

CONDOMINIUM PUBLIC REPORT

Prepared &
Issued by:

Developer: Kapolei Industrial LLC, a Delaware limited liability company

Address: c/o Jupiter Holdings LLC, 24 Corporate Plaza, Suite 100, Newport Beach
California 92660

Project Name (*): Kapolei Spectrum Business Park (for sale of 11 apartments listed in Exhibit A)
Address: 2106 and 2120 Lauwiliwili Street, Kapolei, Hawaii 96707

Registration No. 7218 (initially No. 5910)

Effective date: April 11, 2012

Expiration date: May 11, 2013

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports: Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

 PRELIMINARY: The developer may not as yet have created the condominium but has filed with
(yellow) the Real Estate Commission minimal information sufficient for a Preliminary
Public Report. A Final Public Report will be issued by the developer when
complete information is filed.

 X **FINAL:** The developer has legally created a condominium and has filed complete
(white) information with the Commission.
[X] No prior reports have been issued by above-named Developer.
[] This report supersedes all prior public reports.
[] This report must be read together with _____

 SUPPLEMENTARY: **This** report updates information contained in the:
(pink) [] Preliminary Public Report dated: _____
[] Final Public Report dated: _____
[] Supplementary Public Report dated: _____

And [] Supersedes all prior public reports.
[] Must be read together with _____
[] This report reactivates the _____
public report(s) which expired on _____

(*) Exactly as named in the Declaration. This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request. FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104/0107

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report Not Required - Disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued by the developer.

Changes made are as follows:

Special Notice:

1. Original Developer/Prior Registration. The Project consists of thirty-nine (39) condominium apartment units. Construction of the Project was completed by the original developer, LA-Kapolei I, LLC (the "Original Developer"), on February 23, 2007, and twenty-eight (28) condominium apartment units in the Project were subsequently sold by the Original Developer under Registration No. 5910.
2. Apartment Units Covered by This Public Report. The Developer named in this Public Report, Kapolei Industrial LLC, a Delaware limited liability company, acquired the remaining eleven (11) unsold condominium apartment units on December 13, 2011. This Public Report serves to disclose information relating to the subject 11 apartment units, which apartment units are listed in Exhibit "A" attached to this Public Report.
3. Additional Information on Page 20. Prospective purchasers may wish to acquaint themselves with the information on Page 20 before reading the rest of this Report.

TABLE OF CONTENTS

	Page
Preparation of this Report	1
Expiration Date of Reports	1
Type of Report	1
Disclosure Abstract	2
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Operation of the Condominium Project	4
I. PERSONS CONNECTED WITH THE PROJECT	
Developer	5
Attorney for Developer	
General Contractor	
Real Estate Broker	
Escrow Company	
Condominium Managing Agent	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	6
B. Condominium Map (File Plan)	6
C. Bylaws	6
D. House Rules	7
E. Changes to Condominium Documents	7
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	8
B. Underlying Land	9
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	13
E. Encumbrances Against Title	14
F. Construction Warranties	15
G. Status of Construction	16
H. Project Phases	16
IV. CONDOMINIUM MANAGEMENT	
A. Management of the Common Elements	17
B. Estimate of Initial Maintenance Fees	17
C. Utility Charges for Apartments	17
V. MISCELLANEOUS	
A. Sales Documents Filed with the Real Estate Commission	18
B. Buyer's Right to Cancel Sales Contract	18
C. Additional Information Not Covered Above	20
D. Signature of Developer	21
EXHIBIT A: Apartment Units Covered by this Final Public Report	
EXHIBIT B: Special Use Restrictions	
EXHIBIT C: Boundaries of Each Apartment	
EXHIBIT D: Permitted Alterations to Apartments	
EXHIBIT E: Description of Common Elements	
EXHIBIT F: Description of Limited Common Elements	
EXHIBIT G: Encumbrances Against Title	
EXHIBIT H: Maintenance Fees and Disbursements	
EXHIBIT I: Summary of Purchase Agreement	
EXHIBIT J: Summary of Escrow Agreement	

General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. 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 or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

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

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment 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 an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely 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 buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Kapolei Industrial LLC Phone: (949) 706-8050
Name* (Business)

c/o Jupiter Holdings LLC, 24 Corporate Plaza, Suite 100
Business Address
Newport Beach, California 92660

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):

Managing Member of Seller: Jupiter B-I LLC, a Delaware limited liability company

Real Estate Broker*: Sofos Realty Corporation Phone: (808) 522-5999
Name (Business)
600 Kapiolani Boulevard, Suite 200

Business Address
Honolulu, Hawaii 96813

Escrow: Title Guaranty Escrow Services of Hawaii, Inc. Phone: (808) 521-0211
Name (Business)
235 Queen Street

Business Address
Honolulu, Hawaii 96813

General Contractor*: Maryl Pacific Construction, Inc. Phone: (808) 545-2920
Name (Business)
737 Bishop Street, Suite 1560

Business Address
Honolulu, Hawaii 96813

Condominium Managing Agent: Hawaiiana Management Company, Ltd. Phone: (808) 593-9100
Name (Business)
711 Kapiolani Blvd, Suite 700

Business Address
Honolulu, Hawaii 96813

Attorney for Developer: Schlack Ito, LLLC Phone: (808) 523-6040
Name (Business)
745 Fort Street, Suite 1500

Business Address
Honolulu, Hawaii 96813

*For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

**II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

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

The Declaration for this condominium is:

Proposed
 Recorded - Bureau of Conveyances : Document No. _____
 Filed - Land Court: Document No. 3262678

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]:

1. First Amendment to Declaration of Condominium Property Regime of Kapolei Spectrum Business Park, dated February 4th, 2006, filed as Document No. 3387950
2. Second Amendment to Declaration of Condominium Property Regime of Kapolei Spectrum Business Park and Condominium Map, dated October 10th, 2006, filed as Document No. 3497254.
3. Third Amendment to Declaration of Condominium Property Regime of Kapolei Spectrum Business Park and Condominium Map, dated February 2nd, 2007, filed as Document No. 3556572.

B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

Proposed
 Recorded - Bureau of Conveyances Condo Map No. _____
 Filed - Land Court Condo Map No. 1714

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]:

(see document nos. 2 and 3 identified in Section II.A above)

C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment 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 which affect how the condominium project will be governed.

The Bylaws for this condominium are:

Proposed
 Recorded - Bureau of Conveyances : Document No. _____
 Filed - Land Court: Document No. 3262679

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]: None.

D. **House Rules.** The Board of Directors may adopt 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.

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents** Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>65%</u>

* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. **Developer:**

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

The following summarizes the rights which were reserved by the Original Developer, LA-Kapolei I, LLC, in Article XXII of the Declaration, which reserved rights were assigned to the Developer by that certain Assignment of Certain Rights dated December 13, 2011, filed in the Land Court as Doc. No. T-8099081:

Reserved Right to Alter, Subdivide and Consolidate Apartments. Developer reserves the right unto itself, its successors and assigns, to and until December 31, 2026, as more particularly provided in Article XXII of the Declaration, without obtaining the approval of any party with an interest in the Project, including any other Owner and/or mortgagee, to: (a) alter the floor plan of any Apartment which it owns at any time, provided that the Common Interest appurtenant to such Apartment shall not change, (b) cause the subdivision of any Apartment which it owns at any time to create two or more Apartments, provided that the total Common Interest appurtenant to the newly created Apartments shall equal the Common Interest appurtenant to the original Apartment, (c) convert certain portions of any existing Apartment to Common Element status to facilitate any subdivision, provided that the total Common Interest appurtenant to the newly created Apartment(s) shall equal the Common Interest Appurtenant to the original Apartment, (d) consolidate two or more Apartments and to alter or remove all or portions of the intervening wall, floor or ceiling at Developer's expense, provided that the structural integrity of the Project is not thereby affected, the finish of the Common Element then remaining is restored to a condition substantially compatible with that of the Common Element prior to such alteration, and 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 control of the Developer or its contractors. In conjunction with such a consolidation, the Developer shall further have the right to convert the area

between Apartments to an Apartment for so long as such Apartment shall remain consolidated or shall continue to be commonly used or owned.

Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

Address: 2106 and 2120 Lauwiliwili Street Tax Map Key (TMK): (1) 9-1-075-003
Kapolei, Hawaii 96707

Address TMK is expected to change because _____

Land Area: 6.048 square feet acre(s) Zoning: I-2

Fee Owner: Kapolei Industrial LLC
 Name
c/o Jupiter Holdings LLC, 24 Corporate Plaza, Suite 100
 Address
Newport Beach, California 92660

Lessor: Not Applicable
 Name

 Address

C. **Buildings and Other Improvements:**

1. New Building(s)
 Conversion of Existing Building(s)
 Both New Building(s) and Conversion

2. Number of Buildings: 5* Floors Per Building: 1

*There are 10 buildings in the entire Project, however, the 11 apartment units which are the subject of this Public Report are located in only 5 of said 10 buildings.

Exhibit _____ contains further explanations.

3. **Principal Construction Material:**

Concrete Hollow Tile Wood

Other Steel and Glass

4. **Uses Permitted by Zoning:**

	<u>No. of Apts.</u>	<u>Use Permitted By Zoning</u>	
<input type="checkbox"/> Residential	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<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 checked="" type="checkbox"/> Industrial	<u>11 (39)*</u>	<input checked="" 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	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No

*Only the 11 apartment units described in Exhibit "A" are covered by this Public Report.

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?

Yes No

5. Special Use Restrictions:

The Declaration and Bylaws may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to:

Pets: Pets are not permitted, except for tropical fish, as set forth in the House Rules. Certified service animals assisting physically impaired persons are permitted.

Number of Occupants: _____

Other: See Exhibit "B" and the House Rules adopted by the Original Developer

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 0 Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
Industrial	<u>11</u>	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Total Number of Apartments: 11 (See Exhibit A for details)

* Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment:

See Exhibit "C"

Permitted Alterations to Apartments:

See Exhibit "D"

Apartments Designated for Owner-Occupants Only:

Fifty percent (50%) of residential apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by section 514A-102, HRS; or include the information here in this public report and in the announcement (see attachment 11a). Developer has Not Applicable elected to provide the information in a published announcement or advertisement.

7. Parking Stalls:

Total Parking Stalls: 219 (entire Project)

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	
Assigned (for unit 102E only)	_____	_____	_____	<u>12</u>	_____	_____	<u>12</u>
Guest	_____	_____	_____	_____	_____	_____	_____
Unassigned	_____	<u>149</u>	_____	<u>48</u>	_____	_____	<u>197</u>
Extra for Purchase	_____	_____	_____	_____	_____	_____	_____
Other (Handicap):	_____	<u>10</u>	_____	_____	_____	_____	<u>10</u>
Total Covered & Open:	<u>159</u>	_____	<u>60</u>	_____	<u>0</u>	_____	<u>219</u>

Each apartment will have the exclusive use of at least *see below parking stall(s). Buyers are encouraged to find out which stall(s) will be available for their use.

*Only Apartment 102E has parking stalls designated as limited common elements appurtenant thereto. All other parking stalls are common elements of the Project and each Apartment, including Apartment 102E, has the nonexclusive right to use a specified number of common element area parking stalls as indicated in Exhibit "A" attached hereto.

Commercial parking garage permitted in condominium project.

Exhibit "A" contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool Storage Area Recreation Area

Laundry Area Tennis Court Trash Chute/Enclosure(s)

Other: _____

9. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

There are no violations.** Violations will not be cured.

Violations and cost to cure are listed below: Violations will be cured by _____
(Date)

**Upon completion of construction of the Project in 2007, the Original Developer did not pay all building permit fees imposed by the City and County of Honolulu, and did not pay the Ewa Highway Impact fees imposed by Chapter 33A of the Revised Ordinances of Honolulu. Consequently, temporary certificates of occupancy, rather than permanent certificates of occupancy, were issued for each of the ten building in the Project by the City, in anticipation of the payment of such fees. Although not obligated to do so, the Developer has recently paid all outstanding building permit fees and Ewa Highway Impact fees for six (6) of the ten buildings within the Project (Buildings C, E, G, H, J, and K), and as a result, has obtained permanent certificates of occupancy for such buildings. The 11 apartment units covered by this Public

Report are all located within such buildings, and therefore have the benefit of permanent certificates of occupancy. The Developer is relying upon the City and County of Honolulu's issuance of such certificates as evidence of compliance with building codes and other applicable municipal regulations.

According to the City and County of Honolulu, unpaid permit and impact fees for the remaining four (4) buildings (Buildings A, B, D and F) amount to approximately \$93,771.34. The Developer has no obligation to pay such fees, and does not currently intend to do so. If such fees cannot be obtained from the Original Developer, then the Association of Apartment Owners may be required to pay such fees from its reserves and/or assess some or all of the Associations' members for such costs.

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations (for conversions of residential apartments in existence for at least five years): Not Applicable.

11. Conformance to Present Zoning Code

- a. No variances to zoning code have been granted.
 Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot:

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>X</u>	_____	_____
Structures	<u>X</u>	_____	_____
Lot	<u>X</u>	_____	_____

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

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

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit "E".

as follows:

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

There are no limited common elements in this project.

The limited common elements and the apartments which use them, as described in the Declaration, are:

described in Exhibit "F".

as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment'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 apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit "A".

as follows:

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit "G" describes the encumbrances against the title contained in the title report dated March 9, 2012 issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[] There are no blanket liens affecting title to the individual apartments.

[X] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgage	<p>In general, if there is a default and foreclosure of the Mortgage prior to conveyance, then the buyer may lose the right to buy the apartment, but will receive its deposit back.</p> <p>It should be noted in this case that the Developer is both the mortgagor and the mortgagee under the blanket mortgage. Prior to acquiring the 11 apartment units, the Developer had acquired the lender's interest in the existing blanket mortgage lien created by the Original Developer. For various legal reasons, when the Developer took ownership of the 11 apartment units through a deed-in-lieu of foreclosure transaction, it chose not to release this mortgage lien, and therefore the 11 apartment units remain subject to such lien, although the Developer currently holds both the lender's and borrower's interests in such mortgage.</p>

F. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

Developer makes no warranties or promises of any kind, express or implied, about the apartments or the Project, or about any furnishings, fixtures, appliances or the consumer products or anything else installed, attached, affixed or otherwise contained in the apartments in the Project, including any warranties or promises of "merchantability", workmanship construction or "fitness for a particular use or purpose".

2. Appliances:

None. There are no warranties, express or implied.

G. Status of Construction and Date of Completion or Estimated Date of Completion:

Construction of the Project was completed by the Original Developer, LA-Kapolei I, LLC, on February 23, 2007, based on the Original Developer's Final Public Report.

H. Project Phases:

The developer has has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing): Not Applicable.

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

- [] Notice to Owner Occupants
- [X] Specimen Sales Contract
Exhibit "I" contains a summary of the pertinent provisions of the sales contract.
- [X] Escrow Agreement dated January 12, 2012
Exhibit "J" contains a summary of the pertinent provisions of the escrow agreement.
- [X] Other: Property Management Agreement with Hawaiiana Management Company, Ltd. signed on 3/22/05.

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:

- A) The Developer delivers to the buyer a copy of:
 - 1) Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission; **AND**
 - 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
- B) The buyer is given an opportunity to read the report(s); **AND**
- C) One of the following has occurred:
 - 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - 2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - 3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; **AND**
- B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been issued an effective date by the Hawaii Real Estate Commission.
 - B) Declaration of Condominium Property Regime, as amended.
 - C) Bylaws of the Association of Apartment Owners, as amended.
 - D) House Rules, if any.
 - E) Condominium Map, as amended.
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
 - H) 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 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov
Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs
Website to access rules: www.hawaii.gov/dcca/har

This Public Report is a part of Registration No. 7218 filed with the Real Estate Commission on March 20, 2012.

Reproduction of Report. When reproduced, this report must be on:

YELLOW paper stock

WHITE paper stock

PINK paper stock

C. **Additional Information Not Covered Above**

1. **Association Information.** The Association of Apartment Owners has been formed and the first meeting of unit owners was held on September 17, 2007. Minutes of Association meetings and additional information are available to buyers and may be obtained from Hawaiiana Management Company, Ltd., the managing agent for the Project.
2. **Not Original Developer.** The Developer did not develop the Project or the 11 apartment units which are the subject of this Public Report. The Developer acquired said 11 apartment units by deed in lieu of foreclosure on December 13, 2011. Accordingly, the Developer has very little knowledge and experience about the operations of the Project and apartment units, nor did it participate with the preparation and filing of any of the documents governing and establishing the Project. Developer has not assumed any of the Original Developer's obligations and has not acquired the development rights from the Original Developer, with the exception of the Original Developer's reserved right to conduct sales activities and to alter, subdivide and consolidate apartments as set forth in the Declaration.
3. **No Warranties of Developer.** Developer did not construct nor develop the Project and Developer is not affiliated with nor has any responsibility for the Original Developer of the Project, said Original Developer's development of the Project or the construction of the Project, nor any design or construction defects related thereto. The apartment units and the Project have had the benefit of the general contractors' standard one-year warranty against defective materials and construction, which warranty has since expired. Buyers are not purchasing the apartment units from the Project's Original Developer, but rather are purchasing from one of said developer's buyers, and are purchasing the apartment units AS IS WITH ALL FAULTS WHETHER DISCOVERED OR NOT DISCOVERED BY PURCHASER. Developer makes no express warranties. SELLER DISCLAIMS ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE, ANY IMPLIED WARRANTY OF WORKMANSHIP AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE APARTMENTS, THE COMMON ELEMENTS OR THE PROJECT. This means that the unit owners will not have the right to file any lawsuit for damages against Developer or its affiliates for any defects later discovered by the unit owners. A buyer must conduct and rely upon his own inspection of the unit and Project regarding such issues.

D. The Developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6]. (The Developer is required to make this declaration for issuance of an effective date for a final public report.)*

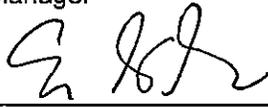
* The Developer makes this declaration solely concerning the 11 apartment units being registered, and not the entire Project. The Developer is relying upon the City and County of Honolulu's issuance of permanent certificates of occupancy for the buildings containing such units as evidence of full compliance.

E. 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 buyers 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.

KAPOLEI INDUSTRIAL LLC,
a Delaware limited liability company

By JUPITER B-I LLC, a Delaware
limited liability company
Its Member

By JUPITER ADVISORS LLC,
a California limited liability
company
Its Manager

By: 

Duly Authorized Signatory*

3/6/12

Date

Edmond F. St. Geme, Managing Member
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City & County of Honolulu
Planning Department, City & County of Honolulu

****Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual***

EXHIBIT A

Apartment Numbers, Approximate Net Square Footage, Percentage of Common Interest and Number of Parking Stalls

Apartment Number	Apartment Type	Approximate Net Square Footage	Percentage of Common Interest	*Number of Parking Stalls
102C	Industrial	2875	2.860668%	6
101E	Industrial	3248	3.231809%	7
102E	Industrial	6321	6.289490%	1 (**Total parking stalls = 13)
104G	Industrial	1579	1.571129%	3
106H	Industrial	3318	3.301460%	7
101J	Industrial	1448	1.440782%	3
102J	Industrial	1487	1.479587%	3
103J	Industrial	1601	1.593019%	3
104J	Industrial	1653	1.644760%	3
105J	Industrial	2547	2.534303%	5
101K	Industrial	4653	4.629805%	10

Calculation of Common Interest

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

*** Calculation of Number of Parking Stalls**

Each Apartment, including Apartment 102E, shall have the nonexclusive use of the specific number of parking stalls indicated in the last column of the table above. The number of stalls for use by each Apartment was calculated by multiplying the percentage of common interest attributable to each individual Apartment by the total number of parking stalls of the Project – two hundred nine (209) parking stalls. Note that the calculation of the number of stalls was rounded up to the nearest whole number.

**** Number of Parking Stalls that are Limited Common Elements and Assigned to Apartment 102E**

Apartment 102E shall have the right to use those parking stalls numbered 22 through 33, inclusive, located within the private yard area depicted on the Condominium Map. Additionally, Apartment 102E shall have the nonexclusive use of one (1) parking stall within the Project.

Total Number of Parking Stalls

The total number of parking stalls in the Project is two hundred nineteen (219). Subject to the limitations as to the number of stalls that each Apartment may use on a nonexclusive basis as indicated in the table above, one hundred ninety seven (197) stalls are for the nonexclusive use of all Apartments, and twelve (12) stalls are designated as limited common elements for the use Apartment 102E for a total of 209 designated and undesignated stalls. Additionally, there are ten (10) handicap parking stalls in the Project.

EXHIBIT B

SPECIAL USE RESTRICTIONS

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

A. APARTMENTS. The Apartments shall be operated and used for those uses permitted under the applicable zoning ordinances of the City and County of Honolulu and as permitted by the Developer in the Declaration, said purposes or uses and the visual aesthetics of said Apartments to be consistent with the quality of the Project.

B. OWNER'S RIGHT TO LEASE APARTMENT AND LIMITED COMMON ELEMENTS. The Owners of the respective Apartments shall have the absolute right, without obtaining the consent or joinder or any other Owners, to lease or grant licenses with respect to such Apartments and the Limited Common Elements appurtenant thereto. All lease or rental agreements must be in writing and will be subject to the provisions of the Act, the Declaration and the Bylaws.

C. OWNER'S RIGHT TO SELL. The Owners of the respective Apartments shall have the absolute right, without obtaining the consent or joinder of any other Owners, to sell or otherwise transfer such Apartments subject to all provisions of the Act, the Declaration and the Bylaws, and any applicable provisions of any lease agreement to the extent that such provisions continue to be effective.

D. OWNER'S RIGHT TO MORTGAGE. The Owners of the respective Apartments shall have the absolute right, without obtaining the consent or joinder of any other Owners, to mortgage or otherwise transfer an interest in their respective Apartments as security for the repayment of a loan, subject to all provisions of the Act, the Declaration and the Bylaws.

E. PROHIBITION ON ACTIVITIES WHICH JEOPARDIZE THE PROJECT. No Apartment Owner shall do or suffer or permit to be done anything on any Apartment or elsewhere on the Project which will: (1) injure the reputation of the Project, (2) jeopardize the safety or soundness of the Project, (3) create a nuisance or interfere with or unreasonably disturb the rights of other Owners and occupants, (4) reduce the value of the Project, (5) result in the cancellation of insurance applicable to the Project or adversely affect the right of recovery thereunder or result in reputable companies refusing to provide insurance as required or permitted by the Bylaws, or (6) increase the rate of insurance applicable to the Apartments or the contents thereof, or to the Project. Notwithstanding the foregoing, Developer may, through the exercise of any of its reserved rights herein, inadvertently cause one or more of the above.

F. CHANGES TO BUILDING STRUCTURES AND APARTMENTS. No Owner of an Apartment shall, without the written approval and continuing consent of the Board, change the exterior appearance of any Building Structures or Apartment in any manner. The Board may delegate the foregoing responsibility to the Managing Agent. No Owner of an Apartment shall, without the written approval and continuing consent of the Board, change the exterior appearance of an Apartment in any manner.

G. OWNERS TO MAINTAIN APARTMENTS IN GOOD ORDER. The Owner of an Apartment shall keep the interior of its Apartment and any and all plumbing, electrical and other fixtures and appurtenances constituting a part of the Apartment and the Limited Common Elements appurtenant thereto in good order and repair. Decisions on repair or modification to the Limited Common Elements shall be made by the Owners of Apartment to which such Limited Common Elements are appurtenant, subject to the provisions of Article VI, Section F of the Declaration, and subject to any additional provisions stated in the Bylaws.

H. USE OF COMMON ELEMENTS. Each Apartment Owner may use the Common Elements in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other Apartment Owners, subject always to:

1. The right of the Board, upon the approval of the Owners of seventy-five percent (75%) of the Common Interest, to change the use of the Common Elements that are also not designated Limited Common Elements;

2. The right of the Board, on behalf of the Association, to lease or otherwise use for the benefit of the Association those Common Elements not actually used by any of the Apartment Owners for an originally intended purpose, as determined by the Board; provided, however, that unless the approval of the Owners of seventy-five percent (75%) of the Common Interest is obtained, any such lease shall not have a term exceeding five (5) years and shall contain a provision that the lease or agreement for use may be terminated by either party thereto on not more than sixty (60) days' written notice.

3. The right of the Board to lease or otherwise use for the benefit of the Association those Common Elements not falling within Article VI, Section H.2 of the Declaration, which are not also Limited Common Elements, upon obtaining: (a) the approval of the Owners of seventy-five percent (75%) of the Common Interest, including all directly affected Owners, and (b) the approval of all mortgagees of record which hold mortgages on Apartments with respect to which owner approval is required by (a) above, if such lease or use would be in derogation of the interest of such mortgagees; and

4. The exclusive use of the Limited Common Elements as provided in the Declaration. Notwithstanding anything provided to the contrary, or from which a contrary intent may be inferred, neither the Board nor the Association shall have any right to change the use of or lease or otherwise use any Limited Common Element without the prior written consent of the Owners of all Apartments to which such Limited Common Element is appurtenant. The Owners of at least seventy-five percent (75%) of the Common Interest which are appurtenant to Apartments to which any particular Limited Common Element shall be appurtenant shall have the right to change the use of a particular Limited Common Element.

I. DEVELOPER'S RIGHT TO USE. Notwithstanding anything provided in the Declaration to the contrary, as long as there are unsold Apartments in the Project, Developer shall have the right to use any Apartment which it owns and any Limited Common Elements appurtenant thereto for promotion purposes, and shall have the right to have guests stay in such Apartments for any length of time; provided that such guests shall abide by and be subject to all of the provisions of the Declaration, Bylaws and House Rules. The Developer may grant license rights to the Limited Common Element appurtenant to any Apartment owned by the Developer to the Association or to a third party to the extent permissible under the law. Additionally, the Developer will have the right to utilize Apartments which it owns or any Limited Common Element which is appurtenant to any Apartment which it owns as sales offices or as a place which is utilized to provide services to the Owners or other occupants of the Project, to the extent such use or uses are permitted under applicable law.

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL USE RESTRICTIONS CONTAINED IN THE DECLARATION, BYLAWS, HOUSE RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF SUCH USE RESTRICTIONS, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT TO DETERMINE ALL OF THE USE RESTRICTIONS THAT MAY APPLY. IF ANY CONFLICT

OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE DECLARATION, BYLAWS, HOUSE RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL.

EXHIBIT C

BOUNDARIES OF EACH APARTMENT

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

Each Apartment shall be deemed to include: (i) all of the walls and partitions that are not load-bearing within its perimeter or party walls, (ii) all pipes, shafts, ducts, pumps, conduits, wires and other utility or service lines running through such Apartment that are utilized for and serve only that Apartment, (iii) the interior decorated or finished surfaces of all walls, floors and ceilings surrounding each Apartment inward and all of the improvements and air space located therein, (iv) the interior decorated or finished surfaces of any doors, door frames, door closure and/or security devices, door checks, windows, window frames, and window hardware (if any), (v) all glass windows, (vi) the storefront each Apartment, and (vii) all appliances, interior hardware, and fixtures installed therein, and replacements therefore; provided, however, that no Apartment Owner shall modify any portion of an Apartment without first obtaining the Board's prior approval if such modification will or is likely to affect the structural integrity of the building in which the Apartment is located.

Said Apartments shall not be deemed to include: (i) the perimeter or party walls from the undecorated or unfinished interior surfaces outward, (ii) the floors and ceilings surrounding each Apartment from the undecorated or unfinished surfaces outward, (iii) the perimeter doors, door frames, windows and window frames and all exterior hardware associated therewith, from the undecorated or unfinished interior surfaces outward, (iv) the interior load-bearing walls, partitions, columns, posts, girders, beams and supports, if any, from the undecorated or unfinished surfaces inward, (v) any pipes, shafts, ducts, pumps, conduits, wires or other utility or service lines that are utilized for or serve more than one Apartment, (vi) any foundation or floor slab within an Apartment and the undecorated or unfinished surfaces thereof, and (vii) the roof of the Structures, the same being deemed Common Elements as hereinafter provided, or (vi) any areas designated as Limited Common Elements.

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE DESCRIPTION OF THE BOUNDARIES OF EACH APARTMENT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL DESCRIPTION OF SUCH BOUNDARIES, PURCHASER SHOULD REFER TO THE CONDOMINIUM DECLARATION TO DETERMINE THE ACTUAL DESCRIPTION. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONDOMINIUM DECLARATION, THE CONDOMINIUM DECLARATION WILL CONTROL.

EXHIBIT D

PERMITTED ALTERATIONS TO APARTMENTS

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

A. GENERAL PROVISIONS. Except as otherwise expressly provided in Article XII, Section B or elsewhere in the Declaration to the contrary, repair, 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 the Association or any Apartment Owner only pursuant to an amendment of the Declaration in accordance with Article XIII of the Declaration, duly executed pursuant to the provisions thereof, and in accordance with complete plans and specifications therefor first approved in writing by the Board. Promptly upon completion of such restoration, replacement or construction, the Association or Owner, as the case shall be, shall duly file such amendment in said Land Court, together with a complete set of floor plans of the Project as so altered, certified as built by a registered architect or professional engineer.

B. ADDITIONS OR ALTERATIONS SOLELY WITHIN AN APARTMENT. Each Owner of an Apartment shall have the right at any time and from time to time at such Owner's sole cost and expense, and without the necessity of the consent or joinder of any other Apartment Owner, to make any of the following alterations solely within the Owner's Apartment: to install, maintain, remove and rearrange partitions (including the party wall between two Apartments owned by the same Owner) and other structures from time to time within such Apartment, to finish, alter or substitute any plumbing, electrical or other fixtures attached to the ceilings, floors and walls as shall be appropriate for the utilization of such Apartment by such Owner or the tenants or lessees thereof, and to tile, finish, re-carpet, and do or cause to be done such work on the floors of any Apartment; provided, however, that nothing contained in this paragraph shall jeopardize the soundness or safety of any part of the Project, reduce the value thereof, materially adversely affect any other Apartment, materially alter the existing external appearance of the Project, materially affect or impair any easement or rights of any of the other Apartment Owners, materially increase the transfer of sounds, noise, air or smoke to other Apartments or Common Elements, or materially interfere with or deprive any non-consenting Owner of the use or enjoyment of any part of the Common Elements; subject, however, to the exclusive use of the Limited Common Elements. Owner must secure all necessary State of Hawaii and/or County of Honolulu permits prior to any alteration. The Board will have the right to form an architectural review committee, and to establish such procedures as it deems appropriate to process any Owner-initiated request for modification or alterations of Apartments. Further, nothing in this paragraph shall prohibit the Board from effecting such changes within an Apartment, or to require the same, in order that the buildings of the Project may continue to comply with applicable law, including any fire code requirements.

C. APARTMENT OWNERS TO EXECUTE AMENDMENT DOCUMENTS IN CERTAIN CASES. In the event that any change or alteration of an Apartment pursuant to and in compliance with Article XII, Section B of the Declaration shall alter the depiction of the particular Apartment on the Condominium Map or the description thereof in the Declaration, then the Owner of such Apartment shall amend the 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 Apartment or Apartments and by no other party, and such shall become effective upon the filing thereof in said Land Court. The provisions of Article XIII of the Declaration notwithstanding, such amendment shall not require the consent or joinder of the Owner of any other Apartment or any other person or entity, other than any mortgagee of such Apartment or Apartments which are changed or altered. Every Apartment Owner and all holders of liens affecting any of the Apartments of the Project and each and every other party acquiring an interest in the Project or any part thereof, by acquiring such Apartment, lien or other interest,

consents to and agrees that he shall, if required by law or by any such Owner who shall have changed or altered an Apartment as aforesaid, join in, consent to, execute, deliver and file all instruments and documents necessary or desirable to effect the amendment of the Declaration and/or the Condominium Map; and appoints such Owner and its assigns said Owner's attorney-in-fact with full power of substitution to execute, deliver and file such documents and to do such things on its 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 APARTMENTS CONTAINED IN THE PROJECT DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF RIGHTS AND OBLIGATIONS UNDER THE PROJECT 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 PROJECT DOCUMENTS, THE PROJECT DOCUMENTS WILL CONTROL.

EXHIBIT E

DESCRIPTION OF COMMON ELEMENTS

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

All remaining portions of the Project, other than the Apartments, are called the "Common Elements," including specifically but not limited to:

- a. The Land in fee simple and any appurtenances thereto, subject, however, to the reserved right of the Developer to subdivide and withdraw a portion of the Project as set forth in Article XXIV of the Declaration;
- b. The Building Structures, including, without limitation, all perimeter or party walls, the exterior surfaces of all exterior walls, any load-bearing walls and partitions and chase walls, and the undecorated or unfinished surfaces of such walls, all structural components such as concrete sidewalks and curbs, foundations and floor slabs, columns, girders, beams, supports, halls, corridors, main walls, roofs and ceilings that are not part of the Apartment;
- c. All perimeter doors, door frames, windows, window frames, and all exterior hardware associated therewith, and the undecorated or unfinished interior surfaces thereof; whether at the perimeter of a Building Structures or at the perimeter of an Apartment that are not a part of the Apartment;
- d. All landscaping, yards, grounds, plants and gardens within the Project;
- e. All parking stalls depicted on the Condominium Map;
- f. All roads, driveways, access lanes, paved areas, ramps, loading dock areas, walkways, passages and corridors (other than those that are part of an Apartment)
- g. All trash areas, loading or delivery docks, walkways, storage room, fences, entrances, and exits of the Project;
- h. All cables, conduits, ducts, vents, sewerlines, electrical equipment, wiring, pipes, catch basins and other central and appurtenant transmission facilities and installations over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, sewer, storm water, refuse, cable television, telecommunications and television signal distribution;
- i. The space set aside for use as an office by the managing agent or other employee of the Association, the security office, the mail room, janitorial room, utility room, all storage rooms not located within an Apartment, all equipment and pump rooms, all janitorial and maintenance rooms, all utility rooms, all trash rooms and/or enclosures within the Project, and all toilet and restroom facilities not located within an Apartment (if any);
- j. All unimproved areas and other similar areas which are not part of an Apartment;
- k. All other apparatus and installations existing for common use, such as tanks, pumps, fans, air-conditioning units including fan coil equipment located within an

Apartment, motors, compressors, ducts, shafts, vents, water heating and distribution equipment, fire suppression equipment and other such installations and apparatus existing for common use;

l. All flood lights and other similar lighting devices, whether attached or unattached to the exterior of the Building Structures;

m. All mechanical, electrical and air conditioning equipment originally installed and located within any pump room, transformer room, cooling room or electrical room utilized for or serving more than one (1) Apartment;

n. Any trash bins and trash areas of common use; and

o. Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance and safe operation and normally in common use.

EXHIBIT F

DESCRIPTION OF LIMITED COMMON ELEMENTS

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

Certain parts of the Common Elements, herein called the "Limited Common Elements," are designated, set aside and reserved for the exclusive use of Apartment 102E, and which shall have appurtenant thereto, exclusive easements for the use of such Limited Common Elements as set forth in the Declaration. The costs and expenses of every description pertaining to such Limited Common Elements, 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 Apartment 102E. Apartment 102E shall have appurtenant thereto as Limited Common Elements, the private yard area adjacent to Apartment 102E as shown on the Condominium Map, including those parking stalls located within such private yard area which are identified as parking stalls 22 through 33, inclusive, on the Condominium Map.

EXHIBIT G

ENCUMBRANCES AGAINST TITLE

1. For real property taxes due and owing, your attention is directed to the Director of Finance, City and County of Honolulu.
2. Mineral and water rights of any nature in favor of the State of Hawaii.
3. -AS TO LOT 8225 SHOWN ON MAP 658, L.C. APP. NO. 1069:-

(A) DESIGNATION OF EASEMENT "3772"

PURPOSE : drainage
SHOWN : on Map 645, as set forth by Land Court Order
No. 112041, filed June 4, 1993

(B) DESIGNATION OF EASEMENT "5133"

PURPOSE : electrical
SHOWN : on Map 753, as set forth by Land Court Order
No. 118833, filed November 28, 1994

4. -AS TO LOT 8226 SHOWN ON MAP 658, L.C. APP. NO. 1069:-

(A) DESIGNATION OF EASEMENT "1357"

PURPOSE : storm drain
SHOWN : on Map 373, as set forth by Land Court Order
No. 72368, filed January 11, 1985

(B) Conditions in Grant of Easements dated August 23, 1985, filed as
Land Court Document No. 1320616; re: use of drains within
said Easement "1357".

(C) DESIGNATION OF EASEMENT "3769"

PURPOSE : electrical
SHOWN : on Map 645, as set forth by Land Court Order
No. 112041, filed June 4, 1993

(D) DESIGNATION OF EASEMENT "5134" and "5135"

PURPOSE : electrical
SHOWN : on Map 754, as set forth by Land court Order
No. 118834, filed November 28, 1994

(E) GRANT

TO : TRUSTEES UNDER THE WILL AND OF THE
ESTATE OF JAMES CAMPBELL, DECEASED

DATED : June 3, 2004

FILED : Land Court Document No. 3118511
GRANTING : a perpetual nonexclusive easement for drainage purposes over Easement "1357"

5. SETBACK (25 feet wide)

SHOWN : on Map 645, as set forth by Land Court Order No. 112041, filed June 4, 1993

6. The terms and provisions contained in the following:

INSTRUMENT : KAPOLEI BUSINESS PARK DECLARATION OF CONDITIONS, COVENANTS AND RESTRICTIONS

DATED : May 28, 1993

FILED : Land Court Document No. 2030298

Said above Declaration was amended by instrument dated April 22, 1994, filed as Land Court Document No. 2143431, supplemented by instruments dated November 6, 2000, filed as Land Court Document No. 2662803, dated May 3, 2004, filed as Land Court Document No. 3113276, dated May 28, 2004, filed as Land Court Document No. 3118506, and dated June 3, 2004, filed as Land Court Document No. 3118507, and further amended by instruments dated June 3, 2004, filed as Land Court Document No. 3118512 and dated September 29, 2008, filed as Land Court Document Nos. 3801247 through 3801248.

SUPPLEMENTAL DECLARATION OF KAPOLEI BUSINESS PARK DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS, dated February 14, 2005, filed as Land Court Document No. 3230994.

The Declarant's interest, by mesne assignments, was assigned to LV KAPOLEI 54, LLC, a Delaware limited liability company, by instrument dated April 2, 2007, filed as Land Court Document No. 3583668.

7. GRANT

TO : HAWAIIAN ELECTRIC COMPANY, INC.

DATED : December 17, 1999

FILED : Land Court Document No. 2601807

GRANTING : a perpetual right and easement for utility purposes

8. GRANT

TO : HAWAIIAN ELECTRIC COMPANY, INC. and GTE HAWAIIAN TELEPHONE COMPANY INCORPORATED, now known as HAWAIIAN TELCOM, INC.

DATED : March 21, 2000
FILED : Land Court Document No. 2621916
GRANTING : a perpetual right and easement over said
Easements "5133", "5134" and "5135"

9. The terms and provisions contained in the following:

INSTRUMENT : TRUSTEES LIMITED WARRANTY DEED WITH
USE RESTRICTIONS, COVENANTS AND
RESERVATION OF RIGHTS (KAPOLEI
BUSINESS PARK)

DATED : January 2, 2002
FILED : Land Court Document No. 2766591

10. The terms and provisions contained in the following:

INSTRUMENT : DECLARATION OF RESTRICTIVE COVENANT

DATED : --- (acknowledged December 15, 2003)
FILED : Land Court Document No. 3043402

The Declarant's interest, by mesne assignments, was assigned to LV
KAPOLEI 54, LLC, a Delaware limited liability company, by
instrument dated April 2, 2007, filed as Land Court Document No.
3583668.

11. GRANT

TO : TRUSTEES UNDER THE WILL AND OF THE
ESTATE OF JAMES CAMPBELL, DECEASED

DATED : June 3, 2004
FILED : Land Court Document No. 3118510
GRANTING : a perpetual nonexclusive easement for drainage
purposes over Easements "1357" and "3772"

12. The terms and provisions contained in the following:

INSTRUMENT : KAPOLEI BUSINESS PARK LIMITED
WARRANTY DEED WITH USE
RESTRICTIONS, COVENANTS AND
RESERVATION OF RIGHTS

DATED : June 3, 2004
FILED : Land Court Document No. 3118515

The foregoing includes, but is not limited to, matters relating to use,
water rights and reservation to grant drainage easements.

13. Dirt roads as shown on survey map prepared by Norman K. Murakami, Land Surveyor,
with Controlpoint Surveying, Inc., dated December 19, 2004.

14. The terms and provisions contained in the following:

INSTRUMENT : KAPOLEI BUSINESS PARK II LIMITED
WARRANTY DEED WITH USE
RESTRICTIONS, COVENANTS AND
RESERVATION OF RIGHTS

DATED : December 17, 2004
FILED : Land Court Document No. 3209618

The foregoing includes, but is not limited to, matters relating to use,
water rights and reservation to grant easements.

15. The terms and provisions contained in the following:

INSTRUMENT : DECLARATION OF CONDOMINIUM
PROPERTY REGIME FOR "KAPOLEI
SPECTRUM BUSINESS PARK"
CONDOMINIUM PROJECT

DATED : April 18, 2005
FILED : Land Court Document No. 3262678
MAP : 1714 and any amendments thereto

Said Declaration was amended by instruments dated February 4,
2006, filed as Land Court Document No. 3387950, and October 10,
2006, filed as Land Court Document No. 3497254, and dated
February 2, 2007, filed as Land Court Document No. 3556572.

ASSIGNMENT OF CERTAIN DEVELOPER'S RIGHTS dated
December 13, 2011, by LA - KAPOLEI I, LLC, a California limited
liability company, "Assignor", and KAPOLEI INDUSTRIAL LLC, a
Delaware limited liability company, "Assignee", filed as Land Court
Document No. T-8099081.

16. The terms and provisions contained in the following:

INSTRUMENT : BY-LAWS OF THE ASSOCIATION OF
APARTMENT OWNERS

DATED : April 18, 2005
FILED : Land Court Document No. 3262679

17. The terms and provisions contained in the following:

INSTRUMENT : AGREEMENT FOR ISSUANCE OF
CONDITIONAL USE PERMIT UNDER
SECTION 21-5.380 OF THE LAND USE
ORDINANCE (LUO)

DATED : December 12, 2005
FILED : Land Court Document No. 3379059
PARTIES : LA-KAPOLEI I, LLC, a California limited liability
company, "Declarant"

18. GRANT

TO : HAWAIIAN ELECTRIC COMPANY, INC. and
HAWAIIAN TELCOM, INC.

DATED : May 11, 2006
FILED : Land Court Document No. 3532822
GRANTING : a perpetual right and easement for utility
purposes

19. MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING

LOAN/ACCOUNT NO. 8100281993

MORTGAGOR : LA-KAPOLEI I, LLC, a California limited liability
company

MORTGAGEE : CENTRAL PACIFIC BANK, a Hawaii
corporation

DATED : August 28, 2007
FILED : Land Court Document No. 3650414
AMOUNT : \$8,175,000.00

ABOVE MORTGAGE ASSIGNED

TO : KAPOLEI INDUSTRIAL LLC, a Delaware limited
liability company

DATED : March 30, 2010
FILED : Land Court Document No. 3951219
RECORDED : Document No. 2010-041798

-Note:- Various partial releases of said mortgage have been
omitted herefrom.

20. The terms and provisions contained in the following:

INSTRUMENT : ASSIGNMENT OF LESSOR'S INTEREST IN
LEASES

DATED : August 28, 2007
RECORDED : Document No. 2007-156961
PARTIES : LA-KAPOLEI I, LLC, a California limited liability
company ("Assignor"), and CENTRAL PACIFIC
BANK, a Hawaii corporation ("Assignee")
RE : to secure the repayment of a loan in the
principal amount of \$8,175,000.00

Said above Assignment of Lessor's Interest in Leases was assigned
to KAPOLEI INDUSTRIAL LLC, a Delaware limited liability company,
by ASSIGNMENT OF MORTGAGE AND OTHER LOAN
DOCUMENTS, dated March 30, 2010, filed as Land Court Document

No. 3951219, recorded as Document No. 2010-041798.

-Note:- Various partial reassignments of said Assignment of Lessor's Interest in Leases have been omitted herefrom.

21. FINANCING STATEMENT

DEBTOR : LA-KAPOLEI I, LLC

SECURED
PARTY : CENTRAL PACIFIC BANK

RECORDED : Document No. 2007-156962
RECORDED ON: August 31, 2007

ASSIGNMENT to KAPOLEI INDUSTRIAL LLC recorded as Document No. 2010-041805 on March 30, 2010.

EXHIBIT H

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

Attached is the Kapolei Spectrum Business Park Calendar Year 2012 Operating Budget and Reserve Study prepared by Hawaiiana Management Company, Ltd., which was approved by the Board of Directors of the Association on October 6, 2011.

Pursuant to the attached, for the 2012 calendar year, each Unit will pay its proportionate share (being its percentage interest in the common elements of the Project) of the total 2012 annual budgeted maintenance fee amount of \$346,527.

Pursuant to the attached, the total of estimated maintenance fee disbursements for the calendar 2012 calendar year is \$304,098.

KAPOLEI SPECTRUM BUSINESS PARK

Calendar Year 2012 Operating Budget and Reserve Study

EXECUTIVE SUMMARY

Prepared By: GEORGE M. YAMASAKI and Hawaiiana Management Company, Ltd on September 28, 2011

Approved by Board of Directors on October 6, 2011

PRESENT RESERVE LEVELS

Projected 2011 Ending Reserve Balance		\$39,000
Required End of 2011 Balance to be 100% Funded		\$299,244
Projected End of Year 2011 Percent Funding		13.0%

2012 FULLY FUNDED MAINTENANCE FEES

Required End of Year 2012 Balance to be 100% Funded		\$377,100
Year 2012 Reserve Outlays		\$0
Year 2012 Reserve Contribution Required to be 100% Funded		\$338,100
Plus Projected Operating Expense		\$304,098
Less Other Income		\$588
Fully Funded Maintenance Fee Change/Amount	94.4%	\$641,610
Management Executive Recommendation	5.0%	\$346,527

BOARD APPROVED YEAR 2012 MAINTENANCE FEES

Operating Expenses		\$304,098
Less Other Income		\$588
Maintenance Fee Change/Amount	5.0%	\$346,527
Reserve Contribution		\$43,017
Projected Funding Level/Balance at the End of Year 2012	21.75%	\$82,017

Hawaiiana Management Company, Ltd

2012 Monthly Cash Operating Budget For

KAPOLEI SPECTRUM BUSINESS PARK

Approved by Board of Directors on October 6, 2011

Page 2

DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	ANNUAL
REVENUE	2012	2012	2012	2012	2012	2012	2012	2012	2012	2012	2012	2012	TOTAL
MAINTENANCE FEES	28,877	28,877	28,877	28,877	28,877	28,877	28,877	28,877	28,877	28,877	28,877	28,877	346,527
LEGAL FEE REIMB	17	17	17	17	17	17	17	17	17	17	17	17	204
LATE CHARGES	32	32	32	32	32	32	32	32	32	32	32	32	384
TOTAL REVENUE	28,926	347,115											

UTILITIES	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
ELECTRICITY	2,490	2,490	2,490	2,490	2,490	2,490	2,490	2,490	2,490	2,490	2,490	2,490	29,880
WATER		2,540		2,540		2,540		2,794		2,794		2,794	16,002
SEWER		7,980		7,980		7,980		8,778		8,778		8,778	50,274
TELEPHONE	723	723	723	723	723	723	723	723	723	723	723	723	8,676
TOTAL UTILITIES	3,213	13,733	3,213	13,733	3,213	13,733	3,213	14,785	3,213	14,785	3,213	14,785	104,832

CONTRACT SERVICES	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
GROUNDS	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	18,588
REFUSE	2,676	2,676	2,676	2,676	2,676	2,676	2,676	2,676	2,676	2,676	2,676	2,676	32,112
SECURITY SERVICES	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	12,252
FIRE SYSTEMS	523	523	523	523	523	523	523	523	523	523	523	523	6,276
FIRE SYSTEMS - ANNUAL INSPEC				6,552									6,552
TOTAL CNTRCT SVCS	5,769	5,769	5,769	12,321	5,769	75,780							

MAINTENANCE	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
GROUNDS	50	50	50	50	50	50	50	50	50	50	50	50	600
GROUNDS - TREE TRIMMING						5,000						5,000	10,000
ELECTRICAL/LIGHTING	100	100	100	100	100	100	100	100	100	100	100	100	1,200
PLUMBING	100	100	100	100	100	100	100	100	100	100	100	100	1,200
FIRE SYSTEMS	100	100	100	100	100	100	100	100	100	100	100	100	1,200
MISC RPRS & PURCHS	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
TOTAL MAINTENANCE	1,350	1,350	1,350	1,350	1,350	6,350	1,350	1,350	1,350	1,350	1,350	6,350	26,200

2012 Monthly Operating Budget For KAPOLEI SPECTRUM BUSINESS PARK

Approved by Board of Directors on October 6, 2011

DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	ANNUAL
PROFESSIONAL SVCS	2012	2012	2012	2012	2012	2012	2012	2012	2012	2012	2012	2012	TOTAL
ADMIN SUPPLIES & SVCS	255	255	255	255	255	255	255	255	255	255	255	255	3,060
AOAO ADMIN EXPS	8	8	8	8	8	8	8	8	8	8	8	8	90
MANAGEMENT SRVCS	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	36,215
AUDIT	865												865
LEGAL FEES GENERAL	100	100	100	100	100	100	100	100	100	100	100	100	1,200
TOTAL PROF. SERVICES	4,245	3,380	41,429										

OTHER EXPENSES	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
INSURANCE MASTER POLICY				1,989	1,989	1,989	1,989	1,989	1,989	1,989	1,989	1,989	17,901
PROPERTY INSURANCE			2,820										2,820
D AND O INS			816										816
INSURANCE-UMBRELLA			1,404										1,404
LOAN SECURITY CAMERA	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	12,852
MASTER ASSOC DUES	5,016			5,016			5,016			5,016			20,064
TOTAL OTHER EXP.	6,087	1,071	6,111	8,076	3,060	3,060	8,076	3,060	3,060	8,076	3,060	3,060	55,857

TOTAL OP EXPENSE	20,664	25,303	19,823	38,860	16,772	32,292	21,788	28,344	16,772	33,360	16,772	33,344	304,098
LOAN PAYMENTS													
TRANSFER TO RESERVES	10,754			10,754			10,754			10,754			43,017

KAPOLEI SPECTRUM BUSINESS PARK YEAR 2012 RESERVE PROJECTS AS OF OCTOBER 6, 2011

COST NOW and NORM LIFE values are best estimates by Hawaiiana Management and vendors who were nice enough to inspect the property or give a best guess.											
It may be advisable to employ an expert to evaluate those projects with high cost.											
				RESERVE FUND STATUS - COMPONENT METHOD				M. FEE		RESERVE.	
First Plan Year - Calendar	2012	Reference Year	2011	THE MODEL'S FINDINGS FOR % FUNDING			2011 Deficit	CHANGE	CONTRIB	FEES	
Final Plan Year	2031			Recommended Reserve Funding	100%	260,244	94%	338,100	641,610		
2011 Maintenance Fees	330,026	2012 Maint Fees	346,527	Target Reserve Funding Level	50%	110,622	37.28%	149,550	453,060		
2011 Other Income		2012 Othr Inc	588	Minimum Reserve Funding Level	50%	110,622	37%	149,550	453,060		
2011 Operating Expenses	-99,066	2012 Exp	-304,098	EOY 2012 Funding % @ Approved Lev	21.75%		5%	43,017	346,527		
2011 Reserve Contribution	230,960	2012 Contribution	43,017	Condition Codes	Source Codes		Source Codes				
Projected Reserves At Start of 2012	39,000	Target Funding L	50%	EXCELNT	E	Contractor Proposal	1	Cost at Similar Project	5		
Projected Reserve % at Start of 2012	13.0%	Tgt Ann Contrib	29,950	GODD	G	Contractor Estimate	2	Statistical Guideline	6		
Minimum Inflation	5.0%	Req Contrib-Tgt	140,571	FAIR	F	Engineer/Arch Estimate	3	Inflate First Year?	Yes		
Projected Savings Interest	4.0%	App. % Change	5.0%	POOR	P	Cost When Last Done	4				
CAPITAL INVENTORY											
ITEM	ADJUSTMENT	NORM LIFE	DONE LAST	LAST COST	CO ND	NEXT DUE DATE	COST NOW	COST SRC	FUNDING ROMNT	EOY RES	DEFICIT
PARKING - RE-STRIP / RE-SEAL		9	2006	66000		2015	75,547	63,000	41,971	39,000	2,971
EXTERIOR PAINTING		10	2006	125000		2016	157,839	131,625	78,920		78,920
SECURITY CAMERAS (4) W/RECORDER		10	2006	25000		2016	25,750	25,000	12,875		12,875
PARKING - ASPHALT		17	2006	175000		2023	251,824	210,000	74,066		74,066
ROOFING		25	2006	200000		2031	251,824	210,000	50,365		50,365
PARKING POLE LIGHTS		25	2006	50000		2031	62,957	52,500	12,591		12,591
TRASH ENCLOSURES (10)		25	2006	20000		2031	62,957	52,500	12,591		12,591
ELECTRICAL ROOM DOORS (10)		25	2006	5000		2031	62,957	52,500	12,591		12,591
ROOF HATCHES (10)		25	2006	19100		2031	11,332	9,450	2,266		2,266
MAIL BOX		25	2007	7000		2032	6,295	5,250	1,007		1,007
2011 End Yr Totals							969,282		299,244	39,000	260,244

KAPOLEI SPECTRUM BUSINESS PARK

Board Approved 2012 Cash Flow Plan

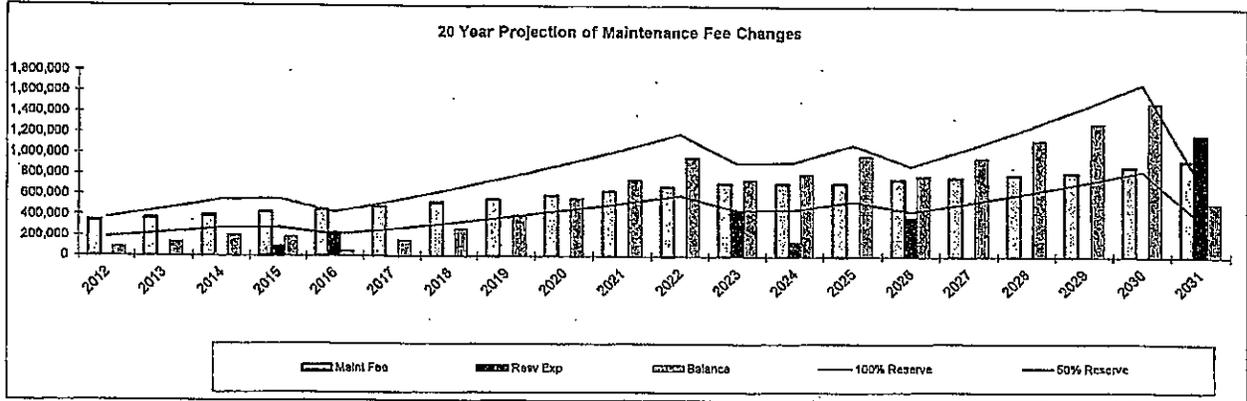
Prepared By: GEORGE M. YAMASAKI and Hawaiiana Management Company, Ltd

Maintenance Fee Plan to Accomplish All Known Improvements and Repairs For Next 20 Years.

At the Beginning of Calendar Year 2012, KAPOLEI SPECTRUM BUSINESS PARK Will Be 13 Percent Funded.

Assumed Rate of Inflation: 5%

Assumed Savings Interest Rate: 4%



Contingency Reserve Fun 50

CY	Starting	-Reserve	-Loan	-Operating	+Maint.	+Other	+Interest	=Ending	% Maint. Fee	Net Reserve	Percent
Year	Balance	Expense	Payments	Expenses	Fees	Income	Income	Balance	Change	Contrib.	Funded
2012	39,000	0	0	304,098	346,527	588	Included	82,017	5.0%		22%
2013	82,017	0	0	319,303	370,784	588	4,322	138,408	7.0%		30%
2014	138,408	0	0	335,268	396,739	588	6,777	207,244	7.0%		37%
2015	207,244	91,828	0	352,032	424,511	588	7,915	196,398	7.0%		35%
2016	196,398	234,311	0	369,633	454,227	588	4,873	52,141	7.0%		12%
2017	52,141	0	0	388,115	486,023	588	4,056	154,692	7.0%		29%
2018	154,692	0	0	407,521	520,044	588	8,450	276,253	7.0%		43%
2019	276,253	0	0	427,897	556,447	588	13,633	419,025	7.0%		55%
2020	419,025	0	0	449,292	595,398	588	19,695	585,414	7.0%		65%
2021	585,414	0	0	471,756	637,076	588	26,735	778,057	7.0%		75%
2022	778,057	0	0	495,344	681,672	588	34,861	999,833	7.0%		84%
2023	999,833	452,240	0	520,111	715,755	588	34,873	778,698	5.0%		88%
2024	778,698	142,455	0	546,117	715,755	588	31,703	838,173	0.0%		90%
2025	838,173	0	0	573,423	715,755	588	36,385	1,017,479	0.0%		93%
2026	1,017,479	381,668	0	602,094	751,543	588	36,067	821,914	5.0%		82%
2027	821,914	0	0	632,199	774,089	588	35,726	1,000,119	3.0%		84%
2028	1,000,119	0	0	663,809	797,312	588	42,687	1,176,897	3.0%		94%
2029	1,176,897	0	0	696,999	821,231	588	49,572	1,351,290	3.0%		92%
2030	1,351,290	0	0	731,849	878,718	588	57,001	1,555,747	7.0%		92%
2031	1,555,747	1,199,363	0	768,441	940,228	588	41,690	570,449	7.0%		78%

KAPOLEI SPECTRUM BUSINESS PARK

DESCRIPTION	JAN 2012	FEB 2012	MAR 2012	APR 2012	MAY 2012	JUNE 2012	JULY 2012	AUG 2012	SEPT 2012	OCT 2012	NOV 2012	DEC 2012	ANNUAL TOTAL
GL#	REVENUE												
5100	MAINTENANCE FEES	28,877	28,877	28,877	28,877	28,877	28,877	28,877	28,877	28,877	28,877	28,877	346,527
5190	LEGAL FEE REIMB	17	17	17	17	17	17	17	17	17	17	17	204
5500	LATE CHARGES	32	32	32	32	32	32	32	32	32	32	32	384
	TOTAL REVENUE	28,926	28,926	28,926	28,926	28,926	28,926	28,926	28,926	28,926	28,926	28,926	347,115

UTILITIES	JAN 2012	FEB 2012	MAR 2012	APR 2012	MAY 2012	JUNE 2012	JULY 2012	AUG 2012	SEPT 2012	OCT 2012	NOV 2012	DEC 2012	TOTAL
6010	ELECTRICITY	2,490	2,490	2,490	2,490	2,490	2,490	2,490	2,490	2,490	2,490	2,490	29,880
6030	WATER	2,540	2,540	2,540	2,540	2,540	2,540	2,794	2,794	2,794	2,794	2,794	16,002
6040	SEWER	7,980	7,980	7,980	7,980	7,980	8,778	8,778	8,778	8,778	8,778	8,778	50,274
6060	TELEPHONE	723	723	723	723	723	723	723	723	723	723	723	8,676
	TOTAL UTILITIES	3,213	3,213	3,213	3,213	3,213	3,213	14,785	3,213	14,785	3,213	14,785	104,832

CONTRACT SERVICES	JAN 2012	FEB 2012	MAR 2012	APR 2012	MAY 2012	JUNE 2012	JULY 2012	AUG 2012	SEPT 2012	OCT 2012	NOV 2012	DEC 2012	TOTAL
6240	GROUNDS	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	1,549	18,588
6300	REFUSE	2,676	2,676	2,676	2,676	2,676	2,676	2,676	2,676	2,676	2,676	2,676	32,112
6310	SECURITY SERVICES	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	1,021	12,252
6320	FIRE SYSTEMS	523	523	523	523	523	523	523	523	523	523	523	6,276
6321	FIRE SYSTEMS - ANNUAL				6,552								6,552
	TOTAL CNTRCT SVCS	5,769	5,769	5,769	12,321	5,769	5,769	5,769	5,769	5,769	5,769	5,769	75,780

MAINTENANCE	JAN 2012	FEB 2012	MAR 2012	APR 2012	MAY 2012	JUNE 2012	JULY 2012	AUG 2012	SEPT 2012	OCT 2012	NOV 2012	DEC 2012	TOTAL
6550	GROUNDS	50	50	50	50	50	50	50	50	50	50	50	600
6552	GROUNDS - TREE TRIMM					5,000						5,000	10,000
6560	ELECTRICAL/LIGHTING	100	100	100	100	100	100	100	100	100	100	100	1,200
6570	PLUMBING	100	100	100	100	100	100	100	100	100	100	100	1,200
6660	FIRE SYSTEMS	100	100	100	100	100	100	100	100	100	100	100	1,200
6690	MISC RPRS & PURCHS	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
	TOTAL MAINTENANCE	1,350	1,350	1,350	1,350	6,350	1,350	1,350	1,350	1,350	1,350	6,350	26,200

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
6810 ADMIN SUPPLIES & SVCS	255	255	255	255	255	255	255	255	255	255	255	255	3,060
6812 AOA0 ADMIN EXPS	8	8	8	8	8	8	8	8	8	8	8	8	90
6850 MANAGEMENT SRVCS	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	3,018	36,215
6870 AUDIT	865												865
6880 LEGAL FEES GENERAL	100	100	100	100	100	100	100	100	100	100	100	100	1,200
TOTAL PROF. SERVICES	4,245	3,380	3,380	3,380	3,380	3,380	3,380	3,380	3,380	3,380	3,380	3,380	41,429

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
7300 INSURANCE MASTER POI				1,989	1,989	1,989	1,989	1,989	1,989	1,989	1,989	1,989	17,901
7311 PROPERTY INSURANCE			2,820										2,820
7326 D AND O INS			816										816
7341 INSURANCE-UMBRELLA			1,404										1,404
7511 LOAN SECURITY CAMERA	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	1,071	12,852
7520 MASTER ASSOC DUES	5,016			5,016			5,016			5,016			20,064
TOTAL OTHER EXP.	6,087	1,071	6,111	8,076	3,060	3,060	8,076	3,060	3,060	8,076	3,060	3,060	55,857

TOTAL OP EXPENSE	20,664	25,303	19,823	38,860	16,772	32,292	21,788	28,344	16,772	33,360	16,772	33,344	304,098
7511 LOAN PAYMENTS													
8000 TRANSFER TO RESERVES	10,754			10,754			10,754			10,754			43,017

Enter the GL you want to use. 8000 are for improvements, 8500 are for repairs. See 000Capital.xls in the Budget directory.
GL

EXHIBIT I

SUMMARY OF PURCHASE AGREEMENT

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

The specimen Purchase Agreement, filed with the State of Hawaii Real Estate Commission, provides for, among other things, a description of the Apartment 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 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. That the Purchase Agreement shall become binding when (i) a true copy of the Final Public Report, together with a return receipt form required by Hawaii Revised Statutes, Section 514A-62, as amended, is delivered to the Purchaser, (ii) the Purchaser has an opportunity to read the report, and (iii) a Deemed Acceptance of such report by the Purchaser shall have occurred.
2. The Seller has entered into an Escrow Agreement, summarized in Exhibit "J" herein, with Title Guaranty Escrow Services, Inc. ("Escrow"), covering the deposit of all funds paid by Purchaser under the Purchase Agreement and the disbursement of funds by Escrow. In the event a purchase is cancelled, Escrow may charge a cancellation fee on account of escrow services performed.
3. The Purchase Agreement requires the Purchaser to pay the Purchase Price by a series of payments prior to and upon Closing. Such payments include the amount due upon execution of the Purchase Agreement, the additional deposit due within 15 calendar days after the expiration of the Purchaser's 30-day rescission period, and the balance of down payment due in escrow prior to the Closing. Purchaser shall then deposit at or prior to Closing the remaining balance due.
4. The Purchase Agreement provides that Purchaser will not receive any interest on Purchaser's deposits. All interest on Purchaser's deposit, if any, shall accrue to Seller.
5. If the Purchaser indicates that a portion of the Purchase Price is to be financed by indicating so in the Purchase Agreement, then 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 the Purchaser shall pay for the following closing costs: the escrow fee, cost of a preliminary title report, cost of preparation of the Apartment 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. Purchaser shall pay a start-up fee equal to two (2) months of the estimated maintenance fees in advance, in the amount specified in Section C(l)(c) of the Purchase Agreement.
7. The Purchase Agreement provides that it shall not be construed as a present transfer of interest in the Property, but rather states that it is an agreement to transfer in the future in accordance with the terms and conditions set forth in the Purchase Agreement.
8. The Purchase Agreement explains that Seller did not construct the project or Apartment, and therefore makes no warranties or representations concerning the condition thereof and is selling the Apartment in as is condition, with all faults.

9. The Purchase Agreement provides that it may not be assigned by Purchaser. Any such assignment by Purchaser shall be void. Seller may, without any consent of Purchaser, freely assign the Seller's interest therein.

10. 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 Apartment 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 contains the following provisions (which may be modified or otherwise limited by provisions which are not summarized below):

A. As and when Seller shall enter into a Purchase Agreement for the conveyance of an apartment or other interest 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 (including checks) received by Seller from or on behalf of the purchasers and all payments made on loan commitments from lending institutions on account of any apartment in the Project.

B. 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, and (c) 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 funds and instruments received from purchasers or prospective purchasers shall be held by Escrow in accordance with the provisions contained in the Condominium Property Act.

C. No disbursements of funds held in escrow shall be made unless and until the following conditions have been fulfilled: (1) the Real Estate Commission shall have issued an effective date for a Final or Supplementary Public Report on the Project, and the purchaser shall have been given a copy of the Final or Supplementary Public Report and shall have acknowledged receipt of same or shall have been deemed to have acknowledged receipt of same and shall have waived or shall have been deemed to have waived the purchaser's right to cancel the sales contract; (2) Seller or Seller's attorney shall have delivered a written opinion to Escrow that the purchaser's sales contract has become effective; (3) Seller shall have given Escrow a written waiver of any option reserved in any sales contract to cancel such sales contract; and (4) funds of a purchaser shall not be disbursed until Escrow has closed the purchaser's sales contract in accordance with Section 6 of this Agreement.

D. Unless otherwise provided in this Agreement, a purchaser shall be entitled to a return of such purchaser's funds and Escrow shall pay such funds to such purchaser, together with any interest which may have accrued to the credit of such purchaser, if any one of the following has occurred:

(1). Seller and purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held hereunder by Escrow; or

(2). Seller shall have notified Escrow of Seller's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Seller; or

(3). The purchaser shall have notified Escrow of purchaser's exercise of purchaser's right to cancel the sales contract pursuant to Section 514A-62, HRS; or

(4). The purchaser shall have notified Escrow of purchaser's exercise of purchaser's right to rescind the sales contract pursuant to Sections 514A-63, HRS.

In any of the foregoing events, Escrow shall, upon the occurrence of the event described in (1) or (2) above or upon receipt of a written request for a refund from the purchaser upon the occurrence of an event described in (3) or (4) above, unless the purchaser has waived or has been deemed to have waived the right to a refund, pay said funds to said purchaser (less a cancellation fee commensurate with the work done by Escrow prior to such cancellation, up to a maximum of \$250.00); provided, however, that no refund shall be made to a purchaser at the purchaser's request prior to receipt by Seller of written notice from Escrow of Escrow's intent to make such refund.

E. Escrow shall give each purchaser entitled to a return of his or her funds notice thereof by registered, certified or regular mail, postage prepaid, addressed to such purchaser at his address shown on the

Purchase Agreement or any address later made known 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 all such facts at the purchaser's address as described herein and delivering all partially executed conveyance documents to Seller, Escrow shall thereupon be released from any further duties or liability hereunder with respect to such funds and such purchaser.

F. If the purchaser fails to make any payment to Escrow on or before the due date thereof or if the purchaser fails to perform in any matter that is being handled by Escrow, Escrow shall promptly notify Seller of any such failure on the part of the purchaser. If Seller subsequently certifies in writing to Escrow that Seller has terminated the sales contract in accordance with the terms thereof and provides to escrow copies of all such notices of termination sent to the purchaser, Escrow shall thereafter treat all funds of the purchaser paid on account of such purchaser's sales contract as funds of Seller and not as funds 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 to Seller, less Escrow's cancellation fee. Escrow shall thereupon be released from any further duties or liability hereunder with respect to such funds and such purchaser.

* * * * *

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.