amended, 42 U.S.C. §§3601 et seq., including any and all rules and regulations promulgated thereunder (the "FHA"), the Americans With Disabilities Act, as amended, 42 U.S.C. §§ et seq., including any and all rules and regulations promulgated thereunder (the "ADA"), and the Revised Ordinances of Honolulu 1990, including any and all rules and regulations adopted pursuant thereto, as may be amended from time to time.

E. RESERVED RIGHTS REGARDING ENTITLEMENTS AND PERMITS.

Developer shall have the reserved right, to and until December 31, 2029: (1) to amend the Project Documents, including, without limitation, this Declaration, (2) to enter into any agreements, including without limitation, to declare and subject the Land and Improvements to restrictive covenants, (3) to designate and grant easements, (4) to secure any other governmental permits, and (5) to do all things necessary or convenient to satisfy the requirements of any land use or other permits pertaining to the Project, as the same may be amended or modified, and to execute, record and deliver any and all documents necessary to effect the same, including, but not limited to, any amendments to this Declaration and to the Condominium Map.

F. ASSIGNMENT OF RESERVED RIGHTS.

Notwithstanding anything stated herein to the contrary, the rights reserved to Developer in this Declaration shall be fully and freely assignable by Developer in whole or in part to any other person. Any assignment of the rights reserved to Developer shall be in writing, executed by both Developer and the assignee of Developer's rights, and shall be recorded in said Bureau. Every Owner of a Unit in the Project and all holders of liens affecting any of the Units and each and every other party acquiring an interest in the Project, or any part thereof, 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 this Declaration; agrees to execute, deliver and record such documents and instruments and do such other things as may be necessary or convenient to effect the same; and appoints Developer and its assigns his attorney-in-fact with full power of substitution to execute, deliver, and record such documents and instruments and to do such things on his behalf, and to receive or send any legal notices, and to receive service of process (legal papers) as to legal proceedings, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be affected by the disability of such party or parties; which grant of such power shall be binding upon any assign of, or successor-in-interest upon any transfer of any Unit or any interest therein, whether by deed, mortgage, or any other instrument of conveyance.

G. CONSENT TO DEVELOPER RESERVED RIGHTS; APPOINTMENT OF DEVELOPER AND ASSOCIATION AS ATTORNEY-IN-FACT.

Each and every party acquiring an interest in the Project, by such acquisition, consents to all of the rights reserved unto Developer as set forth in this Declaration, including, but not limited to those rights as set forth in Articles XVI through XXI of the Declaration, above, the permitted actions taken by Developer pursuant thereto, and to the filing of any and all documents necessary to effect the same in said Bureau; agrees to execute, deliver, and record such documents and instruments and do such other

things as may be necessary or convenient to effect the same; and appoints Developer and their assigns as his or her attorney-in-fact with full power of substitution to execute, deliver and record such documents and instruments and to do such things on his or her behalf, and to receive or send any legal notices, and to receive service of process (legal papers), which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be affected by the disability of such party or parties; which grant of such power shall be binding upon any assign of, or successor-in-interest to, any such party and shall be deemed to be automatically granted anew by any assign or successor-in-interest upon any transfer of any Unit or any interest therein, whether by deed, mortgage, or any other instrument of conveyance. Without limitation to the generality of the rights reserved unto Developer hereunder, Developer will have the right to execute, deliver and record any amendment to this Declaration or to the Condominium Map, Bylaws, House Rules, any easement instrument, any deed, any amendment to a Unit Deed, certificate of merger, and/or assignment of rights or interest, or such other document or instrument that may be necessary or appropriate to permit Developer to exercise its rights pursuant to the provisions of this Declaration. To the extent permitted by applicable law, whether or not expressly stated therein, Articles XVI through XXI of the Declaration, inclusive, shall not be amended without the prior written consent of Developer.

BYLAWS

The Developer has the right to amend the Bylaws at any time prior to the closing of the sale of the first Unit, as set forth in Article X, Section 12 of the Bylaws.

HOUSE RULES

The Developer has the right to amend the House Rules as set forth in Section M of the House Rules and Article X, Section 1 of the Bylaws.

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL THE DEVELOPER'S RESERVED RIGHTS CONTAINED IN THE CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF RIGHTS AND OBLIGATIONS UNDER THE CONDOMINIUM DOCUMENTS, PURCHASER MUST REFER TO THE CONDOMINIUM DOCUMENTS TO DETERMINE THE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONDOMINIUM DOCUMENTS, THE CONDOMINIUM DOCUMENTS WILL CONTROL.

EXHIBIT "H"

Estimate of the Initial Maintenance Fees

THE AMOUNTS SET FORTH BELOW ARE ESTIMATES ONLY AND MAY CHANGE FOR REASONS BEYOND THE CONTROL OF THE DEVELOPER.

INSURANCE, ENERGY AND LABOR COSTS ARE CURRENTLY IN FLUX AND CAN SUBSTANTIALLY INCREASE OVER A SHORT PERIOD OF TIME. THE DEVELOPER CANNOT PREDICT HOW CHANGES IN THE ECONOMIC, SOCIAL AND POLITICAL CONDITIONS IN HAWAII, THE U.S. AND/OR GLOBALLY MAY IMPACT SUCH COSTS. PURCHASERS ARE AWARE AND ACKNOWLEDGE THAT THE BUDGET, AND, AS A RESULT, EACH PURCHASER'S MAINTENANCE FEE, MAY INCREASE SUBSTANTIALLY DUE TO INCREASING COSTS, INCLUDING COSTS ATTRIBUTED TO THE INSURANCE COVERAGE AND ENERGY.

PURCHASER RECOGNIZES AND ACKNOWLEDGES THAT SUCH COMMON INTERESTS AND MAINTENANCE FEES ARE SUBJECT TO CHANGE. SUCH ESTIMATES ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY REPRESENTATION OR WARRANTY BY THE DEVELOPER OR CONDOMINIUM MANAGER, INCLUDING, BUT NOT LIMITED TO, ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF SUCH ESTIMATES.

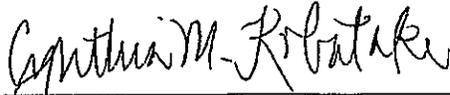
**657 Hausten Condominium
Estimate of Fee Disbursements**

Revenue	Monthly Fee	Yearly Total
Maintenance Fees	\$341	\$16,350
Expenses		
Common Area Utilities		
Electricity	\$21	\$1,000
Sewer/Water	\$44	\$2,100
Subtotal Utilities	\$65	\$3,100
Repairs & Maintenance		
Building Repairs & Maintenance	\$42	\$2,000
Landscaping	\$2	\$100
Pest Control	\$4	\$200
Subtotal Repairs & Maintenance	\$48	\$2,300
General & Administrative		
Insurance	\$104	\$5,000
Association Fees	\$16	\$750
Admin Expenses	\$10	\$500
Audit	\$25	\$1,200
Legal Fees	\$21	\$1,000
Condo Registration	\$2	\$100
Subtotal General & Administrative	\$178	\$8,550
TOTAL EXPENSES	\$291	\$13,950
Capital Reserves	\$50	\$2,400
Grand Total Expenses	\$341	\$16,350

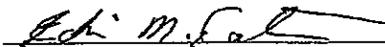
We, Cynthia M. Kobatake, co-trustee of the Cynthia M. Kobatake Trust dated June 21, 2007, successor co-trustee of the Jane Y. Hajime Trust dated May 9, 1996 and the Masanori Hajime Trust dated May 9, 1996; Edwin M. Kobatake, co-trustee of the Cynthia M. Kobatake Trust dated June 21, 2007; Ronald Toyoki Hajime, husband of Arlene Kam Oi Hajime and successor co-trustee of the Jane Y. Hajime Trust dated May 9, 1996 and the Masanori Hajime Trust dated May 9, 1996; and Carole N. Kajihiro, trustee of the Carole N. Kajihiro Trust dated February 16, 2005 and successor co-trustee of the Jane Y. Hajime Trust dated May 9, 1996 and the Masanori Hajime Trust dated May 9, 1996; the condominium developer of the 657 Hausten Condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles on a cash basis.

Pursuant to 514B-148, 7b, Hawaii Revised Statutes, a new association need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting. The Developer has not conducted a reserve study for the Project.

The budget amount for Reserves is an estimate only. The amounts set forth in the budget are estimates only and may change for reasons beyond the control of the developer. The developer cannot predict how changes in the economic, social and political conditions in Hawaii, U.S. and world may impact costs. Purchasers are aware and acknowledge that the budget and purchaser's maintenance fee will increase due to increasing costs affected by these conditions.



CYNTHIA M. KOBATAKE, Co-Trustee of the Cynthia M. Kobatake Trust dated June 21, 2007



EDWIN M. KOBATAKE, Co-Trustee of the Cynthia M. Kobatake Trust dated June 21, 2007

Cynthia M. Kobatake

CYNTHIA M. KOBATAKE, Successor Co-Trustee of The Jane Y. Hajime Trust dated May 9, 1996

Cynthia M. Kobatake

CYNTHIA M. KOBATAKE, Successor Co-Trustee of The Masanori Hajime Trust dated May 9, 1996

Ronald Toyoki Hajime

RONALD TOYOKI HAJIME

Ronald T. Hajime

RONALD T. HAJIME, Successor Co-Trustee of The Jane Y. Hajime Trust dated May 9, 1996

Ronald T. Hajime

RONALD T. HAJIME, Successor Co-Trustee of The Masanori Hajime Trust dated May 9, 1996

Carole N. Kajihira

CAROLE N. KAJIHIRO, Trustee of The Carole N. Kajihira Trust dated February 16, 2005

Carole N. Kajihira

CAROLE N. KAJIHIRO, Trustee of The Jane Y. Hajime Trust dated May 9, 1996

Carole N. Kajihira

CAROLE N. KAJIHIRO, Trustee of The Masanori Hajime Trust dated May 9, 1996

Apartment Number	Apartment Type	Percent Common Interests	Monthly Fee	Yearly Total
A	2	24.965035%	\$340.15	\$4,082
B	2	25.034965%	\$341.10	\$4,093
C	2	24.965035%	\$340.15	\$4,082
D	2	25.034965%	\$341.10	\$4,093
		100.000000%	\$1,362.50	\$16,350

EXHIBIT "I"

Summary of Pertinent Provisions of Purchase Agreement

Capitalized terms have the same meaning as ascribed to such terms in the Purchase Agreement ("Purchase Agreement").

The specimen Purchase Agreement, filed with the State of Hawaii Real Estate Commission, provides for, among other things, a description of the Unit to be sold, the purchase price, the closing costs, the time, manner and place of payment, the Purchaser's obligations regarding financing, the Seller's warranties and disclaimers regarding the Condominium Map and the Project, and the remedies of the Seller and of the Purchaser in the event of a default under the Purchase Agreement.

Among other provisions, the specimen Purchase Agreement provides:

1. Prior to execution of the Purchase Agreement, Purchaser shall receive a true copy of the Public Report for the Project, either personally or by registered or certified mail with return receipt requested, and the Notice of Right to Cancel advising Purchaser of Purchaser's right to cancel the Purchase Agreement, the delivery of which is required by Hawaii Revised Statutes, Section 514B-86. Purchaser shall also have been given an opportunity to read said report.

2. Purchaser may cancel the Purchase Agreement within thirty (30) days of Purchaser's receipt of the Notice of Right to Cancel. It is understood that Purchaser may, at any time after Purchaser's receipt of the Notice of Right to Cancel, waive Purchaser's right to cancel the Purchase Agreement. If Purchaser shall fail to execute the Notice of Right to Cancel within thirty (30) days of Purchaser's receipt of the Public Report, Purchaser shall be deemed to have waived Purchaser's right to cancel the Purchase Agreement (by Purchaser's failure to give said written notice of cancellation). The conveyance of the Unit to Purchaser within the thirty (30)-day period referenced above shall also be treated as a waiver by Purchaser of Purchaser's right to cancel the Purchase Agreement.

3. The Seller has entered into an Escrow Agreement, summarized in Exhibit "J" herein, with First Hawaii Title Corporation ("Escrow"), covering the deposit with Escrow of all funds paid by the Purchaser under the Purchase Agreement and the disbursement of the funds by Escrow.

4. The Purchase Agreement requires the Purchaser to pay the Purchase Price by a series of payments prior to Closing. Such payments include, the initial deposit, due when Purchaser signs the Purchase Agreement and the additional deposit, due on the date set forth in the Purchase Agreement. Purchaser shall then deposit within two (2) business days prior to the Closing Date, the remaining balance due, as set forth in the Purchase Agreement.

5. If the Purchaser indicates that a portion of the Purchase Price is to be financed by indicating so in the Purchase Agreement, than the Purchase Agreement shall be subject to the condition of Purchaser being able to obtain written final loan approval acceptable to Seller, in Seller's sole discretion. Financing by Seller of any portion of the Purchase Price is not available.

6. The Purchase Agreement provides that Purchaser will pay all closing costs associated with the purchase and sale, including, but not limited to, the escrow fee, cost of a preliminary title report, cost of preparation of the Unit Deed, real property tax and other prorations, all acknowledgment fees, conveyance taxes, title insurance, if requested by Purchaser, cost of any lender's title insurance, appraisal fees, costs for drafting of any notes and mortgages, all recording costs or fees, loan fees, credit report costs and all other applicable mortgage costs. The Purchase Agreement also provides that at Closing, Purchaser shall pay a non-refundable, non-transferable start-up fee to the Association equal to two (2) months of the estimated maintenance fees.

7. The Purchase Agreement provides that it shall not be construed as a present transfer of any rights or of any interest in the Unit, but rather states that it is an agreement to transfer in the future. By execution of the Purchase Agreement, the Purchaser agrees to waive, relinquish and subordinate the priority or superiority of any lien or other legal or equitable interest arising under the Purchase Agreement in favor of the lien or charge on the Project of the security interests of the Lender, including but not limited to any lien, mortgage or charge securing a loan made to finance the acquisition of the land and the costs of construction (if applicable) and any and all advances therefore until the filing of the Unit Deed.

8. The Purchase Agreement provides that it may not be assigned by Purchaser. Any assignment of the Purchase Agreement is void and of no legal effect. Seller may, without any consent of Purchaser, freely assign the Seller's interest and rights under the Purchase Agreement.

9. The Purchase Agreement provides that any dispute by or between the Seller and Purchaser arising out of or incident to the Purchase Agreement, or the development or management of the Project, the sale of the Unit or the occupancy thereof, or any other aspect of the relationship between Seller and Purchaser regarding the Project which is raised otherwise shall be submitted to mediation, and if necessary to arbitration in accordance with the terms, conditions and procedures set forth in the Purchase Agreement.

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE PURCHASE AGREEMENT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE PURCHASER'S RIGHTS AND OBLIGATIONS UNDER THE PURCHASE AGREEMENT, PURCHASER MUST REFER TO THE PURCHASE AGREEMENT TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE PURCHASE AGREEMENT, THE PURCHASE AGREEMENT WILL CONTROL.

EXHIBIT "J"

Summary of Escrow Agreement

The Escrow Agreement for the Project dated April 28, 2009 ("Escrow Agreement") contains the following provisions (which may be modified or otherwise limited by provisions which are not summarized hereinbelow):

1. As and when Seller shall enter into a Purchase Agreement for the conveyance of a unit in the Project, it shall require the payments of deposits due thereunder to be promptly made to Escrow, and shall deliver an executed copy of the Purchase Agreement to Escrow together with the address of the purchaser. Seller shall also promptly pay over to Escrow all monies received by Seller from or on behalf of the purchasers and all payments made on loan commitments from lending institutions on account of any unit in the Project.

2. Escrow shall receive, deposit and hold in separate escrow accounts and disburse as herein set forth: (a) all payments received by it under Purchase Agreements, (b) such sums received by it hereunder from or for the account of Seller, (c) all funds from any lending institution pursuant to a mortgage loan for purchase of a unit by a purchaser; and (d) all sums received by it from any other source with respect to the Project. Escrow shall not at any time commingle or permit the commingling of any purchasers' funds with funds belonging to or held for the benefit of Seller. All monies received by Escrow hereunder shall be deposited within a reasonable time of the receipt by Escrow and in reasonably convenient sums, in a federally insured, interest bearing account at any bank, savings and loan association, financial services loan company or credit union authorized to do business in the State of Hawaii.

3. Notwithstanding anything in the Escrow Agreement to the contrary, Escrow shall make no disbursements of purchasers' funds or proceeds from the sale of units in the Project (including any payments made on loan commitments from lending institutions), except by way of refunds thereof as provided in the Escrow Agreement, until (a) Seller has obtained an effective date for the Public Report for the Project and has delivered to Purchaser a true copy of the Public Report, including all amendments, with effective dates issued by the Real Estate Commission, (b) purchaser has waived or is deemed to have waived any right to cancel or rescind the Purchase Agreement and (c) Seller has affirmed to Escrow that there has been no material change in the Project, as defined in Chapter 514B of the Hawaii Revised Statutes ("Condominium Property Act").

4. If deposits from purchaser are to be released prior to closing or if units are conveyed or leased prior to completion of construction, Seller shall certify to Escrow in writing and to Escrow's satisfaction that: (1) Seller has complied with all of the requirements of Section 514B-92 or Section 514B-93 of the Hawaii Revised Statutes, as applicable and (2) that Seller has complied with the requirements of paragraph 5 of the Escrow Agreement.

5. Each purchaser shall be entitled to a return of his or her funds, without interest, unless otherwise provided in the Escrow Agreement, and Escrow shall pay such funds to such purchaser, promptly after request for return by the purchaser, if one of the following has occurred:

(a) Escrow receives a written request from Seller and Purchaser to return to the purchaser the funds of the purchaser then being held hereunder by Escrow;

(b) Seller notifies Escrow in writing of Seller's exercise of the option to cancel or rescind the Purchase Agreement pursuant to any right of cancellation or rescission stated therein or otherwise available to Seller; or

(c) Purchaser shall have notified Escrow of purchaser's exercise of purchaser's right to cancel the Purchase Agreement pursuant to Section 514B-86 of the Hawaii Revised Statutes (thirty-

day right to cancel) or, if applicable, Section 514B-89 of the Hawaii Revised Statutes (failure to complete construction before specified completion deadline); or

(d) Seller shall have notified Escrow of purchaser's exercise of purchaser's right to rescind the Purchase Agreement pursuant to Section 514B-87 of the Hawaii Revised Statutes, by a valid rescission signed by all purchasers of the affected unit and postmarked no later than midnight of the thirtieth calendar day after the date that purchasers received the notice of rescission from Seller.

Upon the cancellation of any Purchase Agreement as specified above, Escrow shall be entitled to a cancellation fee up to a maximum of \$104.71, plus all costs incurred by Escrow, which shall be paid by the purchaser unless otherwise provided in the Agreement.

6. Except as otherwise provided by law, Escrow shall give each purchaser entitled to a return of his or her funds notice thereof by certified, registered or regular, postage prepaid, mail, addressed to such purchaser at his address shown on the Purchase Agreement or any address later made known in writing to Escrow by such purchaser. If such purchaser shall not have claimed such refund within sixty (60) days from the date said notice is mailed, Escrow, shall deposit such funds into a special account in a bank or other depository selected by Escrow in the name of Seller, as trustee for the benefit of such purchaser. After notifying the purchaser of the foregoing acts, Escrow shall thereupon be released from further liability hereunder with respect to such funds and such purchaser.

7. If the purchaser fails to make any payment on or before the due date thereof or if the purchaser does or fails to do any act which would constitute a default under the Purchase Agreement, Seller shall promptly give to such purchaser and to Escrow written notice of default. If purchaser has failed to cure the default after the delivery of notice by Escrow, or if the purchaser fails to perform in any matter that is being handled by Escrow, and such default continues after the expiration of any grace period, Escrow shall promptly notify Seller. If Seller shall thereafter certify in writing to Escrow that Seller has elected to terminate the Purchase Agreement and has notified the purchaser, and provides to Escrow copies of all such notices of termination sent to purchaser, then Escrow shall thereafter treat all funds of the purchaser paid under such Purchase Agreement, less Escrow's cancellation fee, as funds of Seller and not of the purchaser. Thereafter, such funds shall be held free of the escrow established by this Agreement and shall be held by Escrow for the account of Seller. Upon written request by Seller, Escrow shall pay such funds (less Escrow's cancellation fee).

* * * * *

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE ESCROW AGREEMENT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE ESCROW AGREEMENT, PURCHASER MUST REFER TO THE ESCROW AGREEMENT TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE ESCROW AGREEMENT, THE ESCROW AGREEMENT WILL CONTROL.

EXHIBIT "K"

Summary of Pertinent Provisions of Unit Deed

Capitalized terms have the same meaning ascribed to such terms in the unit Deed.

The specimen Limited Warranty Unit Deed, Encumbrances, Reservation of Rights and Power of Attorney for 657 Hausten Condominium ("Unit Deed") contains, among others, the following provisions (which may be modified or otherwise limited by provisions which are not summarized hereinbelow):

1. The premises conveyed comprise a portion of the 657 Hausten Condominium condominium property regime ("Project") situate at Hausten Street, Waikiki, Honolulu, City and County of Honolulu, State of Hawaii.

2. The Developer ("Developer") is the lawful Owner of the fee simple interest in the real property and the rights to be transferred to the Purchaser; the same are free and clear of and from all encumbrances except as identified in the Unit Deed and except for the lien of real property taxes not yet by law required to be paid; the Developer has good right and title to sell and convey said real property in the manner set forth in the Deed; and the Developer will WARRANT AND DEFEND the same unto the Purchaser forever against the lawful claims and demands of all persons, except as mentioned in the Unit Deed.

3. Purchaser agrees and consents to the exercise by Developer of any of its reserved rights set forth in the Unit Deed, Declaration, Bylaws and House Rules. Purchaser does hereby further appoint the Developer and its assigns his attorney-in-fact with full power of substitution to execute, deliver, file and record such documents and instruments and to do such things on Purchaser's behalf to effect such reserved rights, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be affected by the disability of such party or parties, and which means that the grant of such power will be binding upon any person or entity to which Purchaser transfers the Property, and will be considered automatically granted anew by any such person or entity upon such transfer of any interest therein, whether by deed, mortgage, or any other instrument of conveyance

4. Purchaser agrees, for the benefit of all other Owners of the other units in the Project, to at all times observe, perform, comply with and abide by all of the covenants, agreements, obligations, conditions and other provisions set forth in the Declaration, the Bylaws and the House Rules as any of the same exist or may hereafter be amended in accordance with law, and accepts and approves of the Declaration, Bylaws and House Rules.

* * * * *

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE UNIT DEED. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE UNIT DEED, PURCHASER MUST REFER TO THE UNIT DEED TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE UNIT DEED, THE UNIT DEED WILL CONTROL.

EXHIBIT "L"

Summary of Architect Report

Seller has obtained the following reports regarding the condition of the structures and the Project:

Architect Due Diligence Report for the 4-Unit Apartment Building at 657 Hausten Street dated November 30, 2006 prepared by Studio 200 ("Architect Report"); and

Structural Condition Assessment for 657 Hausten Street dated November 19, 2006 prepared by Structural Analysis Group, Inc. ("Structural Report"); and

Plumbing Inspection Report dated November 21, 2006 prepared by Commercial Plumbing, Inc. ("Plumbing Report"); and

Electrical Inspection for 657 Hausten Street dated November 20, 2006 prepared by EMK Electric, L.L.C. ("Electrical Report").

The aforementioned property reports were based on visual inspections of the Project and/or review of the construction drawings, and collectively such property reports shall be referred to as the "Due Diligence Reports." Developer makes no warranty or representation whatsoever that Developer has provided all studies, reports, tests or other written investigations that may pertain to the condition of the Units or any other areas of the Project. To the extent that Developer may have hired or commissioned any study, test or other investigation of the condition, useful life, legal compliance or any other matter relating to the units, the Project, the land underlying the Project, or any furnishings, fixtures, appliances or other consumer products or anything else installed, attached, affixed or otherwise contained in the units, the Project or the land underlying the Project, and to the extent Developer may make the results of any such study, test or investigation available to Owner in connection with the offer or sale of a unit in the Project, Developer disclaims and makes no warranty or promise regarding the accuracy, reliability or value of any statement or opinion expressed by such third-party. OWNER AGREES THAT OWNER'S USE OR CONSIDERATION OF ANY SUCH INFORMATION IN CONNECTION WITH THE OFFER OR SALE OF THE UNIT SHALL BE AT OWNER'S SOLE RISK.

According to the Due Diligence Reports, generally, the present condition of the structural components and plumbing and electrical installations material to the use and enjoyment of the units are in fairly good to good condition. Owners are also referred to the following additional disclosure items regarding the Resort Units:

1. GENERAL CONDITION OF THE PROJECT. According to the Due Diligence Reports, the Project was originally designed in 1971, and the Project is approximately 35 years old. The Developer does not anticipate making renovations to the Project, and as such, the Owners should not expect that the Units being offered for sale, nor any components of the Project, will be like new-construction condition. Further, the Project is subject to corrosion, cracking, deterioration, concrete spalling, wear and tear due to age and use, and similar occurrences or conditions which may alter the Project's condition or affect its suitability for any proposed use. Developer shall have no responsibility or liability for or with respect to any such occurrence or condition.

2. GENERAL CONDITION OF THE BUILDING, ROOF, STORAGE ROOM AND UNITS. The Architect Report and Structural Report provide that the Project is a three-story structure that is approximately 35 years old, consisting of a covered parking area and two floors of units above the covered parking area. Each floor contains two units and a common access stairway. Generally, the building appears to be in good condition. The building has not been painted since 1981, and as such, Owners should anticipate painting the building in the near future. The roof was re-roofed in 1984 and appears to be in good condition with no visible signs of bubbling or water infiltration. However, as the roof is approximately 24 years old, Owners should monitor the condition of the roof. The Architect Report provides that the parking area contains a storage room that is not shown on the construction drawings reviewed by the

architect, however, the storage room does not appear to infringe on the parking stalls. The interior of the Units may exhibit signs of termite damage to the partitions, cabinets, trims and other non-structural elements of the Units. Also, the exterior doors and frames of the of the Units exhibit signs of wear and tear due to the use and age of the Units, and the exterior frames show signs of terminate damage. Owners should anticipate repairs as necessary.

3. LANAIS; RAILINGS AND STAIR LANDINGS. Only certain Units have an exterior lanai with aluminum railings. According to the Structural Report, the concrete surrounding the railings of the lanais and the stair landing on the second and third floor show signs of deterioration, spalling, and corrosion, and in certain areas, chunks of concrete have fallen off and rebar corrosion is evident. The Structural Report recommends that the deteriorated concrete slabs around the rail posts (approximately 22 rail post locations need to be repaired) should be removed and the exposed corroded. Developer does not anticipate undertaking any repairs of the lanais, railings and stair landings, and as such, Owners should anticipate repairs as necessary.

4. STRUCTURAL CONDITION OF THE PROJECT. According to the Structural Report, based on a visual inspection, in general the building has been maintained in very good condition and the building does not appear to exhibit signs of any serious structural deficiencies. However, the buildings are subject to concrete spalling, rebar corrosion and diagonal cracks. Further, there is evidence of minor concrete shrinkage cracks in the carport slab on grade, however, such concrete shrinkage cracks are nonstructural and common in carport slab on grade and repairs. Owners should anticipate repairs as necessary.

5. VENT SYSTEM; SANITARY WASTE SYSTEM. According to the Plumbing Report, the sanitary and vent systems appear to originally have been a cast iron system of pipe and fittings, however, some of the pipe and fittings located in the parking area that service the "Ewa" Units in the Project have been replaced with ABS plastic pipes. This pipe replacement may have been to remedy past leak problems, however, there is an issue as to the fire stopping integrity of the ABS plastic pipes due to the flammability of the plastic pipe. The Plumbing Report recommends that the ABS plastic pipes be replaced with cast iron pipes. Further, the cast iron pipe and fittings visible in the laundry room exhibit signs of deterioration and leakage, and as such, the Plumbing Report recommends replacement of such deteriorated cast iron pipe. Owners should anticipate repairs as necessary.

6. PLUMBING SYSTEM; PLUMBING FIXTURES. The Plumbing Report provides that overall the building's plumbing system appears to be in good condition, with the exception of the cast iron pipes in the laundry room (see paragraph 5 above). The original cold water piping appears to have been a copper system and the exposed water piping system appears to be in good condition. The hot water for the two rear Units is supplied by a solar water heater system installed after the original construction of the building. A 120-gallon hot water storage tank is located in the storage room and solar panels are installed on the roof with a rack support, with interconnecting piping running down the rear side of the building. Generally, the solar hot water system appears to be in good operating condition.

7. ELECTRICAL COMPONENTS. According to the Electrical Report, generally the Project's electrical wiring is in good working conditions. The Project appears to have been wired according to the applicable code required at the time of the building's original construction.

8. FIRE AND LIFE SAFETY SYSTEMS. The Electrical Report recommends the installation of smoke detectors in each Unit's bedroom, as well as in the hallways. As the Developer does not anticipate undertaking any renovations, Owners should anticipate repairs as necessary.

* * * * *

THE FOREGOING IS NOT AN EXHAUSTIVE LIST OF THE ITEMS DISCUSSED IN THE DUE DILIGENCE REPORTS, AND THE FOREGOING MERELY HIGHLIGHTS AND SUMMARIZES SOME OF THE ITEMS DISCUSSED IN THE DUE DILIGENCE REPORTS. OWNER IS AGAIN ADVISED THAT OWNER'S USE OR CONSIDERATION OF ANY OF THE FOREGOING INFORMATION IN CONNECTION WITH THE OFFER OR SALE OF THE UNIT SHALL BE AT OWNER'S SOLE RISK.

EXHIBIT "M"

Verified Statement of County Official

RECEIVED JUN 22 2007

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR - HONOLULU, HAWAII 96813
TELEPHONE: (808) 768-8000 - FAX: (808) 527-6743
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MUFI HANNEMANN
MAYOR



HENRY ENG, FAICP
DIRECTOR

DAVID K. TANQUE
DEPUTY DIRECTOR

2007/ELOG-1049(VV)

June 20, 2007

Mitchell A. Imanaka, Esq.
Daniel S. T. Kamitaki, Esq.
Imanaka Kudo & Fujimoto
TOPA Financial Center
Fort Street Tower
745 Fort Street, 17th Floor
Honolulu Hawaii 96813

Dear Messrs. Imanaka and Kamitaki:

Subject: Condominium Conversion Project
657 Hausten Street
Tax Map Key: 2-7-014: 025

This is in response to your letter dated April 12, 2007, requesting verification that the structure on the above-referenced property met all applicable code requirements at the time of construction.

Investigation revealed that the three-story four-unit apartment building with six (6) all-weather-surface off-street parking spaces met all applicable code requirements when it was constructed in 1971 on this 5000-square-foot A-2 Apartment District zoned lot.

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

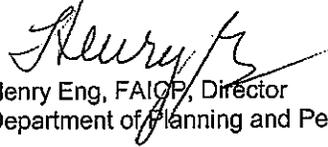
No variances or other permits were granted to allow deviations from any applicable codes.

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

Mitchell A. Imanaka, Esq.
Daniel S. T. Kamitaki, Esq.
Imanaka Kudo & Fujimoto
June 20, 2007
Page 2

If you have any questions regarding this matter, please contact Mr. Ivan Matsumoto of our Commercial and Multi-Family Code Enforcement Branch at 768-8151.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Henry Eng", with a long horizontal flourish extending to the right.

Henry Eng, FAICP, Director
Department of Planning and Permitting

HE:ft

doc546357