CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:
Developer Prince Tower at Queen Emma Gardens, LLC
Address 500 Alakawa Street, Building 214-A, Honolulu, Hawaii 96817

Project Name (*): Queen Emma Gardens - Prince Tower
Address: 1511 Nuuanu Avenue, Honolulu, Hawaii 96813

Registration No. 4807 (Conversion)

Effective date: October 18, 2002
Expiration date: November 18, 2003

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: (yellow)**
The developer may not as yet have created the condominium but has filed with 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: (white)**
The developer has legally created a condominium and has filed complete information with the Commission.
[ ] No prior reports have been issued.
[X] This report supersedes all prior public reports.
[ ] This report must be read together with_____

_____ **SUPPLEMENTARY: (pink)**
This report updates information contained in the:
[ ] 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 586-2644 to submit your request.

FORM: RECO-30 286/986/189/1190/892/0197/1098/0800

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[X] Required and attached as Exhibit "L" [ ] 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.

[X] Changes made to the Contingent Final Public Report dated February 13, 2002 are summarized below and reflected on pages 1, 2, 9, 10, 14, 17, 19, 21 and Exhibits "D-1", "G" and "H" of this Report:

Pursuant to the Queen Emma Gardens Amendment of Declaration of Condominium Property Regime and Statements of the Prince Tower Developer dated October 18, 2002 (the "Amendment"), filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 2851753, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2002-185961, the Prince Tower has been subdivided into 235 individual condominium apartments and incorporated into the Queen Emma Gardens condominium project. Portions of the Prince Tower have also been designated by the Amendment as common elements and limited common elements of the Project.

At the request of counsel to the Association of Apartment Owners for the Project, the draft Amendment as originally circulated was amended prior to filing in the following respects:

1. Language restating portions of Sections E, F, M and T of the Declaration was deleted because it was concluded that such restatement was unnecessary.

2. Language restating Sections V and W of the Declaration was deleted and replaced with a statement referencing the information disclosed in Exhibit "L" to the Contingent Final Public Report concerning the physical condition and building code compliance of the Prince Tower.

3. Language referring to the amendment and restatement of the Condominium Map in its entirety was deleted and replaced with a reference to only those specific sheets of the Condominium Map being amended and restated (Sheets 1, 2, 3, 4, 6, 7 and 11).

4. Typographical errors were corrected and section and paragraph numbering was changed.

5. The provisions concerning the Prince Tower Developer's reserve fund contribution, which is to be paid by the Prince Tower Developer incrementally upon the conveyance of each apartment in the Prince Tower ("the PT Reserve Contribution"), was amended to reflect the conclusions of the reserve study conducted by Armstrong & Associates dated May 21, 2002. The total amount to be funded by the Prince Tower Developer has increased from $1,000,000 to $2,083,612. The Amendment was further amended to reflect an agreement between the Association and the Prince Tower Developer dated October 11, 2002, whereby the PT Reserve Contribution will fund an escrow account from which a portion of the funds will be paid immediately to the Association and the balance will be used to pay the cost of capital improvements in the Prince Tower as they are actually incurred.

6. Exhibit B, attached to the draft Amendment, which listed the particulars of all 587 apartments in the Queen Emma Gardens condominium project, was amended and supplemented in part by Exhibit B-1 which described only those apartments located in the Prince Tower and the parking stall and common interest appurtenant to each such apartment.

7. Exhibit 1, the list of transfer certificates of title for the Queen Emma Gardens condominium project, was added.

8. Exhibit 2, the list of prior amendments to the Declaration, was updated to reflect recent amendments exchanging parking stalls appurtenant to the King and Queen Tower.

Section III.D (page 14) and Exhibit H of the Contingent Final Public Report were revised to reflect information contained in the title report dated September 9, 2002. Section IV.C (page 17) of the Contingent Final Public Report was revised to correct the misstatement that television cable is billed together with the management fee. The costs included in the management fee are as originally stated in Exhibit L.1 of the Contingent Final Public Report.

In the Developer's opinion, the foregoing changes do not directly, substantially and adversely affect the use or value of any apartment in the Prince Tower or limited common elements appurtenant thereto or any common element of the Project.

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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 owner/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 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: Prince Tower at Queen Emma Gardens, LLC
Name*
500 Alakawa, Building 214-A
Business Address
Honolulu Hawaii 96817
Phone: (808) 951-8976 (Business)

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):

PT Manager, Inc. (manager); EJS Queen Emma LLC (member); Shiny Fish, LLC (member)
Ainsley Fullard-Leo (member); Dudley Fullard-Leo (member)

Real Estate Broker*: Hawaiian Island Homes Ltd.
Name
931 University Avenue, Suite 207
Business Address
Honolulu, Hawaii 96826
Phone: (808) 951-8976 (Business)

Escrow: Title Guaranty Escrow Services, Inc.
Name
235 Queen Street, 1st Floor
Business Address
Honolulu, Hawaii 96813
Phone: (808) 532-5155 (Business)

General Contractor*: N/A
Name

Business Address
Phone: (Business)

Condominium Managing Agent*: Touchstone Properties, Ltd.
Name
567 South King Street, Suite 178
Business Address
Honolulu, Hawaii 96813
Phone: (808) 521-6500 (Business)

Attorney for Developer: Chun, Kerr, Dodd, Beaman & Wong,
a Limited Liability Law Company
Name
745 Fort Street, 9th Flr., Hawaii Building
Business Address
Honolulu, Hawaii 96813
Attn: Andrew R. Bunn
Phone: (808) 528-8200 (Business)

* 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
[X] Recorded - Bureau of Conveyances: Document No. 98-009496
Book _____ Page _____
[X] Filed - Land Court: Document No. 2434139

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

See Exhibit H (Encumbrances Against Title)

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
[X] Recorded - Bureau of Conveyances Condo Map No. 2649
[X] Filed - Land Court Condo Map No. 1230

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

See the list of amendments set forth in Exhibit H.

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
[X] Recorded - Bureau of Conveyances: Document No. 98-009498
Book _____ Page _____
[X] Filed - Land Court: Document No. 2434140

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

Said By-Laws were amended by instruments dated October 14, 1999, filed as Land Court Document No. 2638013, recorded as Document No. 2000-097803, and dated September 28, 2000, filed as Land Court Document No. 2659287, recorded as Document No. 2000-149206.

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 [X] 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:

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%*	75%
Bylaws	65%	65%
House Rules	---	Majority of quorum of apartment owners

* 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.

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

See Exhibit A.

III. THE CONDOMINIUM PROJECT

A. **Interest to be Conveyed to Buyer:**

[X] Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.

[ ] Leasehold or Sub-leasehold: Individual apartments and the common elements, which includes the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____ Rent Renegotiation Date(s): _____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per: [ ] Month [ ] Year

For Sub-leaseholds:

[ ] Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is: [ ] Canceled [ ] Foreclosed

[ ] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

[ ] Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Sub-leasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____ Rent Renegotiation Date(s): _____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per: [ ] Month [ ] Year

[ ] 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: 1511 Nuuanu Avenue
Honolulu, Hawaii 96817

Tax Map Key (TMK): (1) 2-1-005-004

[ ] Address [ ] TMK is expected to change because _____

Land Area: 8.292 [ ] square feet [X] acre(s) Zoning: A-2

NOTE: Developer exercised its option to purchase the Prince Tower and land appurtenant to the Prince Tower pursuant to that certain Option Agreement dated December 14, 2001, a short form of which is filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 2770770 and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2002-0089017 (the "Option Agreement"). The Option Agreement was terminated and cancelled pursuant to that certain Trustee's Apartment Deed which conveyed the Prince Tower to the Developer from Bank of Hawaii, Trustee, a Hawaii corporation, Trustee of the Robert E. Black memorial Trust under an unrecorded Trust Instrument.

Fee Owner: Prince Tower at Queen Emma Gardens, LLC
Name
500 Alakawa Street, Building 214-A
Address
Honolulu, Hawaii 96813

Lessor: N/A
Name

Address

C. **Buildings and Other Improvements:**

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

2. Number of Buildings: Prince Tower: 1 QEG CPR*: 3 Floors Per Building: Prince Tower: 12 QEG CPR*: 22, 22 & 12

[X] Exhibit B contains further explanations.

3. Principal Construction Material:

[X] Concrete [ ] Hollow Tile [ ] Wood

[ ] Other

4. Uses Permitted by Zoning:

		No. of Apts. QEG CPR* / PRINCE TOWER	Use Permitted By Zoning	
[X]	Residential	586 / 234	[X] Yes	[ ] No
[X]	Commercial	3 / 1	[X] Yes	[ ] No
[ ]	Mix Res/Comm		[ ] Yes	[ ] No
[ ]	Hotel		[ ] Yes	[ ] No
[ ]	Timeshare		[ ] Yes	[ ] No
[ ]	Ohana		[ ] Yes	[ ] No
[ ]	Industrial		[ ] Yes	[ ] No
[ ]	Agricultural		[ ] Yes	[ ] No
[ ]	Recreational		[ ] Yes	[ ] No
[ ]	Other		[ ] Yes	[ ] No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?
[X] Yes [ ] No

*NOTE: "QEG CPR" stands for the Queen Emma gardens Condominium Property Regime, of which the Prince Tower at Queen Emma Gardens is a part.

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:

[X] Pets: No livestock, poultry, rabbits, pets or other animals of any kind, shall be allowed or kept in any part of the Project without the prior written consent of the Board

[ ] Number of Occupants: _____

[X] Other: See Exhibit C

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers): See Exhibit B.

Elevators: See Exhibit D Stairways: _____ Trash Chutes: _____

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
See Exhibits D and D-1					

Total Number of Apartments 235 in the Prince Tower / 589 in the QEG CPR

*** 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 D.

Permitted Alterations to Apartments: See Exhibit E

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 elected to provide the information in a published announcement or advertisement.

7. Parking Stalls:

Total Parking Stalls: 738

	Regular*		Compact		Tandem		
	Covered	Open	Covered	Open	Covered	Open	TOTAL
Assigned (for each unit)	324	54	258	2	97	3	738
Guest							
Unassigned							
Extra for Purchase							
Other:							
Total Covered & Open:	378		260		100		738

Each apartment will have the exclusive use of at least 1 parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

[ ] Commercial parking garage permitted in condominium project.

[X] Exhibit F contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

[ ] There are no recreational or common facilities.

[X] Swimming pool [X] Storage Area [X] Recreation Area

[X] Laundry Area [ ] Tennis Court [X] Trash Chute/Enclosure(s)

[X] Other: See description of common elements in Exhibit G

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

[X] There are no violations. [ ] Violations will not be cured.

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

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):

The Developer did not make any representations regarding the condition or expected useful life of structural or mechanical or electrical installations of the Prince Tower on the Project. See the Disclosure Abstract (Exhibit L) for more information.

11. Conformance to Present Zoning Code

a. [X] 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.

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures		X*	
Lot	X		

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.

*Buyers are advised to review the Disclosure Abstract (Exhibit L) for more information.

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:

[X] described in Exhibit G

[ ] 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.

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

[X] described in Exhibit G.

[ ] 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:

[X] described in Exhibits D-1 and G.

[ ] as follows:

Note: The Prince Tower apartment, prior to subdivision, has an undivided 33.0602% common interest in the Project. Upon subdivision, the 235 individual apartments shall have the common interests stated in Exhibit D-1 hereto and in Exhibit "B" to the Declaration as amended, provided that the aggregate common interest for all apartments in the Prince Tower shall not exceed 33.0602%.

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 H describes the encumbrances against the title contained in the title report dated September 9, 2002 and issued by Title Guaranty of Hawaii, Incorporated.

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.

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

[ ] 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.

Type of Lien	Effect on Buyer's Interest and Deposit if Developer Defaults or Lien Foreclosed **Prior to Conveyance**

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: As-is.

   See Exhibits I, J.

2. Appliances: As-is.

   See Exhibits I, J.

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

The Prince Tower was completed in 1962.

H. **Project Phases:**

The developer [ ] has [X] 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):

IV. CONDOMINIUM MANAGEMENT

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

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial condominium managing agent for this project, named on page five (5) of this report, is:

[X] not affiliated with the Developer
[ ] self-managed by the Association of Apartment Owners
[ ] the Developer or the Developer's affiliate
[ ] Other: _____

B. **Estimate of Initial Maintenance Fees:**

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your apartment and the apartment may be sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

Exhibit __L__ contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. **Utility Charges for Apartments:**

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

[ ] None [X] Electricity (___ Common Elements only _X_ Common Elements & Apartments)

[X] Gas (_X_ Common Elements only _____ Common Elements & Apartments)

[X] Water [X] Sewer [ ] Television Cable

[ ] Other _____

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:

[X] Notice to Owner Occupants

[X] Specimen Sales Contract
Exhibit J contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated January 11, 2002.
Exhibit K contains a summary of the pertinent provisions of the escrow agreement.

[ ] Other _____

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.

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

A) The Developer delivers to the buyer a copy of:
   1) Either the Contingent Final Public Report **OR** the Supplementary Public Report which has superseded the Contingent 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.

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 and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 4807 filed with the Real Estate Commission on February 13, 2002.

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

[ ] YELLOW paper stock [X] WHITE paper stock [ ] PINK paper stock

C. **Additional Information Not Covered Above**

(1) BUYER SHOULD CAREFULLY REVIEW THE DISCLOSURE ABSTRACT FOR THE PROJECT, a copy of which has been provided together herewith.

(2) TENURED TENANTS. Buyer acknowledges that if Buyer is a "tenured tenant" under the terms of that certain letter dated October 31, 1983, issued by Queen Emma Gardens to the tenants of the Project at that time, then Buyer will sign all documents requested by Seller to terminate Buyer's status as a tenured tenant. If the Apartment being purchased by Buyer is occupied by a tenured tenant, Buyer agrees to abide by the terms of said letter as respects said tenured tenant, which provides in part as follows:

> ". . . Therefore, in keeping with our appreciation of your tenancy, we are offering you a preferred status upon renewal of your Lease. The new Lease will reflect only a nominal adjustment in rental to meet operating costs. This preferred status will remain with you as long as you are a continuous tenant on a lease basis and renew annually. . . As is our practice, utilities, parking and other surcharges are not included in the rental rates."

The conveyance of the Apartment to Buyer will be subject to the foregoing covenants and agreements, which will be contained in the Apartment Deed to Buyer and which will be binding upon all successive owners of the Apartment.

Owner-occupants will not be able to purchase units which are occupied by tenured tenants. BUYERS SHOULD DETERMINE IF THEIR APARTMENT IS OCCUPIED BY A TENURED TENANT PRIOR TO SIGNING A SALES CONTRACT.

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

(4) HAZARDOUS MATERIALS. A Bulk Material Report (the "Bulk Material Report") covers two apartments within the Prince Tower and is available at the Developer's sales office for Buyers to review. The Developer neither prepared nor commissioned the Bulk Material Report and makes no representations or warranties whatsoever as the accuracy or completeness of the Bulk Material Report. The Developer has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", hazardous materials" or toxic substances" under, or for the purposes of, hazardous materials laws. Buyer acknowledges that in light of the age of the Project, there may be asbestos and other hazardous substances in the apartment or in, under or around the Project. Because of the possible presence of such substances, Buyer should have the apartment inspected to determine the extent (if any) of such contamination and any necessary remedial action. The Developer will not correct any defects in the apartment or in the Project or anything installed or contained therein and Buyer expressly releases the Developer from any liability to Buyer if any hazardous materials are discovered.

(5) LEAD-BASED OR LEAD-CONTAINING PAINT. Buyer is hereby notified that the Project may present exposure to lead from lead-based or lead-containing paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. Buyer shall have ten (10) days from the Acceptance Date of the Sales Contract to perform a risk assessment or inspection, at Buyer's option and expense, for the presence of lead-based paint and/or lead-based paint hazards in the Property.

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-] (The developer is required to make this declaration for issuance of an effective date for a final public report.)

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.

PRINCE TOWER AT QUEEN EMMA GARDENS, LLC,
a Hawaii limited liability company

By: PT MANAGER, INC., a Hawaii corporation
Its Manager

By: _____
(Signature of Developer)

ERIC SOTO
(Print Name of Signatory*)

PRESIDENT
(Print Title of Signatory*)

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

Must be signed for a: corporation by an officer; 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.

DEVELOPER'S RIGHTS TO AMEND THE CONDOMINIUM DOCUMENTS

Following is a brief summary of certain provisions in the Declaration and By-Laws, wherein the Developer, as the owner of the Prince Tower apartment, has reserved the right to change the condominium documents, including the Declaration, By-Laws, House Rules and the Condominium Map:

1. Paragraph R of the Declaration provides that at any time prior to the recordation of apartment deeds conveying to persons other than the Developer apartments to which are appurtenant more than twenty-five (25%) of the common interests in the Project, the Developer reserves the right to amend the Declaration and the By-Laws in any manner the Developer may deem fit, and specifically, may amend the designation of the parking stalls appurtenant to the apartments.

2. Paragraph T of the Declaration, as amended, reserves to the Prince Tower Developer the following rights and obligations, all of which shall automatically terminate upon recordation of the apartment deed which conveys the last apartment in the Prince Tower to a party other than the Developer or its lender:

a. The right to amend the Declaration, the Condominium Map and the By-Laws consistent with any grant or reservation of rights to the Developer under the Declaration, without obtaining the approval or consent of the Association, any apartment owner or any mortgagee.

b. The right to conduct sales of apartments in the Prince Tower on and at the Project, including, but not limited to, maintaining model apartments, operating a sales office, conducting advertising, placing signs, using parking spaces and erecting lighting in connection with such sales.

c. The right to amend the Declaration, the By-Laws and the Condominium Map, without the approval, consent or joinder of any purchaser of an apartment or any of the persons then owing or leasing any apartment, to make such amendments as may be required by law, by the Real Estate Commission of the State of Hawaii, by any title insurance company issuing a title insurance policy on the Project or any of the apartments, by any institutional lender lending funds on the security of the Project or any of the apartments, by any purchaser, insurer or guarantor of loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable it to purchase, insure or guarantee a loan made on the security of the Project or any of the apartments, or by any governmental agency; PROVIDED, HOWEVER, that no such amendment which would change the common interest appurtenant to any apartment or substantially change the design, location or size of an apartment in the Prince Tower or the Prince Tower building shall be made without the consent to such amendment by all persons having an interest in such apartment; AND PROVIDED, FURTHER, that no such amendment which would adversely affect the use or value of any apartment in the King Tower or the Queen Tower or their appurtenant limited common elements, those amenities of the Project available for any apartment owner's use, or the rights of any other apartment owner, shall be made.

3. In Paragraph U of the Declaration, the original Developer (Queen Emma Gardens Development Co., Inc.) reserves the right for itself and its agents, until such time as all the apartments in the Project are sold, to:

a. Grant utility and access easements and quitclaim any easements in favor of the Project which are not required for the Project. Apartment owners agree, upon request, to join in and execute any and all documents designating, granting and quitclaiming any such easements.

b. Amend the Declaration, the Condominium Map and the By-Laws consistent with any grant or reservation of rights by Developer under the Declaration.

c. Conduct sales of apartments at the Project, including, but not limited to, maintaining model apartments, operating a sales office, conducting advertising, placing signs, using parking spaces and erecting lighting in connection with such sales.

d. Convey apartments U/K-1 and U/K-3 to the Association at such time(s) as determined by the Developer, at no cost to the Association; provided, however, that the Association shall pay all common expenses and any other expenses assessed against said apartments, except as otherwise provided in paragraph J of the Declaration.

e. Amend the Declaration, the By-Laws and the Condominium Map, without the approval, consent or joinder of any purchaser or owner of an apartment, or any of the persons then owing or leasing any apartment, to make such amendments as may be required by law, by the Real Estate Commission of the State of Hawaii, by any title insurance company issuing a title insurance policy on the Project or any of the apartments, by any institutional lender lending funds on the security of the Project or any of the apartments, by any purchaser, insurer or guarantor of loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable it to purchase, insure or guarantee a loan made on the security of the Project or any of the apartments, or by any governmental agency; PROVIDED, HOWEVER, that no such amendment which would change the common interest appurtenant to any apartment or substantially change the design, location or size of an apartment in the Project shall be made without the consent to such amendment by all persons having an interest in such apartment; AND PROVIDED, FURTHER, that no such amendment which would adversely affect the use or value of any apartment in the King Tower or the Queen Tower or their appurtenant limited common elements, or the Prince Tower apartment or its appurtenant limited common elements (or any apartment in the Prince Tower after subdivision thereof or its appurtenant limited common elements), those amenities of the Project available for any apartment owner's use, or the rights of any other apartment owner, shall be made.

DESCRIPTION OF BUILDINGS

The Project consists of three (3) buildings, designated as the King Tower, Queen Tower and Prince Tower, which are constructed primarily of reinforced concrete.

The Prince Tower contains twelve (12) stories, beginning with the 1st/Garden floor and ending with the 12th floor, and there are fourteen (14) residential apartments on the 1st/Garden floor and twenty (20) residential apartments on each of the other floors. The King Tower and Queen Tower each contain twenty-two (22) stories, beginning with the 1st floor and ending with the 23rd floor (the 13th floor being omitted), and there are eight (8) residential apartments on each floor. The King Tower and the Queen Tower also contain a floor below the 1st floor, which is designated as the Garden floor. In addition, below the Garden floor of the King Tower and the Queen Tower, and below the 1st/Garden floor of the Prince Tower, is a partial basement/lobby level designated as the Upper floor, and below each Ground floor is a basement level designated as the Lower floor. There is also a two-story parking garage which connects the Upper and Lower floors of the King Tower and the Prince Tower.

There are one hundred seventy-six (176) residential apartments in each of the King Tower and the Queen Tower and there are two hundred thirty-four (234) residential apartments in the Prince Tower. There are three (3) commercial apartments designated as apartments U/K-1 and U/K-3, which are located on the Upper floor of the King Tower, and U/P-1 located on the Upper floor of the Prince Tower. Together, all three buildings contain a total of five hundred eighty-nine (589) apartments (the "apartments"), of which five hundred eighty-six (586) are intended for residential use and three (3) are intended for commercial use.

There are two (2) elevators, three (3) stairways and one (1) trash chute in the Prince Tower. There are three (3) elevators, two (2) stairways and one (1) trash chute in each of the King and Queen Towers. Additional detail of the spaces within each building of the Project is set forth in the Condominium Map, and generally includes hallways, lobbies, entryways, mechanical rooms, switchboard rooms, fan rooms, primary vaults, trash chutes and rooms, janitorial closets, electrical transformer vaults, storage rooms with lockers, maintenance storage rooms and men's and women's restrooms, tenant activities area, laundry room and adjoining storage rooms, and mailrooms.

There are two teahouses located upon the grounds of the Project as more particularly shown in the Condominium Map.

There is a subterranean parking structure located between the Prince Tower and the King Tower consisting of 638 parking stalls (not including tandem stalls).

USE RESTRICTIONS FOR APARTMENTS AND COMMON ELEMENTS

The following provisions in the Declaration, By-Laws and House Rules, as indicated, contain restrictions on the use of the apartments and the common elements of the Project:

I. Declaration

Section J of the Declaration provides generally for the following:

Each residential apartment in the Prince Tower, the King Tower and the Queen Tower must be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests. Said apartments cannot be rented for transient, rooming house or hotel purposes or used in connection with any time-sharing program or rental pool or for or in connection with the carrying on of any business, trade or profession whatsoever. No owner of a residential apartment in the Project shall enter into any arrangement with any other apartment owner whereby any rental pool of apartments or other sharing of rental income from apartments is created. Any owner desiring to lease his or her apartment must lease the whole of the apartment, except for the owner of Apartment 1237, which consists of two separate dwelling units, who shall have the right to separately lease the whole of each such dwelling unit until such time as the apartment is made into a single dwelling unit by removal of the partition wall as permitted by and pursuant to the requirements of Section P of the Declaration (which Section describes the alterations each owner can make to his or her apartment).

Apartment U/K-1 may be used as an office for the resident manager or for any other purpose permitted by law. Apartment U/K-3, which will be conveyed to the Association, will be leased to the original developer, Queen Emma Gardens Development Co., Inc., or its real estate brokerage affiliate ("Lessee") for the purpose of managing apartments in the Project which are leased to tenants. Apartment U/P-1, and the limited common elements appurtenant to Apartment U/P-1 may be used for any purpose permitted by law, including without limitation storage and office use.

II. By-Laws

Article VIII, Section 4 of the By-Laws lists a variety of restrictions affecting the use of the apartments and common elements, including, without limitation, restrictions as to the posting of advertisements, posters or other signs on or about the Project; noise; disposal of garbage; uses which may cause an increase in the ordinary premium rates or cancellation or invalidation of any insurance maintained by or for the Board; improper or offensive activities; the storage of furniture, packages or other objects which could obstruct transit through the common elements; the alteration or removal of any furniture belonging to the Association; the construction or placement in the Project of any building or structure; the alteration of any common elements of the Project; installation or maintenance of television and other antennas in the Project visible from any point outside of the Project; and the keeping of pets.

III. House Rules

Section A of the House Rules lists rules relating to general matters, including, without limitation, restrictions as to creating any hazards in the Project; waterbeds; hazardous materials; fireworks; renting of the apartments, compliance with laws, and verbal abuse.

Section B of the House Rules lists restrictions affecting the apartments, including, without limitation, restrictions as to the exterior appearance of the apartments (e.g., prohibitions against attaching or hanging awnings, venetian blinds, window guards, radio or television antenna, planters, garments and other objects to the exterior of the apartments); noise, the keeping of pets; disposal of rubbish; the keeping of explosives or flammable, noxious materials; and the conduct of guests.

Section C of the House Rules lists restrictions affecting the common and limited common elements of the Project, including without limitation, restrictions as to soliciting for sales of goods and services, the storage of surfboards and bicycles; the alteration or removal of the furniture made available in the common areas; obstructing access in the Project; litter; the conduct of children; removal, picking or transplanting of any of the Project landscaping; use of the laundry area and facilities, and antenna and satellite dishes.

Section D of the House Rules lists restrictions affecting vehicles in the Project, including, without limitation, restrictions as to the washing, cleaning or polishing of cars and motorcycles; storage of personal items in the parking stalls; movement of vehicles while in the Project; parking which may impede or prevent ready access to any entrance or to any exit from the Project by another vehicle; repairing automobiles or motorcycles in the Project; loading zones; clean up of leaking oil; and parking permits for all cars parked in the Project.

Exhibits 1 through 4 of the House Rules list restrictions affecting the swimming pool and wading pool, use of laundry facilities and the teahouses, and installation of air conditioners.

DESCRIPTION OF BUILDING INTERIOR AND APARTMENTS

1. **General**. The Project contains a total of five hundred eighty-nine (589) apartments (the "apartments"), of which five hundred eighty-six (586) are intended for residential use and three (3) are intended for commercial use. There are two hundred thirty-four (234) residential apartments in the Prince Tower and one hundred seventy-six (176) residential apartments in each of the King Tower and the Queen Tower. The apartments are more particularly described in **Exhibit "B"** attached to the Declaration. Should the descriptions and divisions set forth in this Declaration conflict with the depictions and divisions shown on the Condominium Map, the Condominium Map shall control; provided, however, that the Condominium Map is intended only to show the layout, location, apartment numbers and dimensions of the apartments and elevations of the buildings and is not intended to contain any other representation or warranty.

2. **Apartment Numbers**. Each residential apartment is identified by either a three-digit or four-digit number. If the apartment number has three digits, then the first digit represents the floor on which the apartment is located. If the apartment number has four digits, then the first two digits represent the floor on which the apartment is located. The last two digits of each apartment number represent the building in which the apartment is located, i.e. the apartments in the King Tower are numbered from 40 through 47, the apartments in the Queen Tower are numbered from 50 through 57, and the apartments in the Prince Tower are numbered from 20 through 39 (except there are no apartments 120, 122, 124, 126, 128 and 1239). There are three (3) other commercial apartments designated as apartments U/K-1 and U/K-3, which are located on the Upper floor of the King Tower and U/P-1 located on the Upper floor of the Prince Tower.

3. **Apartment Types**. As shown on the Condominium Map, there are sixteen (16) residential apartment types, designated from A through P, and A-1 and C-1. Types A, A-1, B, F, N and O contain two (2) bedrooms and one (1) bathroom. Types C, C-1, D, E, G, I, J, K and L contain one (1) bedroom and one (1) bathroom. Types H and M are studios containing no bedrooms and one (1) bathroom. Type P contains three (3) bedrooms and two (2) bathrooms, but is divided into two dwelling units separated by a partition wall and each dwelling unit containing a kitchen, a bathroom and direct access to the common corridor. Type A-1 is the same as Type A, and Type C-1 is the same as Type C, except that in both Type A-1 and Type C-1 the lanais have been enclosed. The location, apartment number, apartment type, net living area, net lanai area, gross living area, gross lanai area and number of bedrooms for each of the residential apartments are shown on the Condominium Map and set forth in **Exhibit "B"** to the Declaration.

4. **Apartment Limits**. Each of said apartments shall be deemed to include all of the walls and partitions which are not load-bearing within its perimeter or party walls, the inner decorated or finished surfaces of all walls, floors, ceilings, doors and door frames, windows and window frames, and all fixtures and appliances in the apartment. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or the interior load-bearing walls, the exterior surfaces of all perimeter doors, door frames, windows

and window frames, the undecorated or unfinished surfaces of the floors and ceilings surrounding each apartment, or any pipes, wires, conduits or other utility lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Said apartments shall not be deemed to include any adjacent lanais, the same being deemed limited common elements.

5. **Access to Apartments**. Each residential apartment on the 1st through 23rd floors of the King Tower and the Queen Tower has immediate access to a corridor leading to three (3) elevators (near the center of the building) and two (2) stairways (one at each end of each building), with each elevator and stairway leading to the grounds of the Project. Each residential apartment on the 1st/Garden through 12th floors of the Prince Tower has immediate access to a corridor leading to two (2) elevators (near the center of the building) and three (3) stairways (one at each end of the building, and one across from the elevators), with each elevator and stairway leading to the grounds of the Project. Commercial apartments U/K-1 and U/K-3 on the Upper floor of the King Tower have immediate access to a corridor leading to three (3) elevators (near the center of the building) and two (2) stairways (one at each end of each building), with each elevator and stairway leading to the grounds of the Project. Commercial apartment U/P-1 on the Upper floor of the Prince Tower has immediate access to the entrance lobby leading to the driveway and grounds of the Project and to the two (2) elevators and one (1) stairway (located in the entrance lobby) each of which leads to the upper grounds of the Project.

6. **Living Areas**. The designations "net living area" and "net area" include all fully enclosed areas of the residential apartments (or spaces). All approximate areas set forth herein were computed by measuring from the interior surface of the apartment (or space) perimeter walls; no reduction has been made to account for interior walls, ducts, shafts and the like located within the perimeter walls. The designations "gross living area" and "gross lanai area" were derived from the original architectural/construction plans for the Project. The number of each type and the net living areas and lanai areas of each type in the Prince Tower are as set forth in **Exhibit B** to the Declaration, as amended, and **Exhibit D-1** attached hereto.

EXHIBIT D-1

UNIT	UNIT TYPE	BED / BATH	GROSS APT. AREA	GROSS LANAI AREA	NET APT. AREA	NET LANAI AREA	% COMMON INTEREST	PARKING 1	PARKING 2
PRINCE TOWER									
102	U/P-1	0/0	847	0	770	0	0.1078	052CE-25 039TE-	575-20
121	H	0/1	458	0	417	0	0.1175	309-24	
123	J	1/1	601	0	566	0	0.1594	315S-24	
125	I	1/1	595	0	548	0	0.1544	308-24	
127	L	1/1	589	115	548	89	0.1544	348-11	
129	L	1/1	589	115	548	89	0.1544	004-22	
130	O	2/1	798	0	787	0	0.2217	38E-25	57T-
131	I	1/1	595	0	548	0	0.1544	304-24	
132	M	0/1	403	0	361	0	0.1017	095C-09	
133	M	0/1	403	0	361	0	0.1017	047E-25	
134	M	0/1	403	0	361	0	0.1017	045E-25	
135	M	0/1	403	0	361	0	0.1017	048E-25	
136	M	0/1	403	0	361	0	0.1017	527C-19	
137	M	0/1	403	0	361	0	0.1017	042E-25	
138	N	2/1	698	67	674	66	0.1899	031-21	
139	N	2/1	698	67	674	66	0.1899	495C-14	
220	G	1/1	599	0	559	0	0.1575	576-20	
221	H	0/1	458	0	417	0	0.1175	316-24	
222	I	1/1	595	0	548	0	0.1544	040-21	
223	J	1/1	601	0	566	0	0.1594	321-24	
224	I	1/1	595	0	548	0	0.1544	311-24	
225	I	1/1	595	0	548	0	0.1544	073-05	
226	K	1/1	583	115	548	89	0.1544	034-21	
227	L	1/1	589	115	548	89	0.1544	062S-04	
228	K	1/1	583	115	548	89	0.1544	347-11	
229	L	1/1	589	115	548	89	0.1544	325-24	
230	I	1/1	595	0	548	0	0.1544	106-10	
231	I	1/1	595	0	548	0	0.1544	104-10	
232	M	0/1	403	0	361	0	0.1017	41E-25	

UNIT	UNIT TYPE	BED / BATH	GROSS APT. AREA	GROSS LANAI AREA	NET APT. AREA	NET LANAI AREA	% COMMON INTEREST	PARKING 1	PARKING 2
233	M	0/1	403	0	361	0	0.1017	040E-25	
234	M	0/1	403	0	361	0	0.1017	342-23	
235	M	0/1	403	0	361	0	0.1017	049E-25	
236	M	0/1	403	0	361	0	0.1017	097C-09	
237	M	0/1	403	0	361	0	0.1017	094-07	
238	N	2/1	698	67	674	66	0.1899	322C-24	
239	N	2/1	698	67	674	66	0.1899	086C-07	
320	G	1/1	599	0	559	0	0.1575	113-10	
321	H	0/1	458	0	417	0	0.1175	021-22	
322	I	1/1	595	0	548	0	0.1544	354-11	
323	J	1/1	601	0	566	0	0.1594	101C-09	
324	I	1/1	595	0	548	0	0.1544	395-12	
325	I	1/1	595	0	548	0	0.1544	066-05	
326	K	1/1	583	115	548	89	0.1544	530C-19	
327	L	1/1	589	115	548	89	0.1544	061-04	
328	K	1/1	583	115	548	89	0.1544	028C-21	
329	L	1/1	589	115	548	89	0.1544	032-21	
330	I	1/1	595	0	548	0	0.1544	524-17	
331	I	1/1	595	0	548	0	0.1544	083-06	
332	M	0/1	403	0	361	0	0.1017	033-21	
333	M	0/1	403	0	361	0	0.1017	043E-25	
334	M	0/1	403	0	361	0	0.1017	335-23	
335	M	0/1	403	0	361	0	0.1017	050E-25	
336	M	0/1	403	0	361	0	0.1017	046E-25	
337	M	0/1	403	0	361	0	0.1017	051E-25	
338	N	2/1	698	67	674	66	0.1899	026-22	
339	N	2/1	698	67	674	66	0.1899	001C-21	
420	G	1/1	599	0	559	0	0.1575	046C-01	
421	H	0/1	458	0	417	0	0.1175	580-20	
422	I	1/1	595	0	548	0	0.1544	114-10	
423	J	1/1	601	0	566	0	0.1594	341C-23	
424	I	1/1	595	0	548	0	0.1544	NO PRKG	

UNIT	UNIT TYPE	BED / BATH	GROSS APT. AREA	GROSS LANAI AREA	NET APT. AREA	NET LANAI AREA	% COMMON INTEREST	PARKING 1	PARKING 2
425	I	1/1	595	0	548	0	0.1544	056C-04	
426	K	1/1	583	115	548	89	0.1544	525-17	
427	L	1/1	589	115	548	89	0.1544	465C-16	
428	K	1/1	583	115	548	89	0.1544	109-10	
429	L	1/1	589	115	548	89	0.1544	314-24	
430	I	1/1	595	0	548	0	0.1544	212C-01	
431	I	1/1	595	0	548	0	0.1544	035-21	
432	M	0/1	403	0	361	0	0. 1017	582-20	
433	M	0/1	403	0	361	0	0.1017	523C-17	
434	M	0/1	403	0	361	0	0.1017	027-22	
435	M	0/1	403	0	361	0	0.1017	044E-25	
436	M	0/1	403	0	361	0	0.1017	018-22	
437	M	0/1	403	0	361	0	0.1017	585-20	
438	N	2/1	698	67	674	66	0.1899	301-24	
439	N	2/1	698	67	674	66	0.1899	496C-14	
520	G	1/1	599	0	559	0	0.1575	399-14	
521	H	0/1	458	0	417	0	0.1175	030-21	
522	I	1/1	595	0	548	0	0.1544	587C-14	
523	J	1/1	601	0	566	0	0.1594	055C-04	
524	I	1/1	595	0	548	0	0.1544	107-10	
525	I	1/1	595	0	548	0	0.1544	333-23	
526	K	1/1	583	115	548	89	0.1544	214C-01	
527	L	1/1	589	115	548	89	0.1544	396-12	
528	K	1/1	583	115	548	89	0.1544	401-14	
529	L	1/1	589	115	548	89	0.1544	058-04	
530	I	1/1	595	0	548	0	0.1544	053-02	
531	I	1/1	595	0	548	0	0.1544	023C-22	
532	M	0/1	403	0	361	0	0.1017	340-23	
533	M	0/1	403	0	361	0	0.1017	111-10	
534	M	0/1	403	0	361	0	0.1017	307-24	
535	M	0/1	403	0	361	0	0.1017	468-16	
536	M	0/1	403	0	361	0	0.1017	070-05	

UNIT	UNIT TYPE	BED / BATH	GROSS APT. AREA	GROSS LANAI AREA	NET APT. AREA	NET LANAI AREA	% COMMON INTEREST	PARKING 1	PARKING 2
537	M	0/1	403	0	361	0	0.1017	534C-19	
538	N	2/1	698	67	674	66	0.1899	005S-22	
539	N	2/1	698	67	674	66	0.1899	003-22	
620	G	1/1	599	0	559	0	0.1575	336S-23	
621	H	0/1	458	0	417	0	0.1175	344-23	
622	I	1/1	595	0	548	0	0.1544	351C-11	
623	J	1/1	601	0	566	0	0.1594	184C-04	
624	I	1/1	595	0	548	0	0.1544	352C-11	
625	I	1/1	595	0	548	0	0.1544	002C-22	
626	K	1/1	583	115	548	89	0.1544	016-22	
627	L	1/1	589	115	548	89	0.1544	466-16	
628	K	1/1	583	115	548	89	0.1544	041-21	
629	L	1/1	589	115	548	89	0.1544	457-15	
630	I	1/1	595	0	548	0	0.1544	324-24	
631	I	1/1	595	0	548	0	0.1544	082-06	
632	M	0/1	403	0	361	0	0.1017	029-21	
633	M	0/1	403	0	361	0	0.1017	319-24	
634	M	0/1	403	0	361	0	0.1017	072-05	
635	M	0/1	403	0	361	0	0.1017	320-24	
636	M	0/1	403	0	361	0	0.1017	579-20	
637	M	0/1	403	0	361	0	0.1017	080-06	
638	N	2/1	698	67	674	66	0.1899	092C-07	752T
639	N	2/1	698	67	674	66	0.1899	337-23	
720	G	1/1	599	0	559	0	0.1575	353-11	
721	H	0/1	458	0	417	0	0.1175	318-24	
722	I	1/1	595	0	548	0	0.1544	051-02	
723	J	1/1	601	0	566	0	0.1594	017-22	
724	I	1/1	595	0	548	0	0.1544	400-14	
725	I	1/1	595	0	548	0	0.1544	099C-09	
726	K	1/1	583	115	548	89	0.1544	020S-22	
727	L	1/1	589	115	548	89	0.1544	467-16	
728	K	1/1	583	115	548	89	0.1544	010-22	

UNIT	UNIT TYPE	BED / BATH	GROSS APT. AREA	GROSS LANAI AREA	NET APT. AREA	NET LANAI AREA	% COMMON INTEREST	PARKING 1	PARKING 2
729	L	1/1	589	115	548	89	0.1544	007-22	
730	I	1/1	595	0	548	0	0.1544	071-05	
731	I	1/1	595	0	548	0	0.1544	078-06	
732	M	0/1	403	0	361	0	0.1017	216C-01	
733	M	0/1	403	0	361	0	0.1017	076-06	
734	M	0/1	403	0	361	0	0.1017	012-22	
735	M	0/1	403	0	361	0	0.1017	077-06	
736	M	0/1	403	0	361	0	0.1017	521C-17	
737	M	0/1	403	0	361	0	0.1017	102C-09	
738	N	2/1	698	67	674	66	0.1899	303-24	
739	N	2/1	698	67	674	66	0.1899	313-24	
820	G	1/1	599	0	559	0	0.1575	459-15	
821	H	0/1	458	0	417	0	0.1175	328-23	
822	I	1/1	595	0	548	0	0.1544	577-20	
823	J	1/1	601	0	566	0	0.1594	312-24	
824	I	1/1	595	0	548	0	0.1544	302-24	
825	I	1/1	595	0	548	0	0.1544	514C-17	
826	K	1/1	583	115	548	89	0.1544	014-22	
827	L	1/1	589	115	548	89	0.1544	081-06	
828	K	1/1	583	115	548	89	0.1544	110-10	
829	L	1/1	589	115	548	89	0.1544	006-22	
830	I	1/1	595	0	548	0	0.1544	103-10	
831	I	1/1	595	0	548	0	0.1544	460-15	
832	M	0/1	403	0	361	0	0.1017	330-23	
833	M	0/1	403	0	361	0	0.1017	105-10	
834	M	0/1	403	0	361	0	0.1017	458-15	
835	M	0/1	403	0	361	0	0.1017	115-10	
836	M	0/1	403	0	361	0	0.1017	013-22	
837	M	0/1	403	0	361	0	0.1017	074-05	
838	N	2/1	698	67	674	66	0.1899	065-05	
839	N	2/1	698	67	674	66	0.1899	047C-01	
920	G	1/1	599	0	559	0	0.1575	464-16	

UNIT	UNIT TYPE	BED / BATH	GROSS APT. AREA	GROSS LANAI AREA	NET APT. AREA	NET LANAI AREA	% COMMON INTEREST	PARKING 1	PARKING 2
921	H	0/1	458	0	417	0	0.1175	008-22	
922	I	1/1	595	0	548	0	0.1544	461-15	
923	J	1/1	601	0	566	0	0.1594	306-24	
924	I	1/1	595	0	548	0	0.1544	054-02	
925	I	1/1	595	0	548	0	0.1544	043C-01	
926	K	1/1	583	115	548	89	0.1544	015-22	
927	L	1/1	589	115	548	89	0.1544	024C-22	
928	K	1/1	583	115	548	89	0.1544	049C-02	
929	L	1/1	589	115	548	89	0.1544	009-22	
930	I	1/1	595	0	548	0	0.1544	338-23	
931	I	1/1	595	0	548	0	0.1544	057-04	
932	M	0/1	403	0	361	0	0.1017	305-24	
933	M	0/1	403	0	361	0	0.1017	463-16	
934	M	0/1	403	0	361	0	0.1017	213C-01	
935	M	0/1	403	0	361	0	0.1017	185C-04	
936	M	0/1	403	0	361	0	0.1017	098C-09	
937	M	0/1	403	0	361	0	0.1017	346-23	
938	N	2/1	698	67	674	66	0.1899	052-02	
939	N	2/1	698	67	674	66	0.1899	089C-07	749T
1020	G	1/1	599	0	559	0	0.1575	064-04	
1021	H	0/1	458	0	417	0	0.1175	011-22	
1022	I	1/1	595	0	548	0	0.1544	323C-24	
1023	J	1/1	601	0	566	0	0.1594	349C-11	
1024	I	1/1	595	0	548	0	0.1544	060-04	
1025	I	1/1	595	0	548	0	0.1544	350C-11	
1026	K	1/1	583	115	548	89	0.1544	050C-02	
1027	L	1/1	589	115	548	89	0.1544	397-12	
1028	K	1/1	583	115	548	89	0.1544	462S-16	
1029	L	1/1	589	115	548	89	0.1544	022-22	
1030	I	1/1	595	0	548	0	0.1544	520C-17	
1031	I	1/1	595	0	548	0	0.1544	536C-19	
1032	M	0/1	403	0	361	0	0.1017	394-12	

UNIT	UNIT TYPE	BED / BATH	GROSS APT. AREA	GROSS LANAI AREA	NET APT. AREA	NET LANAI AREA	% COMMON INTEREST	PARKING 1	PARKING 2
1033	M	0/1	403	0	361	0	0.1017	090C-07	
1034	M	0/1	403	0	361	0	0.1017	063-04	
1035	M	0/1	403	0	361	0	0.1017	345-23	
1036	M	0/1	403	0	361	0	0.1017	215C-01	
1037	M	0/1	403	0	361	0	0.1017	084-06	
1038	N	2/1	698	67	674	66	0.1899	019-22	
1039	N	2/1	698	67	674	66	0.1899	100C-09	750T
1120	G	1/1	599	0	559	0	0.1575	079-06	
1121	H	0/1	458	0	417	0	0.1175	317-24	
1122	I	1/1	595	0	548	0	0.1544	075-06	
1123	J	1/1	601	0	566	0	0.1594	048C-01	
1124	I	1/1	595	0	548	0	0.1544	586C-14	
1125	I	1/1	595	0	548	0	0.1544	093-07	
1126	K	1/1	583	115	548	89	0.1544	455-15	
1127	L	1/1	589	115	548	89	0.1544	042-21	
1128	K	1/1	583	115	548	89	0.1544	186C-04	
1129	L	1/1	589	115	548	89	0.1544	343-23	
1130	I	1/1	595	0	548	0	0.1544	581-20	
1131	I	1/1	595	0	548	0	0.1544	068-05	
1132	M	0/1	403	0	361	0	0.1017	578-20	
1133	M	0/1	403	0	361	0	0.1017	584-20	
1134	M	0/1	403	0	361	0	0.1017	583-20	
1135	M	0/1	403	0	361	0	0.1017	112-10	
1136	M	0/1	403	0	361	0	0.1017	533C-19	
1137	M	0/1	403	0	361	0	0.1017	531C-19	
1138	N	2/1	698	67	674	66	0.1899	091C-07	751T-
1139	N	2/1	698	67	674	66	0.1899	310-24	
1220	G	1/1	599	0	559	0	0.1575	339-23	
1221	H	0/1	458	0	417	0	0.1175	037-21	
1222	I	1/1	595	0	548	0	0.1544	334-23	
1223	J	1/1	601	0	566	0	0.1594	036-21	
1224	I	1/1	595	0	548	0	0.1544	044C-01	

UNIT	UNIT TYPE	BED / BATH	GROSS APT. AREA	GROSS LANAI AREA	NET APT. AREA	NET LANAI AREA	% COMMON INTEREST	PARKING 1	PARKING 2
1225	I	1/1	595	0	548	0	0.1544	067-05	
1226	K	1/1	583	115	548	89	0.1544	045C-01	
1227	L	1/1	589	115	548	89	0.1544	039-21	
1228	K	1/1	583	115	548	89	0.1544	108-10	
1229	L	1/1	589	115	548	89	0.1544	025-22	
1230	I	1/1	595	0	548	0	0.1544	326-24	
1231	I	1/1	595	0	548	0	0.1544	038-21	
1232	M	0/1	403	0	361	0	0.1017	398-12	
1233	M	0/1	403	0	361	0	0.1017	059-04	
1234	M	0/1	403	0	361	0	0.1017	329-23	
1235	M	0/1	403	0	361	0	0.1017	300-24	
1236	M	0/1	403	0	361	0	0.1017	069-05	
1237	P	3/2	1101	67	1035	66	0.1838	331-23	332-23
1238	N	2/1	698	67	674	66	0.1899	039CE-25	058TE

PERMITTED ALTERATIONS TO APARTMENTS

I. Declaration

Section P of the Declaration provides generally for the following:

The restoration or replacement of the Project or any portion thereof, or construction of any additional building or structural alteration or addition to any building 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 this Declaration, duly executed by or pursuant to the affirmative vote of seventy-five percent (75%) or more of the apartment owners, accompanied by the written consent of the holders of all liens affecting any of the apartments, and in accordance with complete plans and specifications therefor first approved in writing by the Board and as certified by a registered architect or professional engineer. Any alterations or additions within an apartment or within a limited common element appurtenant to and for the exclusive use of such apartment which do not alter the characteristics of such apartment or limited common element shall require the written consent and approval of the apartment owner's plans and specifications only by the holders of all liens affecting such apartment and the Board. No work shall be done which would jeopardize the soundness or safety of the Project, reduce the value thereof, violate the uniform external appearance of the apartment or impair any easement, nor may any apartment owner add any material structure or excavate any additional basement or cellar, without in every such case the prior consent of seventy-five percent (75%) of the apartment owners and the prior consent of all apartment owners directly affected thereby.

No owner shall install any solar energy devices or make any addition or alteration in or to such owner's apartment which may affect the common elements or change the exterior appearance of the Project, without the prior written consent thereto of the Board, which approval shall be subject to certain conditions more particularly set forth in the Declaration.

Except as otherwise provided by law, the following non-structural alterations or improvements may be made with the written consent of the Board and upon certain conditions more particularly set forth in Section P of the Declaration: (1) the owner of any two or more residential apartments may alter or remove all or portions of the intervening wall, floor or ceiling; and (2) any apartment owner may from time to time, at his own expense, install, maintain and rearrange partitions and other improvements within his apartment.

II. By-Laws

Article VIII, Section 3(A) of the By-Laws provides that additions, alterations, repairs or improvements to the common or limited common elements of the Project may be made only by or at the direction of the Board, except as provided for in the Declaration.

PARKING STALLS

There are 638 parking stalls (not including tandem stalls), of which 582 are covered (324 are standard and 258 are compact) and 56 are uncovered (54 are standard and 2 are compact). In addition, there are 100 tandem stalls, of which 97 are covered (all are compact) and 3 are uncovered (all are compact). Also, there are twenty-three (23) motorcycle/bicycle stalls, all of which are covered, as well as a bicycle parking area. All stalls and the bicycle parking area are shown on the Condominium Map and stall assignments reflected in **Exhibit "B"** attached to the Declaration, as amended, and attached as Exhibit D-1 of this report. Each of the residential apartments has appurtenant to such apartment as a limited common element the parking space(s) designated in **Exhibit "B"** to the Declaration. [Note: The parking stalls assigned to the apartments in the Queen and King Towers as set forth in Exhibit "D-1" for convenience only. As set forth below, Exhibit "B" may be further amended.] Although there are no guest parking stalls specifically designated as such, commercial apartment U/K-1, which is to be conveyed to the Association from Queen Emma Gardens Development Co. (the original developer), may have certain parking stalls assigned to it as limited common elements, any number of which the Board, on behalf of the Association, may designate for guest parking.

The House Rules contain specific provisions concerning vehicles and parking. The provisions cover restrictions relating to, without limitation, vehicle registration by residents with the Board of Directors or Managing Agent, washing of vehicles, storage of personal items in parking stalls, and avoidance of access problems such as tow-away for unauthorized parking and operation of vehicles while in the Project. Nuisances created by repairs, maintenance, noise and improper or unsafe vehicle operating conditions are prohibited. Owners will be held responsible for violations of parking rules by their lessees, renters or guests.

NOTE CONCERNING ASSIGNMENT OF STALLS: Hawaii Revised Statutes provides owners of apartments with the right to change the designation of parking stalls as follows:

> **§514A-14 Parking Stalls**. Notwithstanding any provision of the declaration, apartment owners shall have the right to change the designation of parking stalls which are appurtenant to their respective apartments by amendment of the declaration and respective apartment leases or deeds involved. The amendment need only be signed and approved by the lessor (in the case of a leasehold project) and the owners (and their respective mortgagees if any) of the apartments whose parking stalls are being changed. The amendment shall be effective only upon recording or filing of the same of record with the bureau of conveyances.

Accordingly, the Declaration may be subsequently amended by the original Developer, the Prince Tower Developer or individual apartment owners in order to reallocate parking stalls. The Prince Tower Developer reserves the right to reallocate parking stalls among units solely owned and controlled by it in order to promote a more orderly sales process or to accommodate the needs of purchasers of its apartments. In no event shall the Prince Tower Developer convey any residential apartments without at least one parking stall being appurtenant to such apartment.

DESCRIPTION OF COMMON ELEMENTS, LIMITED COMMON ELEMENTS AND COMMON INTERESTS

I. COMMON ELEMENTS

Paragraph E of the Declaration describes the common elements as all portions of the land and improvements (other than the apartments), the land on which the building is located and all common elements mentioned in the Condominium Property Act which are actually constructed on the land described in the Declaration. The common elements include, but are not limited to, the following:

A. The land described in Exhibit A attached to the Declaration, as amended.

B. All foundations, columns, girders, beams floor slabs, supports, unfinished perimeter and load-bearing walls (except for the inner decorated surfaces within each apartment), roofs, corridors, stairways, walkways, entrances and exits of each of the King Tower and the Queen Tower.

C. All yards, grounds, planters, planting areas, landscaping, refuse and like facilities which are not part of any apartment.

D. All driveways, loading areas, parking area entryways and exitways, and the 638 parking stalls, 103 tandem stalls, 23 motorcycle/bicycle stalls and the bicycle parking area designated on the Condominium Map, which are not part of any apartment.

E. All mechanical rooms, switchboard rooms, fan rooms, primary vaults, trash chutes and rooms, janitorial closets, electrical transformer vaults, exhaust plenums and areaways, intake areaways, generators, all central and appurtenant installations for services such as power, lights, telephone, gas, hot and cold water lines, television and cable lines, sewage disposal and other utilities (including all pipes, ducts, wires, cables and conduits used in connection therewith), and all boilers, tanks, pumps, motors, fans, ducts and other apparatus and installations existing for, or in each building for common use and not for the exclusive use of, any apartment.

F. All lobbies, decks, balconies, corridors, elevators and stairways situate within the Project and not within any apartment.

G. The north tea house, the east tea house, the fish pond, picnic area and shed located in the northeast corner of the Project, as shown on the Condominium Map.

H. The swimming pool, wading pool, play area and sitting areas located in the southeast corner of the Project, as shown on the Condominium Map.

I. The areas designated on the Condominium Map as L/K-1 (workshop), L/K-2 and L/K-3 (storage room with lockers) and L/K-5 (lounge room) located on the lower floor of the King Tower; U/K-2 (laundry room), U/K-4 (maintenance/security), mailroom (including all mailboxes), and the men's and women's restrooms located on the Upper floor of the King Tower; and G/K-1, G/K-2 and G/K-3 (storage rooms) and the mens' and women's restrooms located on the Garden floor of the King Tower.

J. The areas designated on the Condominium Map as L/Q-1 and L/Q-7 (storage room with lockers) and L/Q-2 (storage room) located on the Lower floor of the Queen Tower; U/Q-1 (storage room with lockers), U/Q-2 (maintenance workshop), U/Q-3 (office/storage), mailroom (including all mailboxes), and the men's and women's restrooms located on the Upper floor of the Queen Tower; and G/Q-1 (laundry room and adjoining restroom) and G/Q-2 (storage) located on the Garden floor of the Queen Tower.

In addition and without limitation to the common elements set forth in Section E of the Declaration, the following shall also be common elements of the Project:

K. All foundations, columns, girders, beams, floor slabs, supports, unfinished perimeter and load-bearing walls (except for the inner decorated surfaces within each subdivided apartment), roofs, lobbies, decks, balconies, corridors, elevators and elevator shafts, stairways, walkways, entrances, exits and refuse facilities located within the Prince Tower.

L. All driveways, loading areas, parking area entryways and exitways in and around the Prince Tower.

M. All yards, grounds, planters, planting areas, landscaping, refuse and like facilities which are not part of any apartment in the Prince Tower.

N. All lobbies, decks, balconies, corridors, elevators and stairways situate within the Prince Tower and not within any apartment.

O. All mechanical rooms, switchboard rooms, fan rooms, primary vaults, trash chutes and rooms, janitorial closets, electrical transformer vaults, exhaust plenums and areaways, intake areaways, generators, all central and appurtenant installations for services such as power, lights, telephone, gas, hot and cold water lines, television and cable lines, sewage disposal and other utilities (including all pipes, ducts, wires, cables and conduits used in connection therewith), and all boilers, tanks, pumps, motors, fans, ducts and other apparatus and installations existing for or in the Prince Tower for use by more than one apartment located within the Prince Tower.

P. The undecorated or unfinished surfaces of the perimeter or party walls or the interior load-bearing walls, the exterior surfaces of all perimeter doors, door frames, windows and window frames, the undecorated or unfinished surfaces of the floors and ceilings surrounding each apartment in the Prince Tower, and any pipes, wires, conduits or other utility

lines running through such subdivided apartment which are utilized for or serve more than one apartment in the Prince Tower.

Q. The areas designated on the Condominium Map as L/P-1 (storage room with lockers, maintenance storage room and men's and women's restrooms), L/P-2 (mechanical room), L/P-3 (fan room), L/P-4 (switch board room), L/P-5 (transformer vault room) and L/P-8 (storage room with lockers) located on the Lower floor of the Prince Tower, and U/P-2 (laundry room and adjoining storage rooms), U/P-3 (storage room with lockers), two (2) mailrooms (including all mailboxes) located on the Upper floor of the Prince Tower; the men's restroom and adjoining dressing room, the women's restroom and adjoining dressing room, and two (2) storage rooms located on the 1st/Garden floor of the Prince Tower. [Note: The lockers shown on the Condominium Map may not accurately depict the existing size or shape of any locker as of the date of this Declaration. If any locker is designated with the letter "N", the outline of such locker is intended to show how the locker can be expanded, if desired by the owner thereof, at such owner's expense. However, the Prince Tower Developer makes no representations or warranties as to such expansion.]

II. LIMITED COMMON ELEMENTS

Paragraph F of the Declaration describes the limited common elements as certain parts of the common elements which are set aside and reserved for the exclusive use of certain apartments, which apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside for each apartment are as follows:

A. The parking stall(s) designated for each of the apartments in Exhibit "B" attached to the Declaration.

B. One (1) mailbox located in the respective mailrooms of the King Tower and the Queen Tower, which mailbox bears the same number as the number of the apartment in said building.

C. Each apartment in the King Tower and the Queen Tower that has a lanai immediately adjacent to it, as shown on the Condominium Map, shall have such lanai for its exclusive use and enjoyment.

D. The areas designated on the Condominium Map as L/K-1 (workshop), L/K-2 and L/K-3 (storage rooms with lockers) located on the Lower floor of the King Tower; and U/K-2 (laundry room), U/K-4 (maintenance/security) located on the Upper floor of the King Tower, shall be limited common elements appurtenant to commercial apartment U/K-1.

E. The areas designated on the Condominium Map as L/Q-1 and L/Q-7 (storage

rooms with lockers) and L/Q-2 (storage room) located on the Lower floor of the Queen Tower; U/Q-1 (storage room with lockers) and U/Q-2 (maintenance workshop) located on the Upper floor of the Queen Tower; and G/Q-1 (laundry room and adjoining restroom) located on the Garden floor of the Queen Tower, shall be limited common elements appurtenant to commercial apartment U/K-1.

F. The area designated on the Condominium Map as U/Q-3 (office/storage) located on the Upper floor of the Queen Tower shall be a limited common element appurtenant to commercial apartment U/K-3.

In addition and without limitation to the limited common elements set forth in Section F of the Declaration, the following shall be common elements of the Project:

G. The parking stall(s) designated for each of the apartments in the Prince Tower as set forth in **Exhibit "B-1"**, subject, however, to the rights of apartment owners to redesignate such stalls pursuant to Section 514A-14 of the Act.

H. One (1) mailbox located in the mailroom of the Prince Tower, which mailbox bears the same number as the number as the apartment.

I. Each apartment in the Prince Tower that has a lanai immediately adjacent to it, as shown on the Condominium Map, shall have such lanai for its exclusive use and enjoyment.

J. Apartment U/P-1 in the Prince Tower shall have appurtenant thereto and reserved for its exclusive use the following areas: (i) L/P-6 and L/P-7 located on the Lower floor of the Prince Tower; (ii) U/P-4 and U/P-5 located on the Upper floor of the Prince Tower; and (iii) all fixtures, electrical and mechanical equipment, ducts, vents, shafts, drainage lines, water lines, pipes, conduits, cables and wiring exclusively serving said areas.

III. COMMON INTERESTS

Each apartment in the Prince Tower shall have appurtenant thereto the undivided percentage interest (the "common interest") in all common elements of the Project and in all common profits and expenses of the Project and for all other purposes including voting as is set forth in **Exhibit "B-1"** attached to the Declaration, as amended, and is restated in Exhibit D-1 of this report. [Note: The total common interest for all apartments in the Prince Tower as shown on **Exhibit "B-1"** does not exceed the common interest for the Prince Tower Apartment prior to the filing of this Amendment. The common interests for the apartments in the Queen and King Towers are unchanged by this Amendment and are not described in **Exhibit "B-1"**.]

ENCUMBRANCES AGAINST TITLE

1. -AS TO PARCEL FIRST:-

   (A) Reservation in favor of the State of Hawaii of all mineral and metallic mines.

   (B) -AS TO LOT A:- Access to a public highway in favor of Lot 3-A, as set forth by Land Court Order No. 122030, filed October 4, 1995.

   (C) -AS TO LOTS A AND B:-

      1. Restriction of access rights along the boundary abutting Lunalilo Freeway as shown on File Plan No. 712, as set forth in instrument recorded in Liber 4393 at Page 5.

      2. Restriction of rights of access into and from Interstate Route H-1, Federal Aid Project No. IM-IR-H1-1(216), which restriction was imposed by the STATE OF HAWAII, by LIMITED WARRANTY DEED dated May 2, 1996, filed as Land Court Document No. 2306805, recorded as Document No. 96-062250.

2. -AS TO PARCEL SECOND:-

   (A) AS TO LOT 3-A:- Designation of restriction of access rights, as shown on Map 4, as set forth by Land Court Order No. 122030, filed October 4, 1995.

   (B) Excluding therefrom vehicular access into and from Lunalilo Freeway, Federal Aid Project F-59(2) Section "J", Nuuanu Avenue to Pele Street, over and across the common boundary of Lot 1-A and Lot 3, as shown on Maps 2 and 3 of Land Court Application No. 1273 (amended), as set forth in DEED dated July 21, 1959, filed as Land Court Document No. 240958.

3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

   INSTRUMENT: DEED

   DATED : October 22, 1962
   FILED : Land Court Document No. 298283
   RECORDED : Liber 4393 Page 5

4. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT: DECLARATION OF RESTRICTIVE COVENANTS (PRIVATE PARK)

DATED : June 2, 1997
FILED : Land Court Document No. 2387031
RECORDED : Document No. 97-080626

5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT: DECLARATION OF CONDOMINIUM PROPERTY REGIME FOR "QUEEN EMMA GARDENS" CONDOMINIUM PROJECT

DATED : January 21, 1998
FILED : Land Court Document No. 2434139
RECORDED : Document No. 98-009496
MAPS : 1230 filed in the Office of the Assistant Registrar of the Land Court, and 2649 recorded in the Bureau of Conveyances, and any amendments thereto

Joinder by BANK OF HAWAII, a Hawaii corporation, by its division, PACIFIC CENTURY TRUST, Successor by Merger to Hawaiian Trust Company, Limited, a Hawaii corporation, as Trustee, by instrument dated January 21, 1998, recorded as Document No. 98-009497.

Said Declaration was amended by instruments dated September 16, 1998, filed as Land Court Document No. 2486771, recorded as Document No. 98-141896, dated October 27, 1998, filed as Land Court Document No. 2497135, recorded as Document No. 98-164518, dated November 10, 1998, filed as Land Court Document No. 2501056, recorded as Document No. 98-174115, dated December 31, 1998, filed as Land Court Document No. 2511886, recorded as Document No. 99-001209, dated January 13, 1999, filed as Land Court Document No. 2514545, recorded as Document No. 99-007484, dated December 24, 1998, filed as Land Court Document No. 2515753, recorded as Document No. 99-010751, dated February 4, 1999, filed as Land Court Document No. 2520511, recorded as Document No. 99-020675, dated February 16, 1999, filed as Land Court Document No. 2522417, recorded as Document No. 99-025221, dated February 22, 1999, filed as Land Court Document No. 2524099, recorded as Document No. 99-028994, dated December 22, 1999, filed as Land Court Document No. 2526729, recorded as Document No. 99-035452, dated March 8, 1999, filed as Land Court Document No. 2527348, recorded as Document No. 99-036872, dated March 18, 1999, filed as Land Court Document No. 2530608, recorded as Document No. 99-044852, filed as Land Court Document No. 2530613, recorded as Document No. 99-044859, filed as Land Court Document No. 2530617, recorded as Document No. 99-044863, filed as Land Court Document No. 2532129, recorded as Document No. 99-048794, dated December 24, 1998, filed as Land Court Document No. 2535586, recorded as Document No. 99-057859, filed as Land Court Document No. 2535588, recorded as Document No. 99-057861, dated April 9, 1999, filed as Land Court Document No. 2535921, recorded as Document No. 99-058500, dated May 24, 1999, filed as Land Court Document No. 2547361, recorded as Document No. 99-085409, dated May 26, 1999, filed as Land Court Document No. 2547878, recorded as Document No. 99-086463, dated June 25, 1999, filed as Land Court Document No. 2556706, recorded as Document No. 99-104766, dated June 28, 1999,

filed as Land Court Document No. 2557623, recorded as Document No. 99-106980, dated July 8, 1999, filed as Land Court Document No. 2561714, recorded as Document No. 99-116774, dated September 24, 1999, filed as Land Court Document No. 2578563, recorded as Document No. 99-157784, dated October 7, 1999, filed as Land Court Document No. 2581910, recorded as Document No. 99-165766, dated October 18, 1999, filed as Land Court Document No. 2583687, recorded as Document No. 99-169668, dated October 22, 1999, filed as Land Court Document No. 2585617, recorded as Document No. 99-173739, filed as Land Court Document No. 2585622, recorded as Document No. 99-173746, dated November 10, 1999, filed as Land Court Document No. 2591105, recorded as Document No. 99-187271, dated November 23, 1999, filed as Land Court Document No. 2591867, recorded as Document No. 99-189604, filed as Land Court Document No. 2591872, recorded as Document No. 99-189611, dated December 6, 1999, filed as Land Court Document No. 2594001, recorded as Document No. 99-194522, dated December 9, 1999, filed as Land Court Document No. 2594809, recorded as Document No. 99-196537, and filed as Land Court Document No. 2594813, recorded as Document 99-196543, dated January 10, 2000, filed as Land Court Document No. 2601468, recorded as Document No. 2000-005824, dated January 4, 2000, filed as Land Court Document No. 2601557, recorded as Document No. 2000-006181, dated February 22, 2000, filed as Land Court Document No. 2609627, recorded as Document No. 2000-026911, dated February 28, 2000, filed as Land Court Document No. 2610600, recorded as Document No. 2000-029016, dated February 25, 2000, filed as Land Court Document No. 2611351, recorded as Document No. 2000-030791, dated March 3, 2000, filed as Land Court Document No. 2612443, recorded as Document No. 2000-033674, and dated March 10, 2000, filed as Land Court Document No. 2612727, recorded as Document No. 2000-034446, dated April 11, 2000, filed as Land Court Document No. 2619460, recorded as Document No. 2000-050466, dated April 11, 2000, filed as Land Court Document No. 2621056, recorded as Document No. 2000-055025, dated April 25, 2000, filed as Land Court Document No. 2622125, recorded as Document No. 2000-057883, dated April 13, 2000, filed as Land Court Document No. 2623509, recorded as Document No. 2000-060715, dated May 8, 2000, filed as Land Court Document No. 2625325, recorded as Document No. 2000-065443, dated May 10, 2000, filed as Land Court Document No. 2626766, recorded as Document No. 2000-069384, dated October 14, 1999, filed as Land Court Document No. 2638013, recorded as Document No. 2000-097803, dated July 12, 2000, filed as Land Court Document No. 2638671, recorded as Document No. 2000-099437, dated July 18, 2000, filed as Land Court Document No. 2639821, recorded as Document No. 2000-102294, dated July 13, 2000, filed as Land Court Document No. 2639827, recorded as Document No. 2000-102300, dated July 20, 2000, filed as Land Court Document No. 2640651, recorded as Document No. 2000-104641, dated July 13, 2000, filed as Land Court Document No. 2641135, recorded as Document No. 2000-105532, dated August 22, 2000, filed as Land Court Document No. 2646465, recorded as Document No. 2000-118557, dated August 22, 2000, filed as Land Court Document No. 2647206, recorded as Document No. 2000-120036, dated July 18, 2000, filed as Land Court Document No. 2647381, recorded as Document No. 2000-120516, dated August 17, 2000, filed as Land Court Document No. 2647940, recorded as Document No. 2000-121409, dated September 11, 2000, filed as Land Court Document No. 2650670, recorded as Document No. 2000-128532, dated --- (acknowledged September 8, 2000), filed as Land Court Document No. 2651073, recorded as Document No. 2000-129492, dated September 11, 2000, filed as Land Court Document No. 2651835, recorded as Document No. 2000-131476, dated September 19, 2000, filed as Land Court Document No. 2652574, recorded as Document No. 2000-133210, dated September 17, 2000, filed as Land Court Document No. 2652581, recorded as Document No. 2000-133217; (re: parking stalls.), dated September 28, 2000,

filed as Land Court Document No. 2659287, recorded as Document No. 2000-149206, dated November 7, 2000, filed as Land Court Document No. 2664143, recorded as Document No. 2000-159911, dated December 4, 2000, filed as Land Court Document No. 2671544, recorded as Document No. 2000-177573, dated February 5, 2001, filed as Land Court Document No. 2681996, recorded as Document No. 2001-017690, as corrected by instrument dated --- (acknowledged April 10, 2001 and April 19, 2001, filed as Land Court Document No. 2704082, recorded as Document No. 2001-069797), dated February 6, 2001, filed as Land Court Document No. 2682522, recorded as Document No. 2001-019018, dated February 7, 2001, filed as Land Court Document No. 2682853, recorded as Document No. 2001-019698, dated February 15, 2001, filed as Land Court Document No. 2690202, recorded as Document No. 2001-037989, dated March 14, 2001, filed as Land Court Document No. 2693887, recorded as Document No. 2001-046103, dated March 14, 2001, filed as Land Court Document No. 2696425, recorded as Document No. 2001-051791, dated March 27, 2001, filed as Land Court Document No. 2697263, recorded as Document No. 2001-054110, dated April 17, 2001, filed as Land Court Document No. 2700415, recorded as Document No. 2001-061444, dated April 24, 2001, filed as Land Court Document No. 2700678, recorded as Document No. 2001-061814, dated April 25, 2001, filed as Land Court Document No. 2700958, recorded as Document No. 2001-062431, dated May 23, 2001, filed as Land Court Document No. 2708985, recorded as Document No. 2001-079899, dated May 23, 2001, filed as Land Court Document No. 2709940, recorded as Document No. 2001-082178, dated June 1, 2001, filed as Land Court Document No. 2711411, recorded as Document No. 2001-086003, dated May 22, 2001, filed as Land Court Document No. 2712390, recorded as Document No. 2001-087656, dated June 13, 2001, filed as Land Court Document No. 2716814, recorded as Document No. 2001-097915, dated July 2, 2001, filed as Land Court Document No. 2719542, recorded as Document No. 2001-104454, dated August 8, 2001, filed as Land Court Document No. 2729777, recorded as Document No. 2001-127889, dated September 25, 2001, filed as Document No. 2741506, recorded as Document No. 2001-154395, dated October 16, 2001, filed as Land Court Document No. 2745899, recorded as Document No. 2001-165077, dated October 23, 2001, filed as Land Court Document No. 2748113, recorded as Document No. 2001-170442, dated October 24, 2001, filed as Land Court Document No. 2749728, recorded as Document No. 2001-173508, dated November 14, 2001, filed as Land Court Document No. 2757042, recorded as Document No. 2001-188284, dated December 5, 2001, filed as Land Court Document No. 2760068, recorded as Document No. 2001-193599, dated December 26, 2001, filed as Land Court Document No. 2768222, recorded as Document No. 2002-003935, dated January 4, 2002, filed as Land Court Document No. 2770526, recorded as Document No. 2002-008664, dated February 5, 2002, filed as Land Court Document No. 2778245, recorded as Document No. 2002-025749, dated January 30, 2002, filed as Land Court Document No. 2780834, recorded as Document No. 2002-031962, dated February 28, 2002, filed as Land Court Document No. 2785147, recorded as Document No. 2002-040598, dated April 8, 2002, filed as Land Court Document No. 2794652, recorded as Document No. 2002-062162, dated April 9, 2002, filed as Land Court Document No. 2794891, recorded as Document No. 2002-063043, dated April 4, 2002, filed as Land Court Document No. 2795288, recorded as Document No. 2002-063695, dated April 9, 2002, filed as Land Court Document No. 2796883, recorded as Document No. 2002-067894, dated April 26, 2002, filed as Land Court Document No. 2800605, recorded as Document No. 2002-075400, dated April 30, 2002, filed as Land Court Document No. 2801572, recorded as Document No. 2002-077817, dated April 24, 2002, filed as Land Court Document No. 2802550, recorded as Document No. 2002-080335, dated May 3, 2002, filed as Land Court Document No. 2803583, recorded as Document No. 2002-082983, dated April 30, 2002, filed as Land Court Document No.

2803755, recorded as Document No. 2002-083411, dated May 13, 2002, filed as Land Court Document No. 2805662, recorded as Document No. 2002-087240, dated May 17, 2002, filed as Land Court Document No. 2808320, recorded as Document No. 2002-092440, dated May 17, 2002, filed as Land Court Document No. 2809674, recorded as Document No. 2002-0995191, dated May 24, 2002, filed as Land Court Document No. 2809706, recorded as Document No. 2002-095228, dated May 28, 2002, filed as Land Court Document No. 2809709, recorded as Document No. 2002-095231, dated May 24, 2002, filed as Land Court Document No. 2809711, recorded as Document No. 2002-095233, dated May 23, 2002, filed as Land Court Document No. 2810084, recorded as Document No. 2002-095835, dated June 3, 2002, filed as Land Court Document No. 2812328, recorded as Document No. 2002-100516, dated July 5, 2002, filed as Land Court Document No. 2822424, recorded as Document No. 2002-122512, dated July 1, 2002, filed as Land Court Document No. 2822540, recorded as Document No. 2002-122897, dated July 9, 2002, filed as Land Court Document No. 2824797, recorded as Document No. 2002-127604, dated July 1, 2002, filed as Land Court Document No. 2826638, recorded as Document No. 2002-131495, dated July 24, 2002, filed as Land Court Document No. 2827122, recorded as Document No. 2002-132351, dated July 26, 2002, filed as Land Court Document No. 2827954, recorded as Document No. 2002-133494, dated July 5, 2002, filed as Land Court Document No. 2829865, recorded as Document No. 2002-138841, dated August 2, 2002, filed as Land Court Document No. 2830104, recorded as Document No. 2002-139450, dated August 6, 2002, filed as Land Court Document No. 2830470, recorded as Document No. 2002-140184, dated August 13, 2002, filed as Land Court Document No. 2832201, recorded as Document No. 2002-144079, dated August 13, 2002, filed as Land Court Document No. 2832488, recorded as Document No. 2002-144907, dated August 2, 2002, filed as Land Court Document No. 2832866, recorded as Document No. 2002-145489, dated August 9, 2002, filed as Land Court Document No. 2833048, recorded as Document No. 2002-146113, dated August 9, 2002, filed as Land Court Document No. 2836407, recorded as Document No. 2002-153642, dated August 27, 2002, filed as Land Court Document No. 2836417, recorded as Document No. 2002-153660, dated August 29, 2002, filed as Land Court Document No. 2840189, recorded as Document No. 2002-161888, dated September 26, 2002, filed as Land Court Document No. 2845650, recorded as Document No. 2002-173112, and dated September 26, 2002, filed as Land Court Document No. 2848004, recorded as Document No. 2002-177967.

6. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT: BY-LAWS OF THE ASSOCIATION OF APARTMENT OWNERS

DATED : January 21, 1998
FILED : Land Court Document No. 2434140
RECORDED : Document No. 98-009498

Joinder by BANK OF HAWAII, a Hawaii corporation, by its division, PACIFIC CENTURY TRUST, Successor by Merger to Hawaiian Trust Company, Limited, a Hawaii corporation, as Trustee, by instrument dated January 21, 1998, recorded as Document No. 98-009499.

Said By-Laws were amended by instruments dated October 14, 1999, filed as Land Court Document No. 2638013, recorded as Document No. 2000-097803, and dated September 28, 2000, filed as Land

Court Document No. 2659287, recorded as Document No. 2000-149206.

7. Encroachments as shown on survey map prepared by George A. Sumida, Professional Licensed Land Surveyor, with ParEn, Inc., dba Park Engineering, dated July 8, 1998, to-wit:

   A 6-foot height chain link fence which runs along the north boundary corner crossing the northerly boundary line and encroaches into the Lunalilo Freeway right-of-way by 1.3 feet, fence in subject also crosses the southeasterly boundary line and encroaches into the Pali Highway right-of-way by 0.5 feet.

8. OPTION AGREEMENT dated December 14, 2001, of which a MEMORANDUM OF OPTION is dated December 14, 2001, filed as Land Court Document No. 2770770, recorded as Document No. 2002-008907, entered into by and between BANK OF HAWAII, a Hawaii corporation, by its division, PACIFIC CENTURY TRUST, Successor by Merger to Hawaiian Trust Company, Limited, a Hawaii corporation, as Trustee of the Robert E. Black Memorial Trust, "Owner", and PRINCE TOWER AT QUEEN EMMA GARDENS, LLC, a Hawaii limited liability company, "Optionee".

9. Any unrecorded leases and matters arising from or affecting the same.

10. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land described in Paragraph B of page 9 herein.

11. Real property taxes as may be due and owing. Check with the County Tax Assessor.

12. Subsequent to the issuance of the September 9, 2002 title report, the following additional Project documents were recorded:

   (A) Trustee's Apartment Deed dated October 18, 2002, filed as Land Court Document No. 2851752, and recorded as Document No. 2002-185960.

   (B) Queen Emma Gardens Amendment of Declaration of Condominium Property Regime and Statements of the Prince Tower Developer dated October 18, 2002, filed as Land Court Document No. 2851753, and recorded as Document No. 2002-185961.

CONSTRUCTION WARRANTIES

Section IV. D.1. of Addendum "B" to the Deposit Receipt and Sales Contract provides as follows:

D. Disclaimer of Warranties, Disclosures and Acknowledgments.

1. Seller Makes No Warranties or Promises. Buyer acknowledges that Seller is not the original developer of the project and was not involved in (and is not responsible for) the planning or construction of the project. Buyer further acknowledges that the project was substantially completed in 1962 and has been used over the years primarily for residential purposes. Buyer understands and agrees that the apartment is being sold **"as is, where is" with all faults** and that Seller makes no warranties or promises of any kind, express or implied, about the apartment, the property or the project (including the common elements of the project), or about any furnishings, fixtures, appliances or other consumer products or anything else installed, attached, affixed or otherwise contained in the apartment, the property or the project (including the common elements of the project), including any warranties or promises of "merchantability", "workmanlike construction" or "fitness for a particular use or purpose".

Without limiting the generality of any of the foregoing, Seller makes no warranties or promises: (a) that the project or any improvements in the apartment, the property or the project (including the common elements) will be free from cracks in, or other damage to, the concrete or other building materials; (b) regarding the value of the project or the personal property; (c) regarding the physical or environmental condition of the project, including, without limitation, any deferred maintenance at the project; or (d) regarding the suitability, conformance, compliance or lack of compliance of the project with any state, federal, county or local law, code, ordinance, order, permit, administrative requirement, or regulation, including, without limitation, those related to the consolidation and subdivision of land, the operation and use of the project and accessibility of the project by persons with disabilities. In other words, Seller makes no warranties or promises at all.

Buyer for itself and its successors, heirs and assigns, releases Seller and its directors, officers, shareholders, employees and agents from and waives any claim, action or liability which arises from or relates to any latent or patent defect in the project or the apartment, known or unknown, which exists now or in the future, or which arises from or relates to any lack of compliance of the project with any state, federal, county or local law, code, ordinance, order, permit, administrative requirement, or regulation, that Buyer may have against Seller under any federal, state or local law, ordinance, rule or regulation now existing or hereafter enacted or promulgated, including without limitation, those related to asbestos, asbestos-containing materials, lead-based or lead-containing paint, hazardous materials and environmental conditions or matters in, on, under, about or migrating from or onto or into the property or the project, or by virtue of any common law right relating to asbestos, asbestos-containing materials, lead-based or lead-containing paint, hazardous materials and

environmental conditions or matters in, on, under about or migrating from or onto or into the property or the project. Seller and Buyer agree that this release from liability has been specifically negotiated between Seller and Buyer.

Buyer acknowledges and agrees that Seller's disclaimer of warranties contained in this Section D.1 is an essential element in the determination of the low purchase price for the Apartment being sold to Buyer. This means that the Apartment would not have been sold to Buyer for the amount of the purchase price stated in this Agreement without Seller's disclaimer of warranties.

Section IV. D.3. of Addendum "B" to the Deposit Receipt and Sales Contract provides as follows:

3. The Condominium Map Is Not a Warranty. The Condominium Map for the Project is intended to show only the layout, location, apartment numbers and dimensions of the apartments in the Project. BUYER AGREES THAT THE CONDOMINIUM MAP IS NOT INTENDED TO BE AND IS NOT A WARRANTY OR PROMISE BY SELLER.

Section IV. D.6. of Addendum "B" to the Deposit Receipt and Sales Contract provides as follows:

6. Additional Disclosures. Buyer acknowledges receipt of notice that:

(a) Seller Not Developer. Seller is not the original developer of the Project nor the creator of the Queen Emma Gardens Condominium Property Regime and was not involved in (and is not responsible for) the Project's planning or construction.

(b) Appliances. Buyer expressly acknowledges and agrees that individual apartments were not originally designed to have washer/dryer units and that such appliances are currently not installed in said apartments. For the convenience of the residents of the apartment units, Seller will make such washer/dryer units available to buyers for purchase and installation in their respective apartments. Buyer acknowledges and agrees, however, that the Seller makes no warranties or representations that the electrical and mechanical systems of the Project are sufficient to accommodate the use of washer/dryer units in each apartment. In the event the Managing Agent or the Association determines that the building systems are overloading as a result of the installation and use of washer/dryer units, then the owners and occupants of the Project may be subject to restrictions or prohibitions on the use of the washer/dryers within their respective apartments as imposed by the Managing Agent and/or the Association as each shall see fit (for example, requiring the use of low-sudsing detergent or imposing usage schedules).

Buyers should consult the Disclosure Abstract attached to this Report for further information on the construction of the Project and the physical and environmental condition of the Project.

SUMMARY OF THE PERTINENT PROVISIONS OF THE SALES CONTRACT

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

1. Seller, in its sole discretion, and in addition to any other rights of cancellation or termination reserved to Seller, may elect to cancel the Contract if Buyer defaults under the Contract. Buyer may lose all of its deposits with Escrow and Seller. Seller may, at its option, pursue other legal remedies. If Seller defaults under the Contract, Buyer shall be entitled to specific performance of the Contract, or shall have the right to cancel and terminate the Contract.

2. The closing dates are as described in the Contract.

3. Buyer is required to prepay maintenance fees, Additional Sums, Closing Costs and Prorations as more particularly described in the Contract.

4. The Contract confirms that Buyer has had the opportunity to read and approve the project documents, including the Declaration, the By-Laws, the Condominium Map, the Rules and Regulations of the Association (if any), the form of Apartment Deed, the Escrow Agreement, this Public Report and all amendments and supplements to all such documents. Buyer (or Buyer's lender, if any) may inspect copies of each of these documents at Seller's sales office. Buyer's right to inspect the Apartment is limited and is more particularly described in the Contract. The Contract also provides that the rights of any construction lender with a mortgage against the Project will be superior to the rights of Buyer under the Contract.

5. Buyer specifically acknowledges and accepts certain enumerated conditions regarding on-going development and marketing of the project stated in the Contract as well as any inconvenience or annoyance which Buyer may experience as a result of such conditions, and expressly waives any rights, claims or action which Buyer might otherwise have against Seller or third parties as a result of such circumstances.

6. If Buyer cancels the Contract because of Seller's default, Seller will repay to Buyer all sums paid by Buyer to the Seller or to Escrow under the Contract, without interest (except that Buyer will get interest on sums held by Escrow in an interest-bearing account in favor of Buyer, if Buyer checked the appropriate box on the first page of the Contract). Buyer agrees that if Seller defaults at any time, Buyer will only have the rights mentioned in the Contract and that Buyer waives any other rights Buyer might otherwise have.

7. Seller shall have certain rights and remedies against Buyer in the event Buyer fails to perform any of the terms and conditions of the Contract, including failure to comply with the pre-closing and closing requirements, as more particularly described in the Contract, including the

right to retain Buyer's deposit and the right to other actual and liquidated damages, the right to specifically enforce the Contract, and the right to charge late fees on amounts past due.

8. The Contract prohibits Buyer from assigning the Contract.

9. At Closing, Seller will instruct Escrow to transfer to an account of the Association an amount equal to the product of $1,000,000 and the common interest of the apartment being sold as a contribution to the Association's maintenance reserves and to be used as the Association deems appropriate for maintenance, repair or upgrading of the Project's common areas. This amount may be increased, in the sole discretion of Seller, prior to Closing. In consideration of Seller's contribution of the foregoing sum, Buyer agrees to release Seller from any continuing or further obligations to the Project.

10. By signing the Contract, Buyer acknowledges and agrees that the Apartment is being sold in AS IS, WHERE IS condition with no warranties whatsoever. The Contract contains various disclaimers and disclosures about the Project, including disclosures pertaining to current zoning, hazardous materials, asbestos, lead-based paint and non-conforming uses affecting the Project's land.

ALL BUYERS SHOULD READ THE SALES CONTRACT IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE SALES CONTRACT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE SALES CONTRACT, AND DOES NOT ALTER OR AMEND THE SALES CONTRACT IN ANY MANNER. IF ANY PROVISIONS OF THIS SUMMARY CONTRADICT THE PROVISIONS CONTAINED IN THE SALES CONTRACT IN ANY WAY, THE PROVISION OF THE SALES CONTRACT SHALL OVERRIDE THE PROVISIONS OF THIS SUMMARY.

SUMMARY OF THE PERTINENT PROVISIONS OF THE ESCROW AGREEMENT

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

1. Seller shall deliver an executed copy of each sales contract for the sale of a residential apartment to Escrow. Each sales contract shall be accompanied by the initial deposit required thereunder and the Owner-Occupant Affidavit in the form approved by the Real Estate Commission.

2. Seller shall pay Escrow monies received from Purchasers under sales contracts covering apartments in the Project. Escrow shall receive and hold in escrow and disburse funds as set forth in detail in the Escrow Agreement. Escrow shall deposit all funds so received in an account at a federally insured bank, savings and loan association or other financial institution that pays interest on deposits. Except for specific circumstances stated in the Escrow Agreement, any interest earned on funds deposited in escrow under this Agreement shall accrue to the credit of Seller.

3. No disbursements of funds held in escrow shall be made unless and until, among other conditions, (a) an effective date for a Final Public Report has been issued; (b) the Purchaser has been given a copy of said Final Public Report and shall have acknowledged receipt of same or shall have been deemed to have acknowledged receipt of same and Seller's attorney shall have delivered a written opinion to Escrow that the Purchaser's sales contract has become effective; and (c) Seller shall have complied with the owner-occupant pre-sale law.

4. A Purchaser shall be entitled to a return of funds and Escrow shall pay such funds to such Purchaser, without interest, if any one of the following has occurred: (a) Seller and the Purchaser shall have together requested Escrow in writing to return to the Purchaser the funds of the Purchaser held hereunder by Escrow; or (b) 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 where such option or request of cancellation or rescission is not based upon a default by the Purchaser under the sales contract; or (c) the Purchaser has exercised such Purchaser's right to cancel or rescind the contract pursuant to the Condominium Act.

A Purchaser shall also be entitled to a return of funds and Escrow shall pay such funds to such Purchaser, with all interest accrued thereon if Purchaser (a) has entered into a sales contract pursuant to a contingent final report, (b) the Real Estate Commission does not issue an effective date for a final public report by the date on which the contingent public report expires, and (c) the Seller or the Purchaser elects to rescind the sales contract by giving written notice thereof to the other, with a copy to Escrow.

A Purchaser is further entitled to a return of finds without interest, if Seller and the Purchaser have requested the return of funds of the Purchaser held by Escrow, or either the Purchaser or the Seller has notified Escrow of its election to exercise its right to cancel or rescind the sales contract, or the Purchaser has not obtained adequate financing, or a commitment for adequate financing, within fifty (50) calendar days after Seller's execution and acceptance of the sales contract.

In the event of a default by Purchaser under the sales contract, Escrow shall disburse Purchaser's deposit to Seller.

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

NOTE: ALL BUYERS AND PROSPECTIVE BUYERS SHOULD READ THE ESCROW AGREEMENT AND ALL AMENDMENTS IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE ESCROW AGREEMENT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE ESCROW AGREEMENT, AND DOES NOT ALTER OR AMEND THE ESCROW AGREEMENT IN ANY MANNER.

QUEEN EMMA GARDENS CONDOMINIUM PROJECT
REGISTRATION NO. 4807
DISCLOSURE ABSTRACT OF THE PRINCE TOWER DEVELOPER
AS OF OCTOBER 18, 2002

This disclosure abstract is made by Prince Tower at Queen Emma Gardens, LLC, a Hawaii limited liability company ("the Prince Tower Developer"), as the owner of the Prince Tower in the Queen Emma Gardens condominium project ("the Project"). The Prince Tower Developer is exercising, or has exercised, its right to subdivide the Prince Tower into two hundred thirty-five (235) individual condominium apartments and to incorporate such apartments into the Project and to designate portions of the Prince Tower apartment as common elements and limited common elements of the Project by filing an amendment to the Queen Emma Gardens Declaration of Condominium Property Regime with the Office of the Assistant Registrar of the Land Court of the State of Hawaii and the Bureau of Conveyances of the State of Hawaii ("the Amendment"). This disclosure describes the legal status of the Project, including the common elements and all apartments therein, as of the date of the filing of the Amendment and the physical condition of the Project as of the date hereof.

1. **Project**: Queen Emma Gardens
1511, 1515 and 1519 Nuuanu Avenue
Honolulu, Hawaii 96817

2. **Developer**: Queen Emma Gardens Development Co., Inc.
931 University Avenue, Suite 105
Honolulu, Hawaii 96826
(808) 942-7701

3. **Prince Tower Developer**: Prince Tower at Queen Emma Gardens, LLC
500 Alakawa Street, Building 214-A
Honolulu, Hawaii 96817
(808) 942-7701

4. **Managing Agent**: Touchstone Properties, Ltd.
567 S. King Street, Suite 178
Honolulu, Hawaii 96813
(808) 521-6500

5. **Maintenance Fees**: The breakdown of the estimated annual maintenance fees and the estimated monthly fees for each apartment, representing the common expenses of the Project allocated to each apartment, which are hereby certified to be based on generally accepted accounting principles, are set forth in **Exhibit 1** attached hereto and made a part hereof. The Prince Tower Developer advises that the maintenance fees of a condominium project are difficult to estimate prior

to actual operation of the Project and even if maintenance fees have been accurately estimated, such fees will tend to increase in an inflationary economy and as the improvements age. The estimated maintenance fees and monthly fees for each apartment are based on the latest information available to the Prince Tower Developer and the Managing Agent and are subject to revision based on actual costs for items enumerated. Maintenance fees can vary depending on services desired by apartment owners. Each buyer should check the attached maintenance fee schedule to see what services are included therein. The Prince Tower Developer also discloses that a reserve study was done by the Association of Apartment Owners in accordance with Hawaii Revised Statutes Section 514A-83.6 and the Hawaii Administrative Rules, Chapter 107, in arriving at the estimate of reserve funds necessary to maintain the Project, which is contained in **Exhibit 1**. The latest reserve study was completed by Armstrong & Associates on May 21, 2002 and reflects the additional common elements and limited common elements added to the Project that were formerly a part of the Prince Tower Apartment. To date, the Prince Tower Developer is not aware of any increase or decrease by the Association in the estimated maintenance fees set forth in **Exhibit 1**.

6. **Project Description**: The Project consists of five hundred eight-nine (589) apartments, of which five hundred eighty-six (586) are intended for residential use, and three (3) of which are intended for commercial use, which apartments are contained in three (3) buildings, designated as the King Tower, the Queen Tower and the Prince Tower. The buildings were constructed in 1962, based on the plans, drawings and specifications dated April 15, 1962, as amended, by Minoru Yamasaki & Associates.

The King Tower and Queen Tower each contain twenty-two (22) stories, beginning with the 1st floor and ending with the 23rd floor (the 13th floor being omitted), and there are eight (8) residential apartments on each floor. The Prince Tower contains twelve (12) stories, beginning with the 1st/Garden floor and ending with the 12th floor, and there are fourteen (14) residential apartments on the 1st/Garden floor and twenty (20) residential apartments on each of the other floors. The King Tower and the Queen Tower also contain a floor below the 1st floor, which is designated as the Garden floor. In addition, below the Garden floor of the King Tower and the Queen Tower, and below the 1st/Garden floor of the Prince Tower, is a partial basement/lobby level designated as the Upper floor, and below each Ground floor is a basement level designated as the Lower floor. Two (2) commercial apartments designated as U/K-1 and U/K-3 are located on the Upper floor of the King Tower and a third commercial apartment designated as U/P-1 is located on the Upper floor of the Prince Tower.

The King and Queen Towers are each serviced by three elevators, and the Prince Tower is serviced by two elevators. The buildings are not secured. Electricity is centrally metered. Gas fired water heaters are located in the basement of each tower. All kitchen appliances and laundry facilities are operated by electricity.

There are 638 parking stalls (not including 100 tandem stalls) in the Project. Of the 638 stalls, 582 are covered (258 are compact) and 56 are uncovered (2 are compact). All of the

tandem stalls are compact and 3 are uncovered. There are 23 covered motorcycle/bicycle parking stalls.

A laundry room is located on the lobby level of the King Tower and the Prince Tower, and on the ground level of the Queen Tower. Each laundry room has six full-load coin-operated washers and dryers, one 35 pound washer, two vending machines for soda and snacks, and a long table for folding clothes. 14 postal box lockers are located in the King and Prince Towers. Storage facilities are located in the basement of each tower. Additional storage lockers are available in the lobby level of the Queen Tower for a monthly fee. The AOAO resident manager's office and a rental/sales office are located on the ground level of the King Tower. A rental/sales office for the Prince Tower Developer is located on the ground level of the Prince Tower and related storage areas reserved to the Prince Tower Developer are located in the basement of the Prince Tower.

Amenities of the Project include: a swimming pool, a wading pool, a Japanese-style garden, two teahouses, playground areas and extensive landscaping and rest areas.

7. **The Apartments**. The Project has 83 studio apartments, 301 one-bedroom apartments, 201 two-bedroom apartments, and one three-bedroom apartment.

Within the King Tower and Queen Tower, the studio and deluxe studio apartments have approximately 361 sq. ft. and 417 sq. ft. of gross living area, respectively. There are five types of one-bedroom, one-bath apartments with approximately 548 sq. ft., 559 sq. ft., 566 sq. ft., 637 sq. ft. and 684 sq. ft. of gross living area, respectively. The two-bedroom, one-bath apartments have approximately 740 sq. ft., 787 sq. ft. and 816 sq. ft. of gross living area, respectively.

Within the Prince Tower, there are two types of studio apartments with approximately 458 sq. ft. and 403 sq. ft. of gross living area, respectively. There are five types of one-bedroom, one-bath apartments, three types of which have approximately 589 sq. ft. of gross living area and two types of which have approximately 559 sq. ft. and 601 sq. ft. of gross living area, respectively. The two-bedroom, one-bath apartments have approximately 698 sq. ft. and 798 sq. ft. of gross living area, respectively. The three-bedroom, two-bath apartment has approximately 1,101 sq. ft. of gross living area. All such measurements are approximate only and the Prince Tower Developer makes no representations or warranties with respect to the exact size and area of any apartment unit.

Each apartment kitchen is equipped with the following appliances and equipment:

- Four-burner electric range with single oven and broiler (studio apartments are equipped with two-burner electric ranges)
- No-frost refrigerator/freezer
- Double stainless steel sink with garbage disposal (studio apartments are equipped with single stainless steel sinks with garbage disposal)
- Wall-mounted light fixture in the kitchen area

- Floor mounted and wall-mounted hardwood veneer plywood cabinets
- Formica counter tops
- Vinyl tile flooring
- Shoji doors
- Forced-air ventilation

Washer/dryer units are not currently installed in the apartment units of the Prince Tower. The Prince Tower Developer has obtained studies concluding that the Prince Tower electrical and mechanical loads can accommodate the installation and use of such washer/dryer units. As such, the Prince Tower Developer has elected to make available to buyers for purchase such washer/dryer units for the convenience of the residents of the Prince Tower. These studies are appended hereto as **Exhibit 2**. Nevertheless, the Prince Tower Developer makes no warranties or representations that the electrical and mechanical systems of the Project are sufficient to accommodate the use of washer/dryer units in each apartment. In the event the Managing Agent or the Association of Apartment Owners determines that the building systems are overloading as a result of the installation and use of washer/dryer units, then the owners and occupants of the Prince Tower apartments may be subject to restrictions or prohibitions governing the use of washer/dryers within their respective apartments (for example, requiring the use of low-sudsing detergent or imposing usage schedules).

The bedrooms include floor-to-ceiling casement window, clothes closet with a mahogany veneer sliding door, vinyl tile flooring and mahogany trim baseboards. The bathrooms include a floor-mounted Formica counter-top with vanity sink and medicine cabinet, a wall-mounted mirror with overhead light fixture, porcelain tub/shower, water closet, vinyl tile flooring and forced-air ventilation. The living room includes a floor-to-ceiling sliding glass window, vinyl tile flooring and no draperies.

8. **Construction Detail**. The three apartment towers are reinforced concrete masonry building with concrete built-up flat roofs. The apartment entry doors are eight-foot high, solid mahogany door mounted in a wood frame. The interior apartment doors are eight-foot high hollow core mahogany doors in wood frames. Apartment interiors include a plaster ceiling, vinyl tile flooring, sliding glass and wood slat windows in aluminum frames, curtain rods, Formica counter tops, wall-mounted hardwood veneer plywood cabinets in the kitchens. The two-level parking structure adjoining the King and Prince Towers is reinforced concrete masonry. The open parking lot areas have an asphaltic concrete surface.

9. **Compliance with Building Code**: According to a letter dated November 1, 1996, from the Building Department (now known as the Building Division of the Department of Planning and Permitting) of the City and County of Honolulu, the buildings met all applicable code requirements at the time of their construction in 1962, except the Prince Tower. The Building Department records show that the Prince Tower was constructed with only 230 apartment units. The first floor storage area on the approved plans has been converted into five (5) additional dwelling

units without obtaining any building permit. Building permits were subsequently obtained for the five additional dwelling units on the first floor of the Prince Tower. The Building Department's investigation revealed the following nonconforming conditions: (a) the apartments have openable windows with sill height of less than forty-two (42) inches from the finished floor that lack guardrails located on floors more than five (5) feet above the adjacent grade; and (b) the Project has 638 existing parking stalls instead of 952 parking stalls that would be required under present zoning requirements. The existence of this nonconforming condition means that in the event of a major casualty, such that any or all of the buildings are destroyed to an extent of more than fifty percent (50%) of their replacement value at the time of destruction, they cannot be reconstructed except in conformity with the applicable provisions of the Land Use Ordinance. No other variances or special permits were granted to allow deviations from any applicable codes. Copies of correspondence from the Building Department are attached hereto as **Exhibit 3**.

10. **Warranties**: Except as set forth in Section 9 above, the Prince Tower Developer cannot determine whether the Project contains any other legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes. The Prince Tower Developer does not give any warranties or assurances that the apartments can be expanded or that variances are obtainable from the City and County of Honolulu for any proposed improvements. The Project, the apartments and anything installed or contained therein are being sold as "AS IS" condition "WITH ALL FAULTS" by the Developer, without any warranties whatsoever, express or implied. Article IV, Section D.1 of Addendum "B" to the Deposit, Receipt and Sales Contract used in connection with the Project provides, in part, as follows:

> 1. Seller Makes No Warranties or Promises. Buyer acknowledges that Seller is not the original developer of the project and was not involved in (and is not responsible for) the planning or construction of the project. Buyer further acknowledges that the project was substantially completed in 1962 and has been used over the years primarily for residential purposes. Buyer understands and agrees that the apartment is being sold **"as is, where is" with all faults** and that Seller makes no warranties or promises of any kind, express or implied, about the apartment, the property or the project (including the common elements of the project), or about any furnishings, fixtures, appliances or other consumer products or anything else installed, attached, affixed or otherwise contained in the apartment, the property or the project (including the common elements of the project), including any warranties or promises of "merchantability", "workmanlike construction" or "fitness for a particular use or purpose".
>
> Without limiting the generality of any of the foregoing, Seller makes no warranties or promises: (a) that the project or any improvements in the apartment, the property or the project (including the common elements) will be free from cracks in, or other damage to, the concrete or other building materials; (b) regarding the value of the project or the personal property; (c) regarding the physical or

environmental condition of the project, including, without limitation, any deferred maintenance at the project; or (d) regarding the suitability, conformance, compliance or lack of compliance of the project with any state, federal, county or local law, code, ordinance, order, permit, administrative requirement, or regulation, including, without limitation, those related to the consolidation and subdivision of land, the operation and use of the project and accessibility of the project by persons with disabilities. In other words, Seller makes no warranties or promises at all.

Buyer for itself and its successors, heirs and assigns, releases Seller and its directors, officers, shareholders, employees and agents from and waives any claim, action or liability which arises from or relates to any latent or patent defect in the project or the apartment, known or unknown, which exists now or in the future, or which arises from or relates to any lack of compliance of the project with any state, federal, county or local law, code, ordinance, order, permit, administrative requirement, or regulation, that Buyer may have against Seller under any federal, state or local law, ordinance, rule or regulation now existing or hereafter enacted or promulgated, including without limitation, those related to asbestos, asbestos-containing materials, lead-based or lead-containing paint, hazardous materials and environmental conditions or matters in, on, under, about or migrating from or onto or into the property or the project, or by virtue of any common law right relating to asbestos, asbestos-containing materials, lead-based or lead-containing paint, hazardous materials and environmental conditions or matters in, on, under about or migrating from or onto or into the property or the project. Seller and Buyer agree that this release from liability has been specifically negotiated between Seller and Buyer.

Buyer acknowledges and agrees that Seller's disclaimer of warranties contained in this Section D.1 is an essential element in the determination of the low purchase price for the Apartment being sold to Buyer. This means that the Apartment would not have been sold to Buyer for the amount of the purchase price stated in this Agreement without Seller's disclaimer of warranties.

Additionally, Article IV, Section D.6 provides, in part:

(d) Hazardous Materials. J.R. Herold & Associates prepared a Bulk Material Report dated January 25, 2001 (the "Bulk Material Report"). The Bulk Material Report covers Units 821 and 938 of the Prince Tower at Queen Emma Gardens and is available at the Seller's sales office for Buyer's review. Seller neither prepared nor commissioned the Bulk Material Report and makes no representations or warranties whatsoever as to the accuracy or completeness of the Bulk Material Report. Furthermore, because the survey was limited to only two apartments in the Prince Tower and only certain areas within the two apartments themselves, the results should not be relied upon as complete or applicable to all apartments in the Prince

Tower; some apartments may have more or less asbestos, lead-based paint and/or lead-based paint materials. Seller has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of, hazardous materials laws. Buyer acknowledges that in light of the age of the Project, there may be asbestos and other hazardous substances in the apartments or in, under or around the Project. Because of the possible presence of such substances, Buyer should have the apartment inspected to determine the extent (if any) of such contamination and any necessary remedial action. Seller will not correct any defects in the apartments or in the Project or anything installed or contained therein and Buyer expressly releases Seller from any liability to Buyer if any hazardous materials are discovered.

(e) Lead-Based or Lead-Containing Paint. Buyer is hereby notified that the Project may present exposure to lead from lead-based or lead-containing paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. Seller have provided Buyer with a lead paint disclosure as Addendum "A" which has been acknowledged by Buyer. Buyer shall have ten (10) days from the Acceptance Date to perform a risk assessment or inspection, at Buyer's option and expense, for the presence of lead-based paint and/or lead-based paint hazards in the Property.

11. **Permitted Use**. Each residential apartment in the Project shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests. No residential apartment shall be used as a tenement or rooming house or for or in connection with the carrying on of any business, trade or profession whatsoever. The respective residential apartments shall not be rented by the residential apartment owners thereof for transient or hotel purposes, which shall be defined as (i) rental for any period less than thirty (30) days; or (ii) any rental in which the occupants of the residential apartments are provided customary hotel services, such as room service for food and beverage, maid service, furnishing of laundry and linen, and bellboy service. Neither the residential apartments nor any interest therein shall be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license", "travel club membership" or "time-interval ownership" arrangement. The term "time-sharing" as used herein shall be deemed to include, but is not limited to, any plan,

program or arrangement under which the right to use, occupy, own or possess a residential apartment or apartments in the Project rotates among various persons on a periodically recurring basis according to a fixed or floating interval or period of time, whether by way of deed, lease, association or club membership, license, rental or use agreement, co-tenancy agreement, partnership or otherwise. Other than the foregoing restrictions, the residential apartment owners of the respective apartments shall have the absolute right to lease the same, provided that such lease covers an entire residential apartment, is in writing and is made subject to the covenants and restrictions contained in the Declaration and By-Laws for the Project, as amended. The commercial apartments may be used for any other purpose permitted by law. The Developer has made and Prince Tower Developer makes no representations or warranties, express or implied, with respect to such uses.

12. **Existing Structures**. The present condition of the site on which the Project is located and the structural components and the mechanical and electrical installations material to the use and enjoyment of the Project are described in reports from a structural engineer, electrical engineer, mechanical engineer and architect attached hereto as **Exhibits 4 and 5**. Some of the reports were prepared for the Developer at the time of the conversion of the Project to a condominium property regime and were appended to the Queen Emma Gardens Condominium Project (Registration No. 3659) Disclosure Abstract as of November 13, 1996. These reports are appended hereto in **Exhibit 4**. Additional reports were prepared concerning the Prince Tower are appended hereto in **Exhibit 5**.

Although not required by law, the engineers and the architect have given opinions about the condition of the Project in order to provide the addressee of the report with additional information. However, the Prince Tower Developer does not represent or warrant that the reports attached hereto are correct or complete. The reports should not be relied upon as the opinion of the Developer or the Prince Tower Developer. No representations are made by the Prince Tower Developer with respect to the expected useful life of the structural components or the mechanical and electrical installations in the Project. Except as described herein, the Prince Tower Developer has not ascertained if any of the conditions disclosed in the attached reports have been addressed.

a. **Structural and Civil Engineer's Report**. Excerpts from the structural and civil engineer's report indicate that the structures for the King, Queen and Prince Towers are in good condition. Spalling of concrete lanai edges observed in the three towers is typical for concrete buildings in Hawaii due to the corrosive atmosphere. Even though this problem can affect the appearance of the building, it does not impair the overall integrity of the structure. Maintenance records indicate that spalling of concrete lanai edges in the Prince Tower have been repaired.

Earlier reports indicate that the end walls of the towers, 6" thick reinforced concrete walls, have cracks which have been repaired. These walls do not continue to the foundation of the structure and are not part of the primary lateral load resisting system of the

structure. These walls may be contributing some stiffness to the building as non-structural in-fill wall elements. Cracks in these walls may have been caused due to a number of different reasons including deflection of structure due to lateral loads or thermal movements in the structure. The panels can allow rain water to leak through these cracks and if this condition is not corrected, it can result in corrosion of reinforcement in the walls and spalling of concrete. It is the opinion of the structural/civil engineer that these cracks do not impair the overall integrity of the structure. Other cracks observed in the common areas and basement of the tower structures are minor in nature and do not impair the overall integrity of the structure. It is recommended that these cracks be repaired with the consultation of a professional engineer, if not already done so by the Association of Apartment Owners.

The parking structure is in good condition, except for the retaining wall areas identified in the report, where water seepage has caused damage to the wall. Damage caused by seepage of water can affect the integrity of the structural element. The reason for seepage of water through the walls and type of damage observed may be caused by failure of waterproofing (due to age) and drainage system behind the wall. Based on the observations made, it is the opinion of the structural/civil engineer that the integrity of the retaining wall has not been significantly compromised. However, if the situation is not corrected, it may be a problem in the future. It is recommended that this problem be investigated and repaired with the consultation of a professional engineer. The cracks observed in floor slabs of the parking structure are insignificant. These cracks do not impair the integrity of the structure. The cracks observed in the swimming pool slab and walls are insignificant. These cracks do not impair the integrity of the structure.

The building complex appears to be well maintained. The building structures are in good condition and can be expected to continue to perform well with normal maintenance and upkeep. Specific observations and items to be corrected are contained in the report.

b. **Electrical Engineer's Report.** Excerpts from the electrical engineer's report indicate that the existing electrical service for each building is adequately sized for the present loads. The loads designed for include an electric range, two appliance circuits for the kitchen and one circuit for general lighting and power. Any significant additions to the electrical load, such as air conditioners and dish washers, should be monitored very carefully. The electrical service equipment appears to be in good condition. This is a result of the equipment being in an enclosed environment and good maintenance. Review of the maintenance procedures should be made and continued effort should be maintained for the equipment. The following corrective actions that affect safety of personnel should be addressed as soon as possible: (1) warning signs should be installed on the transformer room doors immediately, which should read, as a minimum, "Warning – High Voltage – Keep Out"; (2) the operating voltages of the exposed live parts of the transformer should be marked by signs or visible markings on the equipment immediately; (3) the door handles out of the transformer rooms should be changed to pressure types immediately; (4) the light bulbs in the transformer vault in the Prince Tower should be replaced immediately; (5) the exit signs in the parking structure should be replaced immediately; (6) the receptacles in the pool area should be

changed to GEI protected ones immediately; (7) the outdoor receptacles on the King and Queen Towers should be changed to GFI protected ones immediately; (8) the light fixtures in the bathrooms on the Garden level of the Prince Tower should be replaced immediately; and (9) the receptacles in the bathrooms and on the kitchen counters in the apartment units should be changed.

Overall, the general condition of the electrical system is good. The maintenance has been adequate to keep the system operational. However, most of the equipment is past its useful economic life of 25 years. But with normal replacement and upkeep, many more years of life can be expected. Specific observations and recommendations regarding emergency lighting, the fire alarm system, the laundry areas, the swimming pool and wading pool, common areas and certain apartments are contained in the report. The Prince Tower Developer has not verified if these recommendations have been acted upon by the Association of Apartment Owners.

c. **Mechanical Engineer's Report**. Excerpts from the mechanical engineer's report indicate that the buildings were not designed to have dishwashers, clothes washer/dryer units, or air conditioners. As such, dishwashers, washer/dryer units or air conditioners are not presently installed in the apartment units of the Prince Tower. (As described above, however, the Prince Tower Developer has obtained studies concluding that the Prince Tower electrical and mechanical loads can accommodate the installation and use of washer/dryer units. The Prince Tower Developer will make such washer/dryer units available for purchase by apartment owners.) Prior to the installation of dishwashers, air conditioners and/or washer/dryer units, the Association may require system re-engineering. Such installation may be very costly.

Generally, the plumbing systems observed were in usable condition, and will require ongoing repairs and replacements to keep them working properly. Replacement or repair of plumbing fixtures, faucets, equipment and piping have been taking place on an on-going basis and will have to continue as needed. Some fixtures may be new due to ongoing replacements. Existing fixtures do not meet current water conservation code. The underground soil, water, fire line, standpipe lines, storm drain and gas systems serving the tower buildings, swimming and wading pool and teahouses are old and will generally require constant repairs and possible major replacements in the near future. The Fire Marshall should be invited to inspect the fire protection systems in the building for code compliance. His comments should be evaluated and implemented as necessary.

Overall, the mechanical system maintenance for the buildings has been adequate to keep them operational. But due to the age and above normal use, higher replacements should be anticipated as it has far passed its economic life of 25 years. With a highly skilled management team, constant maintenance and high replacements, the plumbing, ventilation and air conditioning and fire protection systems could provide many more years of useful service. The project seems to be adequately served by the principal utilities of water, sewer, gas and storm drainage. The present mechanical systems may not meet current code, and as major repairs and replacements are undertaken, the building codes may require current code compliance, which will

be costly. Specific observations and recommendations regarding the plumbing systems, ventilation and air-conditioning systems and fire protection system in the apartments and common areas, are contained in the report.

d. **Architectural Report**. Excerpts from the architect's report indicate that the building was constructed prior to the latest Building Code and Zoning Ordinance, and will have to meet all current requirements when future additions or alterations are made. However, "Grandfathered" (conforming at the time of construction) and non-conforming status will limit future renovations, alterations and addition possibilities. The buildings do not have any handicap-accessible apartments and do not comply to the Americans with Disabilities Act or Fair Housing Act requirements for disability accommodations. It is recommended that an architect be retained to design a barrier removal plan and obtain building permits to accommodate public visitors and guests. Any future new use or changes in occupancy will require full compliance with the Americans with Disabilities Act.

The buildings are well built and have held up to wear and tear very well. A strict maintenance and repair program has kept the complex clean and functionally able to provide for the needs of the intended use. Some of the specific observations include the following: the walkways, stairs and corridors do not have a consistent level of surface texturing, which may make them slippery when wet; there are cracks, uneven joints and surfaces on walkways that could contribute to tripping or slippery conditions; termite damage was seen in the teahouses but not observed in the high-rises; all exit doors from the garage were not identified with exit signs; no GFIC electrical convenience outlets were provided in public toilets, laundry and other areas near water fixtures, which constitute a safety hazard; smoke detectors were seen in trash chute dumpster rooms but were not present in maintenance rooms, laundry, electrical rooms and other rooms where combustion may occur; building lobbies were not secured from exterior entry, and no enter phone system, security checkpoints or cameras are present; exhaust from laundry dryers are within one story from apartment windows and do not have filters; cracks in the roofing surface layer were observed, and it was recommended that a roofer check for repair work to prevent leaking; all flammable materials must be relocated to approved fire-resistive storage; there are no grab bars or non-slip surfaces in the bathtub areas of the residential apartments; and electrical outlets adjacent to the kitchen and bathroom sinks should be replaced with GFI outlets. Other specific observations and items to be corrected are listed in the report.

e. **Environmental Report**. The Project is known to contain some asbestos containing materials, lead-based paint and lead-based paint hazards. The scope of such materials in the Project is not known by the Prince Tower Developer. In 1996, a consultant performed an asbestos and lead paint survey of six apartments in the Project to provide buyers with additional information ("the 1996 Report"). The letter describing the 1996 Report is attached hereto as part of **Exhibit 4**. Additionally, in 2001, a consultant performed an asbestos and lead paint survey of two apartments in the Prince Tower ("the 2001 Report"). The letter describing the 2001 Report is attached hereto as part of **Exhibit 5**. However, the Prince Tower Developer does not represent

or warrant that either the 1996 Report or the 2001 Report is correct or complete. Neither report should be relied upon as the opinion of the Prince Tower Developer or the addressee of the report. No representations are made by the Prince Tower Developer with respect to the existence or condition of any asbestos or lead-based paint or lead-based paint hazards in the Project. Furthermore, because each survey was limited to only six apartments within the Project and only two apartments within the Prince Tower, respectively, and only certain areas within the selected apartments themselves, the results should not be relied upon as complete or applicable to all apartments in the Project; some apartments may have more or less asbestos, lead-based paint and/or lead-based paint hazards. Buyer will have an opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards, or to waive such inspection, as provided in the Sales Contract.

Excerpts from the letter describing the 1996 Report indicate that wall joint compound samples collected from three out of the six apartments surveyed contained asbestos, and the other samples did not. The identified samples were visually determined to be in good condition and did not appear to pose an environmental hazard unless they are disturbed. If any of the asbestos-containing material is damaged by water, renovation or demolition work, remedial action would be required. This work would have to be performed by a professionally qualified and licensed asbestos abatement contractor. A total of nine representative paint samples were collected and analyzed for lead content. The analyses indicated that the sample collected from Apartment No. 524 in the Prince Tower contained 0.062% lead by weight. The sampled paint was visually determined to be not in good condition and flaky. At the time of the survey, the apartment was undergoing renovation. It was noted that paint containing >0.060 to 0.5% lead by weight is considered lead containing paid by the Consumer Product Safety Commission. Current EPA guidelines for residential lead-based paint, however, state that abatement measures should be applied if lead in residential paint exceeds 0.5% by weight when found on friction/impact surfaces, protruding surfaces (within 3 feet of floor/ground) or in deteriorated condition on any surface. The other samples had levels of lead below the action level.

Excerpts from the letter describing the 2001 Report indicate that the insulation on the underside of the stainless steel sink in the kitchenette in Apartment No. 821 contained 5% chrysotile asbestos, while the insulation on the underside of the stainless steel sink in the kitchenette in Apartment No. 938 did not contain asbestos. The joint compound applied to the gypsum walls in the bathroom and the kitchen of Apartment No. 821 contained 3% chrysotile asbestos. In Apartment No. 938, the joint compound gypsum samples collected from the walls of the bathroom and bedroom each contained 3% chrysotile asbestos. At the time of the survey, both units were in excellent condition. A total of two representative paint samples were collected and analyzed for lead content. The analyses indicated that the sample collected from the interior of a closet in Apartment No. 821 had 0.039 percent lead by weight. Interior paint collected from a closet in Apartment No. 938 had 0.082 percent lead by weight. It was noted that lead paint is primarily regulated by OSHA, EPA and HUD. Current EPA guidelines for residential lead-based paint state that abatement measures should be applied if lead in residential paint exceeds 0.5% or greater. It was noted that

lead in the paint sampled and tested from both units was significantly less than this value and that no immediate abatement measures were required.

NOTICE: The information set forth in this Section 12 is only a summary of the observations and recommendations made by the engineers, architect and consultant in **Exhibits 4 and 5** and is not intended, nor should be construed by its incorporation herein, to be (a) a representation or warranty of the Prince Tower Developer, the Developer or Pacific Century Trust or (b) more important than any other observation or recommendation contained in said **Exhibits 4 and 5** and not contained herein. Because the units in the Prince Tower are being sold by the Prince Tower Developer in "AS IS" condition with "ALL FAULTS", each buyer should carefully review **Exhibits 4 and 5** in its entirety. Furthermore, each buyer should inspect the buyer's Apartment and the Project or have the apartment and the Project inspected by buyer's own experts to buyer's complete satisfaction. Buyers are encouraged to contact the Managing Agent to ascertain the extent to which the Association of Apartment Owners as acted upon recommendations in the attached reports.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

DATED: Honolulu, Hawaii, October 18, , 2002.

PRINCE TOWER AT QUEEN EMMA GARDENS, LLC,
a Hawaii limited liability company

By PT MANAGER, INC., a Hawaii corporation
Its Manager

By _____
ERIC SOTO
Its President

("the Prince Tower Developer")

PRINCE TOWER AT QUEEN EMMA GARDENS

Prince Tower Developer's
Estimated Annual Budget and Maintenance Fees*

	MONTHLY		ANNUAL	
INCOME				
Maintenance Fee	$195,000.00		$2,340,000.00	
Assessment	13,761.00		165,132.00	
Reimbursement	1,040.00		12,480.00	
Other Taxable Income	10,756.00		129,072.00	
		$220,557.00		$2,646,684.00
EXPENSES				
Utilities				
Water & Sewer	$20,233.00		$242,796.00	
Electricity	39,505.89		474,070.68	
Gas	9,516.00		114,192.00	
Maintenance				
Building	16,435.00		197,220.00	
Grounds	12,678.00		152,136.00	
Insurance	6,837.26		82,047.12	
Wages & Benefits	55,139.80		661,677.60	
Reserves	46,754.08		561,048.96	
Property Management Fee	4,585.00		55,020.00	
Office Expenses	1,144.00		13,728.00	
Taxes	1,814.00		21,768.00	
Professional Fees, Other	5,914.97		70,979.64	
		$220,557.00		$2,646,684.00

ESTIMATED MAINTENANCE AND ELECTRICITY CHARGES
FOR EACH PRINCE TOWER APARTMENT:

(1) For each Type "G" apartment, the estimated monthly maintenance charge and electricity charge is $256.50 and $50.62, respectively.

(2) For each Type "H" apartment, the estimated monthly maintenance charge and electricity charge is $191.78 and $37.34, respectively.

(3) For each Type "I", "K" and "L" apartment, the estimated monthly maintenance charge and electricity charge is $252.01 and $49.07, respectively.

(4) For each Type "J" apartment, the estimated monthly maintenance charge and electricity charge is $260.17 and $50.66, respectively.

(5) For each Type "M" apartment, the estimated monthly maintenance charge and electricity charge is $165.99 and $32.32 respectively.

(6) For each Type "N" apartment, the estimated monthly maintenance charge and electricity charge is $309.95 and $60.35, respectively.

(7) For each Type "O" apartment, the estimated monthly maintenance charge and electricity charge is $309.95 and $60.35, respectively.

(8) For each Type "P" apartment, the estimated monthly maintenance charge and electricity charge is $299.99 and $58.42, respectively.

(9) For apartment U/P-1, the estimated monthly maintenance charge and electricity charge is $175.94 and $34.26, respectively.

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

* Purchasers are advised that maintenance fees are difficult to estimate prior to actual operation of the Project and that every effort has been made to estimate such fees as accurately as possible. The estimated maintenance fees and monthly fees for each apartment are based on the latest information available to the Prince Tower Developer and are subject to revision based on actual costs. A reserve study was done by the Association of Apartment Owners to arrive at the estimate of reserve funds necessary to maintain the Project; however, said reserve study will be updated and supplemented upon filing the Amendment to the Declaration to reflect additional common elements and limited common elements located in the Prince Tower being incorporated into the Project. Upon completion, the estimated fees and charges will be updated based on the supplemental reserve study.

CERTIFICATE

I, the undersigned, duly sworn on oath, depose and affirm as follows:

1. That I am the President of PT Manager Inc., a Hawaii corporation, the managing member of Prince Tower at Queen Emma Gardens, LLC., a Hawaii limited liability company, the developer of the Prince Tower at Queen Emma Gardens (the "Project").

2. That I hereby certify that the breakdown of the annual maintenance charges and the monthly estimated cost for each apartment in the Project, as set forth above are reasonably estimates for the one-year period commencing January 1, 2002, based on generally accepted accounting principles.

DATED: Honolulu, Hawaii, this 1st of February, 2002.

ERIC SOTO, President,
PT Manager, Inc.
as Managing Member
of Prince Tower at Queen Emma Gardens, LLC

Subscribed and sworn to before me
this 1st day of February, 2002

Notary Public, State of Hawaii
Print Name: Justina V. Marquez
My commission expires: 6/8/05

L.S.

Exhibit 1

ESTIMATED MAINTENANCE FEES

PRINCE TOWER AT QUEEN EMMA GARDENS

Prince Tower Developer's
Estimated Annual Budget and Maintenance Fees*

	MONTHLY		ANNUAL	
INCOME				
Maintenance Fee	$195,000.00		$2,340,000.00	
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DATED: Honolulu, Hawaii, this 1st of February, 2002.

ERIC SOTO, President,
PT Manager, Inc.
as Managing Member
of Prince Tower at Queen Emma Gardens, LLC

Subscribed and sworn to before me
this 1st day of February, 2002

Notary Public, State of Hawaii
Print Name: Justina V. Marquez
My commission expires: 6/8/05

L-5.

Exhibit 2

WASHER / DRYER UNIT STUDIES

RS Engineering

1376 Kalaniiki Street
Honolulu, Hawaii 96821

Phone (808) 377-9210
Fax (808) 377-9210

October 01, 2001

To: Mr. Barry Kaplan
Hawaiian Island Development Company
931 University Avenue
Honolulu, Hawaii

From: Samuel S. Matsuo, PhD, PE S Matsuo
RS Engineering
1376 Kalaniiki Street
Honolulu, Hawaii 96821

Gentlemen:

As you have requested, we have studied the possibility of using an Equator Corporation washer/dryer appliance in an apartment in the Prince Tower of Queen Emma Gardens. Our investigation involved the evaluating the existing loads for the various circuits in the apartment. The following are our findings.

The Prince tower has 5 feeder risers. Each riser is fed by a 3-pole 600 amp fused switch, fused with 3 -400 amp fuses. Each riser feeds 11 floor panels. Each floor panel feeds 4 apartments. Each apartment is fed by a 2-pole 40 amp circuit for the range and 5 1-pole 20 amp circuits for lighting and power.

The 2-pole 40 amp circuit breaker feeds the range circuit. One 1-pole 20 amp circuit feeds the lighting circuit. The remaining four 1-pole 20 amp circuit breaker feeds the receptacles in the apartment.

In the case of apartment 827, circuit breaker 10 feeds the bed room and the bath room receptacles. Circuit breaker 12 feeds the living room receptacles.

Circuit breaker 9 feeds the receptacle for the refrigerator and the receptacles on the counter next to the sink. Circuit breaker 11 feeds the receptacle for the garbage disposer as well as the three receptacles near the dining counter.

Our conclusions are as follows. The receptacles on circuit breaker 9 should not be used since the refrigerator is on that circuit. Our opinion is that the circuit breaker will trip if the refrigerator compressor turns on when the washer/dryer is at maximum load, .

The receptacles on circuit breaker 11 could be used if precautions are taken to prevent the use of the garbage disposer when the washer/dryer appliance is hooked up. Additionally, of course, precautions must be taken to prevent any other loads, such as microwave ovens, etc., from being on the circuit when the washer/dryer appliance is hooked up.

Should there be any questions, please do not hesitate to call us at (808)377-9210.

Date: October 5, 2001

To: Savio Development Co., Inc.
931 University Avenue, Suite 105
Honolulu, Hawaii 96826

Attention: Barry Kaplin/Peter Savio

From: Lange Motonaga, Inc.
Consulting Mechanical Engineers

Subject: Equator EZ Clothes-Processor
Combination Washer-Dryer Unit

- **MEMO**

This memo is to present observations and comments for the above subject Model EZ 3600 which was operationally tested in Unit no. 201 in the Prince Tower, Queen Emma Gardens Condominium.

1. The portable Clothes-Processor water supply was connected to the Kitchen Sink faucet. The faucet strainer required a special adapter fitting for this connection.
2. The drain hose was dropped into the sink. The drain piping is quite rigid and difficult to handle for proper placement and from falling out.
3. The wash cycle water drain into the kitchen sink created no over flowing condition. The sink generally was about half full at the peak drainage flow.
4. The existing drainage system seems to be able to handle this one Unit being drained into the Kitchen Sink without any problem.
5. The power was from the far wall outlet in the Kitchen area. The power cord is a little short. Could be made longer.
6. Noted that the new water connections had slight leaks at the fittings.
7. It was difficult to stop leaks from the connections to the washer and to the faucet.
8. No clothes load was used in the Clothes-Processor test run.
9. The unit complete cycle lasted about an hour and a half.

The existing Kitchen Sink water and drainage plumbing system capacity seems to be able to handle the needs of this one portable Clothes-Processor Unit. However, it is not known how many simultaneous units the waste and water system can handle at once. But, it seems reasonable to assume from our observations that the existing plumbing system should be able to handle a number of them. Suggest that the operators of these units be at home at least during the washing cycle to cope with any problems that might occur until they become familiar with the appliance unit operations.

If you have any questions, please call me.

Mahalo,

George Y. Motonaga, Mechanical Engineer
LANGE MOTONAGA, INC.
Consulting Engineers

Exhibit 3

LETTERS REGARDING BUILDING CODE COMPLIANCE

BUILDING DEPARTMENT
CITY AND COUNTY OF HONOLULU
HONOLULU MUNICIPAL BUILDING
650 SOUTH KING STREET
HONOLULU, HAWAII 96813

JEREMY HARRIS
MAYOR

RANDALL K. FUJIKI
DIRECTOR AND BUILDING SUPERINTENDENT

ISIDRO M. BAQUILAR
DEPUTY DIRECTOR AND BUILDING SUPERINTENDENT

Ex96-118

November 1, 1996

Mr. Peter Savio
Savio Development Co., Inc.
931 University Avenue, #105
Honolulu, Hawaii 96826

Dear Mr. Savio:

Subject: Condominium Conversion Project
Queen Emma Gardens
1511, 1515 and 1519 Nuuanu Avenue
Tax Map Key: 2-1-05: 04

This is in response to your letter dated August 5, 1996, requesting verification that the project known as the Queen Emma Gardens located at the above-mentioned addresses met all applicable code requirements at the time of construction.

Investigation revealed the following:

1. A twelve-story 235-apartment unit Prince Tower formerly known as the Loihi Building at 1511 Nuuanu Avenue;

2. Two 25-story Queen and King Towers, each consisting of 176-apartment units, at 1515 and 1519 Nuuanu Avenue respectively;

3. Two teahouse recreation structures located on the mauka side of the property;

4. A two-story parking garage with at least 581 off-street parking spaces.

There are a total of 630 off-street parking stalls.

All of the above structures met all applicable code requirements when they were constructed in 1962 except for the Prince apartment building.

Building Department records show that this building was constructed with only 230 apartment units. The first floor storage area on the approved plans has been converted into 5 additional dwelling units without obtaining any building permit.

Investigation also revealed the following nonconforming condition. The dwelling units have openable windows with sill height of less than 42 inches from the finished floor that lack guardrails located on floors more than 5 feet above the adjacent grade.

For your information, the Building Department cannot determine whether this project contains any other legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes.

If you have any questions regarding this matter, please contact Mr. Ivan Matsumoto at 527-6341.

Very truly yours,

RANDALL K. FUJIKI
Director and Building
Superintendent

Subscribed and sworn to
before me this 4th day of
November, 1996.

Notary Public, First Judicial Circuit
State of Hawaii
My commission expires: June 21, 1999

Form No. 850-2 (Rev. 4/83)

CASH	$
CHECK	✓

CITY AND COUNTY OF HONOLULU

BUILDING DEPARTMENT

BUILDING SAFETY DIVISION

$ [illegible]
PERMIT FEE

BUILDING PERMIT

FOR THE PERFORMANCE OF WORK UNDER THE BUILDING ELECTRICAL, PLUMBING AND SIDEWALK CODES CHAPTERS 16, 17, 19, AND 20, RESPECTIVELY, AND UNDER CHAPTER 18 (FEES AND PERMITS) OF THE REVISED ORDINANCES OF THE CITY AND COUNTY OF HONOLULU

AT

ZONE	SEC.	PLAT	PARCEL	LOT
2	1	5	4	-

DEPT 20 BUILDING 09/02/97 T40011 TRAN 13V21 RCT# 150606 CA1 $313.40 $313.40

OWNER [illegible] LOCATION 1511 [illegible] Ave.

GENERAL CONTRACTOR [illegible]

☐ No Electrical Work
☒ Electrical Work Authorized

☐ No Plumbing Work
☒ Plumbing Work Authorized

☐ SIDEWALK
☐ DRIVEWAY
☐ CURB

DATE ISSUED 9-2-97

[signature]
For Director and Building Superintendent

ELECTRICAL AND PLUMBING WORK TO BE DONE BY LICENSED PERSONS AS REQUIRED UNDER CHAPTER 448 E, HAWAII REVISED STATUTES.

THIS PERMIT MUST BE POSTED IN A CONSPICUOUS PLACE ON THE SITE DURING THE PROGRESS OF WORK. THIS PERMIT MAY BE REVOKED IF WORK IS NOT STARTED WITHIN 180 DAYS OF DATE OF ISSUANCE OR IF WORK IS SUSPENDED OR ABANDONED FOR 120 DAYS.

APPLICANT'S COPY

PERMIT No. 407563

CITY AND COUNTY OF HONOLULU
DEPARTMENT OF LAND UTILIZATION
PLANS REVIEW BRANCH

PRELIMINARY for A96-12-0040 Date: April 16, 1997

PLANS CHECKER: KEITH T.

PROJECT: QUEEN EMMA GARDENS, 5 NEW DWELLING UNITS

TAX MAP KEY: 2-1-005:004

PLANS BY: Ernest Umemoto @ 395-3744

ZONING DISTRICT: A-2

DLU COMMENTS

Applicant's Response

To recap the history so far. The project has 582 approved dwelling units. At the time of approval they provided 614 parking stalls, which under today's code is non-conforming because they would be required 945 stalls. The proposed additional five dwelling units would require 7 parking stalls or a total of 621 stalls on the site.

Your submittal shows potentially 636 stalls. If it is shown that it meets LUO standards, then the parking requirements for the proposed five units would be fulfilled. However, please be ised that the 15 excess stalls CANNOT be "banked" for future king requirements. These would be regarded as the project empting to come closer to conformity, ie. meeting the 945 stall requirement.

Now you will need to show that the proposed stalls meet LUO. Provide scaled drawings with dimensions to show that stall size, reverse aisles, etc. are meeting code requirements.

Please review the two previous comment sheets to see that the other concerns have been addressed before resubmitting for my continued review.

All corrections must be done in black ink, with full signature & date at all corrections, unless new prints are made. (If major corrections/revisions are made, or if plans are illegible, new prints will be required.)

When resubmitting plans, attach comment sheet to building permit application.

thanks !!!

Parking file

A96-12-40

CITY AND COUNTY OF HONOLULU
DEPARTMENT OF LAND UTILIZATION
PLANS REVIEW BRANCH

Date: May 14, 1997

PLANS CHECKER: KEITH T.

PROJECT: QUEEN EMMA GARDENS - ADDING 5 UNITS

TAX MAP KEY: 2-1-005:004

PLANS BY: ERNEST UMEMOTO, CONTACT @ 395-3744

ZONING DISTRICT: A-2

DLU COMMENTS

Applicant's Response

THANK YOU FOR THE RESUBMITTAL. THE PARKING LOOKS OKAY. PLEASE ADD THE CLARIFICATION NOTE SHOWN ON SHT. 1 IN RED PENCIL BY TRACING OVER IT IN BLACK INK. THEN SIGN AND DATE THE CHANGE.

ALL THAT REMAINS NOW IS TO GET APPROVAL OF THE PARK DEDICATION. TO DATE, NOTHING HAS BEEN LOGGED IN AS SUBMITTED.

ONCE THE PARK DEDICATION HAS BEEN APPROVED, THEN RESUBMIT FOR L BUILDING PERMIT REVIEW.

corrections must be done in black ink, with full signature & date at all corrections, unless new prints are made. (If major corrections/revisions are made, or if plans are illegible, new prints will be required.)

When resubmitting plans, attach comment sheet to building permit application.

THANKS !!!

Exhibit 3
(Page 5 of 5)

Exhibit 4

STRUCTURAL, ELECTRICAL, MECHANICAL SYSTEMS
AND ENVIRONMENTAL REPORTS

from
Queen Emma Gardens Condominium Project
(Registration No. 3659) Disclosure Abstract

HAWAII ENGINEERING GROUP
CONSULTING STRUCTURAL AND CIVIL ENGINEERS
98-021 Kamehameha Highway, Suite #213, Aiea, Hawaii 96701-4914
PH: 808-486-2092 FAX: 808-486-9261

Mr. Peter Savio, President
Queen Emma Garden Development Company Inc.
931 University Avenue, Suite 105
Honolulu, Hawaii 96826

August 20, 1996

QUEEN EMMA GARDENS CONDOMINIUM CONVERSION
1511, 1515 & 1519 Nuuanu Avenue
Honolulu, Oahu, Hawaii
TMK: (1) 2-1-005-004

STRUCTURAL OBSERVATION REPORT

A Site Visit was held to note cursory observations of Queen Emma Gardens Condominium at 1511, 1515 & 1519 Nuuanu Avenue on August 7, 1996. The project consists of 3 high rise towers and a two story parking garage. The parking garage has a pool deck and a garden on the roof top. The project also has 2 tea house structures with a fish pond on the premises.

The three main buildings are named as follows

Queen Tower formerly named Makai Tower located at 1515 Nuuanu Avenue

King Tower formerly named Mauka Tower located at 1519 Nuuanu Avenue

Prince Tower formerly named Lohi Tower located at 1511 Nuuanu Avenue

The inspection involved a walk-through of the building complex limited to the following

Queen Tower
- apartment #1454
- apartment #1950
- apartment #2050
- apartment #2052
- common areas

King Tower
- apartment #540
- apartment #642
- apartment #1043
- apartment #2046
- apartment #2240
- common areas

Prince Tower
- apartment #130
- apartment #134
- apartment #721
- apartment #739
- apartment #827
- apartment #928
- apartment #1225
- common areas

Parking Garage
- Parking areas under Prince Tower and areas open for tenant parking

Swimming Pool
- Main swimming pool and children's pool at the deck level

Tea House
- Visual survey from outside

No calculations or testing of any kind was performed. Architectural, Mechanical, Electrical and other nonstructural aspects were not addressed. A set of existing structural drawings, sheets S-1 thru S-58 dated April 15, 1962, were provided by the client. The drawings indicate Mr. Alfred A. Yee as the Engineer of Record for this project. These drawings show details for the three towers and the parking structure (including the swimming pool). No information was available the Tea House structures. No soil exploration report was made available for review.

QUEEN TOWER: This building is a reinforced concrete structure consisting of 22 floors above the ground level, one basement level and one partial basement/lower lobby level. The roof has an elevator machine room. The basement levels serve as storage areas. The building has one stair shaft at each end of the building and three elevator shafts towards the middle of the building. Typical floor plan dimensions are 150'-0" x 52'-0". Typical bay dimensions are 18'-0" x 21'-3" and 20'-0" x 21'-3". Typical floor to floor height is 8'-6 1/2". Typical floor framing consists of poured in place concrete flat slabs with a perimeter beam. The typical floor slabs are 6 1/2" thick. Typical interior floor columns are 10"x 4'-4" and exterior columns are 1'-4"x2'-6". Each floor also has precast sunshades that have been cast integral with the perimeter beam. The elevator and stair shaft walls are 14" or 10" thick reinforced concrete cast in place walls that continue all the way to the foundations. These walls serve as the lateral force resting system for the Tower. The ground floor framing and basement floor framing, under the tower foot print, is similar to
the typical floors. The perimeter basement walls are 8" thick reinforced concrete walls. The drawings indicate that the basement slab is a 4" thick slab on grade and has been cast integral with the perimeter walls. The foundation system for the tower consist of isolated spread footings bearing on rock surface (as indicated on the drawings).

KING TOWER: This building is a reinforced concrete structure consisting of 22 floors above the ground level, one basement level and one partial basement/lobby level. The roof has an elevator machine room. The basement levels serve as storage areas. The building has one stair shaft at each end of the building and three elevator shafts towards the middle of the building. Typical floor plan dimensions are 150'-0" x 52'-0". Typical bay dimensions are 18'-0" x 21'-3" and 20'-0" x 21'-3". Typical floor to floor height is 8'-6 1/2". Typical floor framing consists of poured in place concrete flat slabs with a perimeter beam. The typical floor slabs are 6 1/2" thick. Typical interior floor columns are 10"x 4'-4" and exterior columns are 1'-4"x2'-6". Each floor also has precast sunshades that have been cast integral with the perimeter beam. The elevator and stair shaft walls are 14" or 10" thick reinforced concrete cast in place walls that continue all the way to the foundations. These walls serve as the lateral force resting system for the Tower. The ground floor framing and basement floor framing, under the tower foot print, is similar to the typical floors. The perimeter basement walls are 8" thick reinforced concrete walls. The drawings indicate that the basement slab is a 4" thick slab on grade and has been cast integral with the perimeter walls. The foundation system for the tower consist of isolated spread footings bearing on rock surface (indicated on the drawings).

PRINCE TOWER: This building is a reinforced concrete structure consisting of 12 floors above the ground level and 2 basement levels. The roof has an elevator machine room. The basement levels serve as storage and parking areas. The building has one stair shaft at each end of the building and one stair shaft and two elevator shafts in the middle of the building. Typical floor plan dimensions are 271'-4" x 51'-0". Typical bay dimensions are 18'-0" x 20'-9". Typical floor to floor height is 8'-6 1/2". Typical floor framing consists of poured in place concrete flat slabs with a perimeter beam. The typical floor slabs are 6 1/2" thick. Typical interior floor columns are 10"x 4'-4 1/2" and exterior columns are 1'-4"x2'-6". Each floor also has precast sunshades that have been cast integral with the perimeter beam. The elevator and stair shaft walls are all 10" thick reinforced concrete cast in place walls that continue all the way to the foundations. These walls serve as the lateral force resting system for the Tower. The ground floor framing and basement floor framing, under the tower foot print, is similar to the typical floors. The ground floor framing supporting the garden and the basement floor framing supporting the parking area consist of 16" deep prestressed joists with a 4 1/2" thick poured in place concrete deck slab. The floor framing is supported by precast concrete frames. The perimeter basement walls are 8" thick reinforced concrete walls. The drawings indicate that the basement slab is a 4" thick slab on grade and has been cast integral with the perimeter walls. The foundation system for the tower consist of isolated spread footings bearing on rock surface (indicated on the drawings).

PARKING STRUCTURE: The reinforced concrete parking structure consists of two levels. A basement lower) level with a slab on grade, a second floor (partial basement/upper level) with a suspended floor slab and a roof consisting of a suspended reinforced concrete slab supporting a garden and a pool deck. Typical bay spacings are 18'-0" x 30'-0" and 18'-0" x 35'-0". The roof framing supporting the garden and the second floor framing supporting the parking area consist of 18" & 16" deep prestressed joists spaced at 9'-0" on centers, with 6" & 4 1/2" thick poured in place concrete deck slabs. The floor to floor height for the lower floor is 9'-6" and the floor to floor height for the upper level varies. The floor and roof framing are supported by precast concrete frames. The perimeter basement retaining walls are 8" thick reinforced concrete walls. The drawings indicate that the basement slab is a 4" thick slab on grade and has been cast integral with the perimeter walls. The foundation system for the parking garage consist of isolated spread footings under columns and continuous footings under walls. All footings bear on rock surface (indicated on the drawings).

OBSERVATION & COMMENTS

The drawings indicate that the project was designed for seismic loads for zone 1 intensity. The current earthquake zone for the island of Oahu is zone 2A. This change in the building code was adopted by the City and County of Honolulu in 1990. Structures which received a building permit before the new code went into effect are grandfathered as being acceptable from the building code standpoint.

QUEEN TOWER:

Apartment Units

All apartments observed did not indicate any structural related problems except for minor hair cracks on surfaces of concrete members. These cracks are typical of concrete structures and do not impair the integrity of the structure.

Some cracks and spalling of concrete were observed in roof parapet.

Common Areas

Lower Storage Area; Some cracks were observed in the slab on grade. These cracks existed between gridlines A & B and gridlines 6 & 8. These cracks may be repaired by epoxy injection.

Lower Lobby Level; No observations were made

Garden Entrance Level; Some cracks were observed in the suspended floor slab at the following locations

Between gridlines A & B and gridlines 8 & 9. These cracks are minor in nature and may be repaired with epoxy injection.

Between gridlines E & F and gridlines 8 & 9. These cracks are minor in nature and may be repaired with epoxy injection.

On gridline 7 between gridlines E & F. It seems that this crack was opened up by removing some concrete around it and was left open. This area may be epoxy injected to seal the crack and repair the area with a mortar patch.

Exterior Elevations; Cracks were observed in the end walls on the mauka side of the building. These cracks are noticeable because the epoxy
used to seal the cracks is squeezing out on the exterior face. Mr. Henry T. Fukuhara, the Maintenance Coordinator has informed us that these cracks had appeared over a period of time and have been repaired by injecting epoxy into the cracks from the inside of the building. Building maintenance records indicate that repairs were done in 1993 and 1994 by contractors who specialize in epoxy injection repairs.

KING TOWER:

Apartment Units

All apartments observed did not indicate any structural related problems except for minor hair cracks on surfaces of concrete members. These cracks are typical of concrete structures and do not impair the integrity of the structure.

Some cracking and spalling of concrete was observed in the edges of lanai slab in units # 540 and the units #1043. These cracks do not impair the overall integrity of the structure but the spalling concrete may be a public hazard. The cracking and spalling is a result of corrosion of edge reinforcement present in the lanai slab. These cracks should be repaired with proper patch materials per the manufacturer's recommendations.

Some cracks and spalling of concrete were observed in roof parapet.

Building maintenance records indicate that spalling of concrete at lanai edges has occured in the past in all three tower. Maintenance records also indicate that the damaged areas were repaired.

Common Areas

Lower Storage Area; No observations were made as the area was inaccessible.

LOBBY LEVEL; Some cracks and water damage was observed in the ceiling above the entry area. These cracks are minor in nature and may be repaired by epoxy injection.

Garden Entrance Level; Some settlement and cracking was observed in the side walk pavement of the building. These observations were made in the mauka ewa corner of the building between gridlines 1 & 2 and adjacent to gridline F. The settlement is relatively minor in nature and is confined to a local area. The side walk is independent of the main structure.

Exterior Elevations; Cracks were observed in the exterior walls on the Mauka side (3 panels) and the Diamond Head side (8 panels) of the building. These cracks are noticeable because the epoxy used to seal the cracks is squeezing out on the exterior face. Mr. Henry T. Fukuhara, the Maintenance Coordinator has informed us that these cracks and appeared over a period of time and have been repaired by injecting epoxy into the cracks from the inside of the building. Building maintenance records indicate that repairs were done in 1993 and 1994 by contractors who specialize in epoxy injection repairs.

PRINCE TOWER:

Apartment Units

All apartments observed did not indicate any structural related problems except for minor hair cracks on surfaces of concrete members. These cracks are typical of concrete structures and do not impair the integrity of the structure.

Some cracking of concrete was observed in the edges of lanai slab in unit #739. These cracks do not impair the overall integrity of the structure. The cracking may be a result of corrosion of reinforcement in side the concrete. This may result in spalling of concrete at some future date.

Building maintenance records indicate that spalling of concrete at lanai edges has occured in the past in this and in other towers. Maintenance records also indicate that the damaged areas were repaired.

Some cracks were observed in the concrete roof parapet.

Some deflection/sag was noticed in the floor slabs of units #827 & #928. No cracks were observed in the floor or the ceiling of the units. It is possible that the deflection in the slabs occurred at the time of construction. Since the structure does not indicate any obvious signs of movement, no action would be necessary.

Common Areas

Lower Parking Area; the following observations were made

Minor cracks were observed in the slab on grade

Cracks were observed in the ceiling of the slab in between gridlines 17 & 18 adjacent to gridline Y.

Damage due to seepage of water was observed in the basement wall along gridline Y at various locations.It seems that the water had seeped through the wall and slab joint at the ceiling level. At the time of observation no active seepage was observed.

Some separation was observed between the masonry and the concrete column on gridline 14 between gridlines B & C.

Damage due to leakage of water observed at the expansion joint (between the Parking Garage and the Prince Tower) located at gridline F between gridlines 2 & 3.

Lower Storage Area; No observations were made as the area was inaccessible.

Upper Parking Area; Some cracks and damage due to water seepage was observed in the ceiling of the floor above, along gridline A between gridlines 10 & 11. The water damage was observed at the slab and the beam joint. No active water seepage was observed.

Upper Storage Area; No observations were made as the area was inaccessible.

Garden Entrance/Lobby Level; No observations were made.

Exterior Elevations; Cracks were observed in the exterior walls on the Mauka side (2 panels) and the Makai side (1 panel) of the building. These cracks are noticeable because the epoxy used to seal the cracks is squeezing out on the exterior face. Mr. Henry T. Fukuhara, the Maintenance Coordinator has informed us that these cracks had appeared over a period of time and have been repaired by injecting epoxy into the cracks from the inside of the building. Building maintenance records indicate that repairs were done in 1993 and 1994 by contractors who specialize in epoxy injection repairs.

PARKING GARAGE:

Lower Parking Area; the following observations were made

Between gridlines 18 & 20, on gridline G2: Water seepage at the expansion joint was observed. The edge beam supporting the floor slab above was damaged due to continuous leakage of water. Some of the beam reinforcement is exposed and shows corrosion damage. A pool of water was observed adjacent to the wall. This condition can be corrected (see "Conclusions and Recommendations" on page 9).

Between gridlines F & G, along gridline 20: Indications of water seepage was observed in the retaining wall. It seems that some remedial measures were taken to address the situation.

Between gridlines 17 & 19 and gridlines D & E: Minor cracking was observed in the slab on grade.
No observations were made along the retaining wall above gridline A in the fresh air intake plenum area.

Along gridline 1, between gridlines A & D: Signs of water seepage through the wall cracks and dampness in wall was observed. Diagonal cracks were also observed in the retaining wall. Some of the crack widths ranged between 0.5mm to 0.8mm. This condition can be corrected (see "Conclusions and Recommendations" on page 9).

Between gridlines 1 & 2 and gridlines E & F: Cracks were observed in the ceiling of the upper level floor slab. These cracks do not compromise the initegrity of the structure.

Along gridline 3, between gridlines H & J: Cracks and dampness were observed in the retaining wall. This condition can be corrected (see "Conclusions and Recommendations" on page 9).

Upper Parking Area; the following observations were made

Along gridline 18, between gridlines J & K: Damage due to water seepage and exposed corroded reinforcement was observed. No active seepage of water was observed.

Along gridline 20, between gridlines F & G: Damage due to water seepage observed in the wall. No active seepage observed.

Along gridline 20, between gridlines E & F: Dampness and cracks were observed in the wall. The wall also appears to be bulging slightly in the middle. This condition can be corrected (see "Conclusions and Recommendations" on page 9). It is recommended that action be taken to address this condition as soon as possible.

Along gridline 19, between gridlines A & C: Corroded and exposed reinforcement was observed along the base of the wall.

Along gridline 1, between gridlines A & C: Cracks and damage due to water seepage was observed in the wall.

Along gridline 1, between gridlines F & G: damage due to water seepage was observed along the wall.

No observations were made along the retaining wall above gridline A in the fresh air intake plenum area.

Some minor diagonal cracking was observed around the column and floor slab joints at different locations.

Swimming Pool; The following observations were made

Cracks were observed in the concrete walk way around the swimming pool area.

There are indications of water damage due to water seepage through the pool walls and pool slab. No active leakage was observed.

Tea Houses; No observations were made

CONCLUSIONS AND RECOMMENDATIONS

The structures for Queen, King and the Prince Towers are in good condition. Spalling of concrete lanai edges observed in the three towers, is typical for concrete buildings in Hawaii due to the corrosive atmosphere. Even though this problem can affect the appearance of the building it does not impair the overall integrity of the structure. It is recommended to repair the damaged spots with the consultation of a professional engineer.

The end walls of the towers that have cracks are 6" thick reinforced concrete walls. These walls do not continue to the foundation of the structure and are not part of the primary lateral load resisting system of the structure. These walls may be contributing some stiffness to the building as non-structural in-fill wall elements. Cracks in these walls may have been caused due to a number different reasons including deflection of structure due to lateral loads or thermal movements in the structure. The panels can allow rain water to leak through these cracks and if this condition is not corrected, it can result in corrosion of reinforcement in the walls and spalling of concrete. It is the opinion of Hawaii Engineering Group that these cracks do not impair the overall integrity of the structure. It is recommended that these cracks be repaired with the consultation of a professional engineer.

Other cracks observed in the common areas and basement of the tower structures are minor in nature and do not impair the over all integrity of the structure. It is recommended that these cracks be repaired with the consultation of professional engineer.

The parking structure in a good condition except for the retaining wall areas identified in this report, where water seepage has caused damage to the wall. Damage caused by seepage of water can affect the integrity of the structural element. The reason for seepage of water through the walls and type of damage observed may be caused by failure of waterproofing (due to age) and drainage system behind the wall. Based on the observations made, it is the opinion of Hawaii Engineering Group that the integrity of retaining wall has not been significantly compromised. However, if the situation is not corrected it may be a problem in the future. It is recommended that this problem be investigated and repaired with the consultation of a professional engineer.

The cracks observed in floor slabs of the parking structure are insignificant. These cracks do not impair the integrity of the structure.

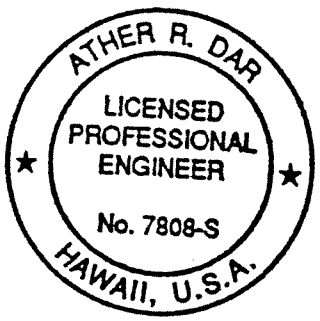
The cracks observed in the swimming pool slab and walls are insignificant. These cracks do not impair the integrity of the structure.

The building complex appears to be well maintained. The building structures are in good condition and can be expected to continue to perform well with normal maintenance and up keep.

This report does not address portions of the building other than those areas mentioned, nor does it provide any warranty either expressed or implied for any portion of the existing building. If there are any comments or questions on any item above, please do not hesitate in calling.

Submitted by:

Ather R. Dar, S.E.
Structural Engineer



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October 18, 1996

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QUEEN EMMA GARDENS CONDOMINIUM CONVERSION
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COMPOSITION OF PRINCIPAL STRUCTURAL RELATED CONSTRUCTION MATERIALS

QUEEN TOWER, KING TOWER, PRINCE TOWER, SWIMMING POOL DECK & PARKING STRUCTURE: The principal structural construction material for all these building is reinforced concrete. The foundations are all of poured in place reinforced concrete. The main structure of all towers and the swimming pool is also of poured in place reinforced concrete. Some non-structural elements of the three towers, for example the sun shades and the end wall panels are made from pre-cast reinforced concrete. The basement parking in the Prince Tower and the main Parking Structure have pre-cast reinforced concrete column and beam frames and pre-stressed concrete joists. The basement areas of all the above mentioned structures have in-fill (non-load bearing and partial load bearing) reinforced masonry (CMU) walls.

The general notes on the structural drawing for the project also indicate use of Structural Steel as one of the materials of construction. However, no structural steel members that may be considered part of the primary structure were observed during the walk through survey. The structural steel may be limited in use as concrete inserts only.

Some exterior (non-structural) walls of the Parking Structure and the planter walls around the Towers are made from Concrete Rubble Masonry (CRM).

TEA HOUSE STRUCTURES: The principal structural construction material for the Tea House Structures is Wood.

This report does not address portions of the building other than those areas mentioned, nor does it provide any warranty either expressed or implied for any portion of the existing building. If there are any comments or questions on any item above, please do not hesitate in calling.

Submitted by:

Ather R. Dar, S.E.
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October 22, 1996

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ELECTRICAL OBSERVATION REPORT

On Wednesday, August 7, 1996, a cursory inspection was performed on the subject property to evaluate the condition of it's electrical system. The inspection was limited to observations of exposed electrical devices, equipment and wiring, fire alarm system and devices, exit signs and security lighting. Subsequent inspections were performed on Monday August 26, 1996, Thursday, August 29, 1996 and Friday, September 6, 1996.

REFERENCES

1. Electrical Design Drawings:
   Queen Emma Gardens
   Minoru Yamasaki and Associates
   Minoru Yamasaki, Registered Professional Architect
   Cass S. Wadowski, Registered Professional Engineer
   Drawing Sheets E-2 thru E-14, dated April 15, 1962

2. National Electrical Code, 1996
   with C & C of Honolulu Ammendments

3. Uniform Fire Code, 1988
   with C & C of Honolulu Ammendments

Note: The plans noted above were used for reference only. Our scope of work did not include reviewing the design plans for conformance to applicable codes. The electrical drawings were assumed to be correct unless specifically noted otherwise. Building permits were assumed to have been obtained and all required inspections were assumed to have been performed by the proper authorities. The term "good condition" refers to the observed device or equipment being physically free from excessive deterioration and, if tested, fully performing its intended function.

GENERAL

The subject property consists three multi-story buildings, a two level parking structure, a garden area, which included two tea houses and a fish pond, parking areas, grassed areas and a swimming pool and a wading pool. The buildings are about 33 years old. Two of the structures, the King Building and the Queen Building, are 22 stories high with a garden level and two storage levels below. The third, the Prince Building, is 11 stories high with a garden level and two storage levels below.

ELECTRICAL SERVICE SYSTEM

The buildings are fed from underground 12 KV cables from Nuuanu Avenue to a cable vault in the Queen Building. From the cable vault, cables run to the transformer vaults in each building. The transformers convert the power from 12 KV to 120/208 volts and power is distributed throughout the buildings through distribution equipment in the main electrical rooms. Since the service equipment is indoors, it appears to be in very good condition and, in addition, appears to be well maintained. No corrosion or other physical signs of deterioration were noted.

The doors to the electrical rooms are locked and the doors are marked with "high voltage" signs. These signs do not meet the NEC requirements described in section 110-43 (c), which require that as a minimum, the signs should read "Warning - High Voltage - Keep Out". In addition, the operating voltage of the exposed parts of the transformer installation is not marked on the equipment or structures as required by NEC section 450-8(d). Signs meeting the NEC requirements should be installed immediately.

The door handles to the transformer room are the rotary type. NEC section 450-43(c) requires that these doors be equipped "with panic bars, pressure plates or other devices that are normally latched but open under simple pressure". The door handles should be replaced as soon as possible.

The lights in the transformer room in the Prince Building were not functioning. It appears that the bulbs were burnt out. The lighting should be corrected immediately, since this poses an extreme hazard due to the exposed high voltage lines.

The transformer rooms are ventilated by fans activated by thermostats. The openings for the fans do not meet the requirement of NEC section 450-45(c), which requires that the openings be a minimum of 3 square inches per KVA or 750 square inches for natural ventilation. Consequently, the fans must be operational to meet the requirements of the NEC. No evaluation was made to see if the size of the fans were large enough to meet the requirements of NEC section 450-9, which requires that ventilation be adequate to dispose of the transformer full load losses without temperature rise that is in excess of the transformer ratings. No observation was made to see if the temperature is maintained to ensure that the transformer rating is not exceeded.

The apartments are fed from the main electrical rooms in each building through risers. There are two risers in each of the King and Queen Buildings. Each riser has a capacity of 200 amps and feeds 22 floor panels each. Each floor panel feeds four apartments. There are five risers in the Prince Building. Each riser has a capacity of 200 amps and feeds 11 panels. Each panel feeds four apartments.

Designed load for each apartment is one 40-amp circuit for an electric range, two 20 amp circuits for small appliances and one 20-amp circuit for lighting and general receptacle load. No provisions have been made for air conditioners and dishwashers. Any significant increase in these types of loads should closely be monitored.

EMERGENCY GENERATOR

In April 1995, an emergency generator system was installed. The installation is located mauka of the parking structure. Since the unit is new, it physically appears to be in very good condition. According to Mr. Henry Fukuhara, Queen Emma Gardens maintenance coordinator, the emergency generator provides power to the elevators and the common area lights during outages. The elevators are fed emergency power from the electrical room emergency panel while the emergency lights are fed via emergency panels on each floor.

Per Mr. Fukuhara, "no load" tests are run on a periodic basis. We recommend that the interval be monthly. We also recommend that in addition to the periodic "no load" tests, "load" tests be run on a yearly basis.

FIRE ALARM SYSTEM

There is a central fire alarm system for the property. The fire alarm control panel is located in the maintenance office. All pull stations, alarm devices and smoke detectors, including those is the apartment units, are tied in to the main fire alarm control panel.

The present Fire Code does not require that the apartment smoke detectors be tied in to the fire alarm control panel because of the nuisance factor. However, according to Mr. Fukuhara, there have been no appreciable false alarms from the apartment units. There were significantly

more false alarms from the hallway smoke detectors, probably from dust caused by windy conditions in the hallways.

One smoke detector was noted in each apartment unit. From the appearance, the units were tied in to the fire alarm control panel in the maintenance office. None of the units observed were tested to see if they were functional or not.

Pull stations were noted in the elevator lobby as well as to the exit stairs as required by the Fire Code.

SECURITY LIGHTING

The interior exit corridors appear to be adequately lit. The hallways are lit by fluorescent fixtures above each apartment door. The corridors to the stairways are lighted by two ceiling mounted fixtures and appear to be adequate. The stairways have a 4 ' fluorescent fixture at each landing and appear to be adequate. Since these fixtures are on the emergency generator, lighting during outages should be adequate.

The lighting in the parking structure appears to be low. A study should be made to determine the adequacy of this lighting.

The lighting in the driveway and other roadways appears to be adequate.

Exit signs were noted on each floor level at each end of the hallways leading to the stairways as well as the middle stairway in the Prince building. Exit signs were also noted in the parking garage. The exit signs in the parking garage are deteriorated to a point that they must be replaced immediately. In addition, the mounting height is presently too high and either the structural beams or hung piping obscure their visibility. New exit signs should be installed at the proper locations.

LAUNDRY AREAS

There is a laundry room in each building with 6 washers and 6 dryers in each. The laundry room in the King Building is on the Lobby level while the laundry room in the Queen and Prince Buildings are on the Garden levels. The panels, lighting fixtures and other electrical devices do not show any significant signs of physical deterioration. It was noted that seven of the diffusers for the ceiling mounted fluorescent fixtures in the laundry room in the Queen Building were missing.

Receptacles located in the laundry rooms were not in areas where ground fault protection is required by NEC section 210-8.

Hot water is provided by a heat pump system which is backed by two gas water heaters. Presently, the cool air from the heat pumps is exhausted into the parking structure.

SWIMMING POOL AND WADING POOL

The electrical system for the pool was checked. There are two receptacles near the adult pool area within 20 feet of the pool edge and are about 12 inches off the ground. These receptacles are required to be GFI protected by the NEC section 210-8(a)(3). It is strongly recommended that these receptacles be changed as soon as possible. These are requirements of the current Code and may not have been required at the time of construction.

COMMON AREAS

NEC Section 210-8(a)(3) requires that all outdoor receptacles installed with direct access to grade shall be GFI protected. Seven such receptacles on the Garden level and three on the Lobby level of the Queen Building were noted. One of the seven, located on the mauka end of the Diamond Head side of the building is severely corroded and must be replaced immediately.

In addition, another six receptacles on the Garden level of the King building also violated the requirements of NEC Section 210-8(a)(3). These, like those on the Queen Building, have weather-proof covers but are not GFI protected.

Of the eight light fixtures in the men's and women's rest rooms on the Garden level of the Prince Building , six have the sockets not secured to the fixture housing. Consequently, the light bulbs are resting on the plastic diffusers and have melted through. A possible fire as well as a safety hazard exists here. These fixtures should be replaced immediately.

APARTMENT UNITS

Fourteen units were inspected. Units varied from studios, one-bedroom to two-bedroom units. All units had one kitchen and one bathroom. Some units had a lanai and others did not.

The 1996 NEC section 210-8(a) requires that receptacles in the bathrooms and receptacles located on countertops in the kitchens be GFI protected. The receptacles in all the units inspected were not GFI protected. GFI protected receptacles may have not been required by the electrical code at the time the buildings were built.

The receptacle layout is in compliance with the current NEC section 210-52(a). The receptacles were generally within the 6 feet maximum distance from any point along the wall line. The receptacles in the lanais were weather protected as required.

The receptacles were generally in good condition. There was one instance where the receptacle plate showed signs of corrosion, but the rest of the devices inspected did not show any signs of deterioration.

Each bedroom, living room and kitchen had either a ceiling light fixture or a switched as required by NEC section 210-70. All switches tested functioned properly. All light fixtures appeared to be in good condition.

CONCLUSIONS

The existing electrical service for each building is adequately sized for the present loads. The loads designed for include an electric range, two appliance circuits for the kitchen and one circuit for general lighting and power. Any significant additions to the electrical load, such as air conditioners and dish washers, should be monitored very carefully.

The electrical service equipment appears to be in good condition. This is a result of the equipment being in an enclosed environment and good maintenance. Review of the maintenance procedures should be made and continued effort should be maintained for the equipment.

Corrective actions that affect safety of personnel should be addressed as soon as possible. As enumerated above, these are:

1. Warning signs should be installed on the transformer room doors immediately. These should read, as a minimum, "Warning-High Voltage-Keep Out".

2. The operating voltages of the exposed live parts of the transformer should be marked by signs or visible markings on the equipment immediately.

3. The door handles out of the transformer rooms should be changed to pressure types immediately.

4. The light bulbs in the transformer vault in the Prince Building should be replaced immediately.

5. The exit signs in the parking structure should be replaced immediately.

6. The receptacles in the pool area should be changed to GFI protected ones immediately.

7. The outdoor receptacles on the King and Queen Buildings should be changed to GFI protected ones immediately.

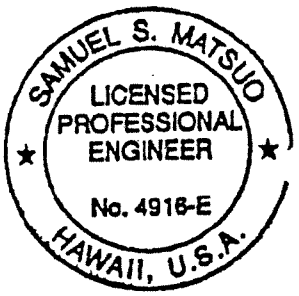
8. The light fixtures in the bathrooms on the Garden level of the Prince Building should be replaced immediately.

9. The receptacles in the bathrooms and on the kitchen counters in the apartment units should be changed as they are renovated.

Overall, the general condition of the electrical equipment is good. The maintenance has been adequate to keep the system operational. However, most of the equipment is past its useful economic life of 25 years. But with normal replacement and upkeep, many more years of life can be expected.

Submitted by:

Samuel S. Matsuo
PhD, PE



RS Engineering
3408 Waialae Avenue
Honolulu, Hawaii 96816

Queen Emma Gardens Development Co., Inc.
931 University Avenue
Honolulu, Hawaii 96826

Attn: Mr. Peter Savio

Gentlemen:

Subject: Queen Emma Gardens

There are no separately metered electrical utilities at the subject facility.

Very truly yours,

Samuel S Matsuo

Samuel S. Matsuo
PhD, PE

MECHANICAL SYSTEMS OBSERVATION REPORT

OF

QUEEN EMMA GARDENS CONDOMINIUM

FOR

MR. PETER SAVIO, PRESIDENT

QUEEN EMMA GARDENS DEVELOPMENT CO., INC.

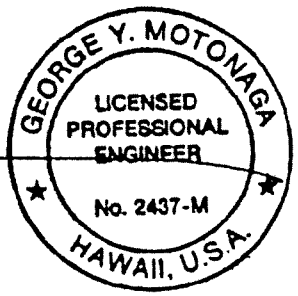
931 UNIVERSITY AVENUE
HONOLULU, HAWAII

SEPTEMBER 1996
cfw

REPORT OF QUEEN EMMA GARDENS CONDOMINIUM

QUEEN, KING AND PRINCE TOWERS

SUBMITTED BY



GEORGE Y. MOTONAGA, P.E.

LANGE MOTONAGA, INC.
826 KAHEKA STREET, SUITE 305
HONOLULU, HAWAII, 96814

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INTRODUCTION

This is a mechanical system observation report for Queen Emma Gardens Condominium. Generally the mechanical systems intended to be covered under this observation report are the plumbing, ventilation & air conditioning, and fire protection systems.

Our basic scope is to provide Savio Development Company with insight into the general condition of the major mechanical components within the buildings. Cursory observations and inquiries were coordinated with building maintenance coordinator, Henry Fukuhara. Only selected apartment units were observed for information as to mechanical conditions, without having any part of the building being demolished or removed. No design analysis, building permit verification, or in depth code reviews are included. Our observations will be up to approximately five feet outside of building walls. We believe that the Civil's scope is generally the site utilities and connections to the city's systems and permits for Waste Water Connections. No hazardous material assessment service is included in this report. We do not offer this service.

Observations were conducted at various times between August 14th and September 3rd as coordinated with Henry Fukuhara, Maintenance Coordinator; Ernest Umemoto, Architect; Robert Daley, General Manager; and other engineers on the observation team.

Building plans were provided as referenced in this report. These plans were not as-built drawings but original construction plans. No as-built drawings were available or provided.

This complex consisted of three main apartment towers; Queen, King and Prince; two large levels of underground parking; a Garden level with oval

INTRODUCTION
.....(continued)

swimming and round wading pools; two Teahouses with surrounding fish ponds; and outside parking areas along main driveway.

The Queen and King Towers are 22 stories high. The Prince Tower is 12 stories high. The Prince Tower has two parking levels interconnected to the main parking areas.

This complex is connected to the street gas, sewer, water, and storm drain systems. Gas, water and sewer connections are provided on the Nuuanu Avenue side. Sewer and storm drain connections are provided on Vineyard Boulevard side.

REFERENCES

1. Mechanical Design Drawings
   (Original construction drawings)

   QUEEN EMMA GARDENS LTD.
   Minoru Yamasaki, Registered Professional Architect;
   Cass. S. Wado, Registered Professional Engineer Hawaii
   Plans provided: Sheets M-1 through M-26
   Dated: April 15, 1962
   Project No. 5933

2. No as-built drawings were available from building management.

3. 1511, 1515 & 1519 Nuuanu Avenue
   Honolulu, Hawaii
   TMK: (1) 2-1-005-004

ASSUMPTIONS

1. Mechanical design drawings are correct unless observed otherwise.

2. Mechanical equipment are operational unless noted otherwise by observation or noted by Queen Emma Garden management.

3. Buildings are about 33 years old and installation is original unless noted otherwise.

4. Building permits were obtained for all work and changes for present usage.

OBSERVATION/ DISCUSSION

PLUMBING SYSTEM

Apartment Units

Typical apartment units opened for observation were Prince Tower, Unit no. 130, Unit no. 721, Unit no. 739, Unit no. 827, Unit no. 928, Unit no. 1225; Queen Tower, Unit no. 1454, Unit no. 1950, Unit no. 2052; King Tower, Unit no. 541, Unit no. 642, Unit no. 1043, Unit no. 2046, Unit no. 2240.

The kitchen fixtures seem to be operational or being replaced. The sink was either a single compartment stainless steel sink (studio unit) with a single handle faucet, or a double compartment stainless steel sink (all others) with a single handle faucet. All sinks have a garbage disposal installed.

The bathroom fixtures seem to be in operational condition or being replaced. A typical bathroom has a non water saver floor mounted tank type water closet, a wall hung or countertop lavatory with a dual handle faucet, and a tub/shower or shower stall with dual handle faucet. Only one water saver water closet was noted in our observations.

All fixtures are either old or new depending on unit status. Units are being upgraded as unit becomes available when tenants leave.

Each unit is not separately metered for water use.

Common Area Systems

The plumbing system for Queen and King Towers seem basically the same as the design drawings except that about 11 years ago a heat pump domestic hot water system was installed. The original gas water heaters

OBSERVATION/ DISCUSSION (continued)

were removed except two that are basically used as back-up. The domestic water booster pump system for each tower was recently replaced.

The plumbing system for the Prince Tower was similar to the other two towers but larger in capacity.

The domestic water booster pump system was replaced about three years ago for each tower. For the Queen and King Towers a Pacoflow 9000 booster unit with two pumps, one a 30 or 40 hp & one a 20 hp, were noted and for the Prince Tower the booster unit had three pumps, two 25 hp & one a 15 hp motor pump. These systems were noted to be under maintenance with Doonwood Engineering.

The typical heat pump water heater system for a tower consist of a compressor/condenser heat exchanger unit and a air evaporator unit. Each system has either a dual or single water storage tank associated with the heat pump system. The Queen Tower unit was recently repaired with a new replacement heat exchanger and retrofitted with a new replacement refrigerant gas R134a in place of the old R12. The other two towers still have the old R12 refrigerant. The R12 refrigerant is no longer manufactured and is required by EPA to be replaced with a non ozone depleting gas. The air evaporator fan coil unit seems to be showing its age and replacement maybe required in the near future. Noted coil fin blockage with some fin deterioration.

Swimming pool and wadding pool equipment are maintained by management and are in operational condition. No special automatic chemical feed system is provided.

OBSERVATION/ DISCUSSION
(continued)

Chlorine and other chemicals are hand fed. Pool make-up water is manually controlled. From the plans it seems that the filter backwash drain is connected to the storm drain system.

Emergency Generator Unit was installed into one of the garage intake areaway last year and seem to be in good condition. Storm drain for the Areaway was changed into a sump pump system where the pump discharges into a drywell on grade. The engine exhaust, radiator exhaust air, and fuel oil tank vent all terminated above grade. The fuel tank fill is located at the grating opening level without any spill containment. It was noted to be maintained and tested by Pacific Machinery.

Trash chutes are provided with a wash down head at the top of the chute. A floor drain is provided at the bottom of the trash chute. This floor drain seems to be connected to the storm drain system according to the plans.

The original plans noted that each tower had an elevator pit sump pump. But the only one installed was for the Queen Tower in January of 1995. Emergency portable pumps are provided when needed.

An 8 inch reduced pressure backflow preventor (RPBP) was installed on the main water supply into this complex to meet Board of Water Supply requirements. The RPBP was a Hersey model 8-6CMDA with two isolation valves mounted about 38 inches above slab. Installation seem to meet Board of Water Supply requirements.

Utilities; water, sewer, and gas; are not metered individually for each tower. Individual units are not separately metered for water use.

OBSERVATION/ DISCUSSION (continued)

There are no irrigation piping plans available. It was pointed out that the irrigation system are the visible atmospheric vacuum breakers with PVC piping in the planter areas. Noted also that hose bibbs and box hydrants did not have any vacuum breakers.

Queen Tower has a common Laundromat at the Garden level. King Tower has a common Laundromat at the Lobby level. Prince Tower has a common Laundromat at the Lobby Level. This area seems well maintained. The clothes dryers are gas type. It was noted to a concession with unknown contract specifics.

Each Teahouse is provided with a kitchen sink, electric water heater, and a toilet with a wall hung lavatory, and floor mounted water closet. All noted to be operational.

A number of common area toilets were noted and seem to be in operational condition and well maintained.

Reviewing the maintenance records for plumbing repairs, it was brought to our attention that generally all the kitchen waste stacks and sink drain piping are corroded and are in very bad condition. It has been a continuous fix problem. All the other bathroom soil stacks being the same age and using the condition of the kitchen waste stack piping system as an indication, all other soil stacks will also be requiring major replacements in the very near future. Replacements can be phased.

Code Items

Some plumbing code items noted from cursory observations and design drawing review that do not meet present code are as follows:

OBSERVATION/ DISCUSSION (continued)

- No shut off valves for individual units. Maybe required during future renovation and repairs.
- No sudsing sewer piping consideration for vertical stacks to minimize sudsing at the low points.
- No pressure balance type shower valve unit.
- No water conservation fixtures.

VENTILATION & AIR CONDITIONING SYSTEMS

Typically, the apartment unit vertical vent shafts are common with the pipe shafts. There are no sheetmetal ductwork provided to carry the exhaust air from the apartment wall exhaust register to the roof exhaust fan. This scheme does not comply with present building code. All the apartment shaft exhaust fans are located on the roof of the towers. All the toilets are mechanically vented. All the kitchen is mechanically vented except the end units, where the unit has a window or lanai door.

The roof exhaust fans are utility type fans ducted from each shaft roof opening to the fan inlet. The fans are the original ones as noted and are operational but looks old and shows heavy corrosion. Fan and ducts were heavily painted. Noted belt and drive noises from many. Fan performance is questionable in this condition and age. Typically two shafts are connected to one fan. This is and will be a continuous maintenance item.

Noted that the lower common areas of the Towers are mechanically ventilated with supply and exhaust air. Fans and ductwork are located at these lower levels. Areaway shafts are provided for intake and exhaust air.

OBSERVATION/ DISCUSSION (continued)

The King Tower lobby level office spaces are noted with split d-x air conditioning systems. Condition of the equipment for the management office looks old and have reached it economic life. The previous RAM Page office area unit is non functional and needs replacement. This office is being renovated and not occupied. The ductless air conditioning system for the maintenance/security office area is in good operational condition.

The underground Parking Garage is ventilated by supply or intake areaways and exhaust areaways. The areaway shafts are provided with belt driven propellar type fans. These fans were noted to be the originals and are about 33 years old. They are operational but show signs of corrosion. These fans are controlled manually as needed. This is and will be a continuous maintenance item.

Generally all accessories such as volume dampers, fire dampers, controllers and air devices are corroded.

Code Items

Some building code items noted from cursory observations and design drawing review are as follows:

- No separate sheetmetal duct shaft for kitchen and bathroom exhaust systems in pipe chase. Pipe chase cannot be used as a combination duct shaft and pipe chase.

- Ventilation rates for building spaces.

OBSERVATION/ DISCUSSION
(continued)

FIRE PROTECTION SYSTEM

The Tower's Lower Storage Floors and the two level of the underground parking garage structure are generally fully protected by automatic, wet type, fire sprinkler systems. The Tower's Upper Storage Floors are generally partially protected by automatic, wet type, fire sprinkler systems. The Transformer Vault, Switchgear and Elevator Machine Rooms were not protected with fire sprinklers.

The apartment floors have no fire sprinkler protection.

Trash chutes are provided with a fire sprinkler head at the top of the chute. No fire sprinkler heads on other floors were indicated.

All fire sprinkler alarm riser assemblies for the complex are located in the basement of the King Tower. Five fire zones were indicated.

Sprinkler piping and accessories are old and corroding.

Fire dampers are corroded and its function questionable.

Dry standpipes are located in both stairwells for the Prince Tower. Dry standpipe is located only in the mauka stairwell for the Queen and King Towers. These standpipes terminate above the roof on each tower. Generally they seem to be in operational condition.

Wet standpipe/Fire Hose Cabinets are located on each apartment floor and throughout the common areas. They are old but seem to be operational and with a test tag.

OBSERVATION/ DISCUSSION
(continued)

Code Items

Some building code items noted from cursory observations and design drawing review are as follows:

- The building stairwells have no smoke tower ventilation system per current code.
- Electrical related rooms have no fire sprinkler protection. (maybe exempt by Electrical code)
- Elevator shafts and machine rooms have no fire sprinkler protection. (maybe exempt by Electrical code)
- No Trash Chute fire sprinkler head at intermediate floors.

CONCLUSION/ RECOMMENDATION

PLUMBING SYSTEM

Generally the plumbing systems seem to be in a maintained condition. But these systems being about 33 years old have exceeded their economic life of 25 years. Constant repairs, fixes, and replacement cost should be anticipated in future maintenance budget. Fixes have been done to inaccessible parts of the plumbing system and need to be addressed now.

Replace all three Towers kitchen sink waste stacks and associated piping and fittings, phased as needed, as soon as possible. Closely coordinate this work with all floors vertically. This pipe replacement will require the pipe chase wall (an exhaust shaft also) kitchen counters and cabinets be removed on all floors for any one stack. The probable mechanical average replacement cost per stack is $65,000. There are about 31 stacks total for the three Towers.

Treat and paint all rusted pipe supports on the roof of the tower. Cost unknown.

Correct the water pressure variations which occur in each tower's cold and hot water system effecting the water temperature at the shower head. This may require the replacement of each shower valve assembly with a new pressure balance type as the present code requires. Shower valve assembly replacement probable cost is approximately $1700 per apartment and will be a responsibility of the owner. This cost is for mechanical work only and does not include wall, shaft, counter, or cabinet work.

Convert fixtures to water conservation type. The probable replacement cost is $300,000.

CONCLUSION/ RECOMMENDATION (continued)

Convert heat pump refrigerant R12 to a non ozone depleting gas or replace units. Recommend a study. Cost unknown.

A waste water study is recommended. Noted on plans that floor drains connected to storm drain system which we believe needs to be connected to the sewer system. Cost impact unknown.

Recommend a swimming pool study to determine code compliance. Cost impact unknown.

Provide vacuum breakers for all hose bibbs and box hydrants or replace if necessary to comply with code. Probable cost $10,000.

Recommend study for all other code compliance items to meet current plumbing code. Cost impact unknown.

VENTILATION & AIR CONDITIONING SYSTEMS

All systems seemed to be operational and fairly maintained. But having past its economic life of 25 years, all the ventilation fans and accessories are due for programed replacements to regain its intended efficiency and function. Probable replacement cost is $400,000.

Replace both split d-x air conditioning units for the office areas. Probable replacement cost is $20,000.

Providing separate sheetmetal duct shaft for kitchen and bathroom exhaust will be costly, but recommend a study be done for concept, costing, and possible decision. Cost impact unknown.

CONCLUSION/ RECOMMENDATION (continued)

Conduct indepth design/code study for Tower Upper and Lower Storage Levels for ventilation adequacy due to partition and use changes from original design intent. Cost impact unknown.

FIRE PROTECTION SYSTEM

Obtain automatic fire sprinkler system approval from Hawaii Insurance Rating Bureau if original system was not recorded. Obtain fire sprinkler and standpipe system test and performance certification conducted by a certified fire inspector. Cost unknown.

Clean and paint corroding fire sprinkler piping and accessories. Probable cost is $100,000.

Test automatic function for all fire dampers and replace as necessary. Cost impact unknown.

Exit stairwell smoke tower ventilation system may become a future requirement. Cost impact unknown.

Fire sprinkle the remaining portions of the Tower Complex presently not protected. Probable cost is $1,500,000.

Add fire sprinkler intermediate floor heads in trash chute or replace with new trash chute. Cost unknown.

GENERAL

Plans indicated that individual apartments were not designed to have air conditioners, dishwashers, and clothes washers & dryers. Presently apartment owners cannot install these appliances. But with the association of apartment owners direction and applicable system re-engineering, they may become installable. These installations can be very costly.

CONCLUSION/ RECOMMENDATION (continued)

Generally the plumbing systems observed are in usable condition and will require on going repairs, fixes, and replacements to keep it working properly. Replacement or repair of plumbing fixtures, faucets, equipments, and piping have been taking place on an on-going basis and will continue. Many fixtures looked new due to on going replacements. Existing fixtures generally does not meet today's current water conservation code. The underground soil, water, fire line, standpipe lines, storm drain, and gas systems serving the tower buildings, swimming & wading pool, and teahouses are old and will generally require constant repairs, fixes, and possible major replacements in the near future.

Arrange for the Fire Marshall to inspect this building complex for code violations and evaluate his comments and implement as necessary to comply.

Overall, the mechanical system maintenance for this building has been adequate to keep it operational. But due to the age and above normal use, higher replacements should be anticipated as it has far pasted its 25 years of economic life. With a highly skilled management team, constant maintenance and high replacements, the plumbing, ventilation & air conditioning, and fire protection systems could provide many more years of useful service. This project seems to be adequately served by the principle utilities of water, sewer, gas, and storm drainage.

The present mechanical systems may not meet today's codes, and as repairs and replacements are undertaken the Building Codes may require current code compliance. The cost of compliance will be very expensive.

CONCLUSION/ RECOMMENDATION (continued)

The above applicable comments for apartments should generally apply to all of the units within this building since they are all somewhat of the same age and maintenance level.

ERNEST M. UMEMOTO AIA
Architect, Inc.

October 28, 1996

Peter Savio, President
Queen Emma Gardens Development Co., Inc.
931 University Avenue, Suite 105
Honolulu, Hawaii 96826

Subject: **Queen Emma Gardens Condominium Conversion**
1511, 1515 & 1519 Nuuanu Ave., Honolulu, Hawaii
TMK:(1)2-1-05:04

ARCHITECTURAL REPORT

A Site Visit was done to note cursory observations of Queen Emma Gardens. Only what was visible at the walk-through is noted without further testing or further investigations. The project consists of 3 high-rise structures with underground basement parking and storage areas. The three structures are the Queen Tower (makai), the King Tower (mauka), and the Prince Tower (Loihi) Buildings. a two-story parking garage connects the King Tower and Prince Tower structures. The construction drawings dated April 15, 1962 were found but some changes were observed from the original design.

No Soils and Foundation Engineer, Civil Engineer, Hazardous Waste (asbestos, etc.) or other specialists were retained. Structural, Mechanical and Electrical Engineers were retained for separate reports. The Buildings were built prior to the latest Building Code and Zoning Ordinances and may not meet all the latest requirements. When future additions or alterations are executed these latest requirements will have to be met. "Grandfathered" and non-conforming status will limit future renovations, alterations and addition possibilities.

Compliance to the ADA Requirements for disability accommodations are not required for single family units, however, common areas may require compliance. The Buildings do not have any handicap accessible apartments and do not comply to the ADA or FHA Requirements for disability accommodations. Public visitors and possible commercial lease facilities are required to comply with the Americans with Disabilities Act(ADA). "Readily achievable" removal of architectural barriers are required by law. There are presently no commercial lease facilities on site, but

442 Kaleimamahu Street, Honolulu, Hawaii 96825 • phone (808) 395-3744, fax (808) 395-6441

visitors are allowed on the premises and no accommodations are provided. It is recommended that an Architect be retained to design a barrier removal plan and obtain Building Permits to accommodate public visitors and guests. Any future new use or changes in occupancy will require full compliance to ADA requirements.

The following concerns were observed and are presented for your consideration:

COMMON AREAS

1. There are cracks in the sidewalk. Concrete repair is recommended to prevent pedestrians slipping and tripping.

2. Exterior stairs that are major exit ways have handrails wider apart than the maximum allowed by Code. These may be non-conforming and may be grandfathered.

3. Lighting of exit ways should be reviewed.

4. Lighting and security measures in dark walkways and public areas (such as parking stalls and storage) should be reviewed.

5. Termite damage was seen in the teahouses but not observed in the high-rises. Periodic termite inspection is recommended.

6. Ramps do not have handrails as required by Code. These may be non-conforming and may be grandfathered.

7. Cracks and drops in concrete paving at joints and edges could contribute to tripping. Recommend repair or replacment by ramps.

8. Fire pull stations were identified in the parking garages by orange colored light fixtures but not identified with sign.

9. All the exit doors from the garage were not identified with exit signs. These exit signs should be on emergency power.

10. Fire hose standpipes and fire extinguishers should be periodically inspected as required by Code and tagged.

11. No tests were done on building materials and finishes for toxic content. New painting should be EPA approved.

12. No GFIC electrical convenience outlets were provided in public toilets, laundry and other areas near water fixtures and constitutes a safety hazard. Although legal when built, recommend electrical outlets near wet areas be replaced with GFIC outlets.

13. Plumbing for water supply and water fountains should be lead-free.

14. Low-flow plumbing fixtures must be used for all future replacements.

15. Smoke detectors were seen in trash chute dumpster rooms but were not present in maintenance rooms, laundry, electrical rooms and other rooms where combustion may occur.

16. Storage should not be permitted under open stairs. This should be a Building Maintenance check item.

17. Walkways and stairs do not have a consistent level of texturing and water drainage slope which may cause slipping. Constant maintenance to clear debris, algae and fungus from surfaces is necessary.

18. The building fire alarm is a local system. The emergency procedures local sounding alarm range and testing records were not examined. A report by the Fire Department is recommended.

19. Exterior walkways and stairway lighting should illuminate the complete exit paths and be switched by sensor switch instead of timer switches.

20. Due to minor construction deficiencies some stairway risers and treads vary more than 3/8" currently permissible by Code.

21. Due to minor construction deficiencies some entry doors are more than 1/2" above the landing.

22. Roof access was locked and should be kept locked by Building Management policy with access allowed only to maintenance workers.

23. Site encroachments, access routes and other site features should be reviewed in the Site Survey drawn by a licensed Surveyor.

24. No observations were made of the following, but attention by Building Maintenance is recommended:

a. Prevention of access in or out of Site along mauka and Koko Head freeways.
b. Prevention of access in or out of Site where guardrails do not protect drop in site elevation.
c. Security for personal safety and property from injury or damage.
d. Flooding and blockages to drainage.
e. Condition of retaining walls.
f. Safety grating, covers and secured opening from entry by unauthorized personnel.
g. Swimming and wading pool safety rules.
h. Playground and children play yard safety rules.
i. Site soil settlements.
j. Trash removal safety rules.
k. Clearance of gas heater flues to occupied areas.
l. Clearance of exhaust air to occupied areas.
m. Parking garage exhaust fans.
n. Fire doors and frames labels.
o. Ground condition under playground equipment.

25. Building lobby was not secured from exterior entry. No enter phone system, security checkpoints or cameras are present.

26. Exhaust from laundry dryers are within one story from apartment windows and do not have filters. Laundry lint from dryer must be periodically cleaned.

27. Exit doors were found propped open when closers were required.

28. Area separation doors due to occupancy group transitions were found propped open or missing when closers were required. An example is between garage and lobby entry.

29. Electrical panels were generally clear for servicing but at least one instance of storage blocking panels was observed.

30. Loading areas are available near porte cocheres of all towers, but loading stalls are not marked.

31. The children play areas are not fenced and border an open pond near the Queen Tower and the swimming and wading pools between the King and Prince Towers.

32. The number of handicap parking stalls is below current Code requirements and no exterior route of travel is provided per ADA. Conforming signs, ramps, curb cuts and clear path should be provided.

33. Cracks in the roofing surface layer were observed. Recommend that a roofer check the roof for repair work to prevent leaking.

34. The roof drains appear too small. Either provide scupper or an engineering examination of the drain size is recommended.

35. Unused TV antennas on the roof should be removed.

36. Parapets on the roof have cracked, chipped and exposed reinforcing. Repair is required to prevent further deterioration.

37. Flammables were observed in unprotected areas and must be relocated to approved fire-resistive storage.

    Room 313 gas container for mowers.
    Room 310 gas in generator.
    Lower basement housekeeping - flammables, paint, hot plate.
    Lower basement mauka storeroom - gas, thinner.
    Lower basement maintenance shop - woodworking, flammables, thinner.
    Queen Tower garden level gardeners room - gas in lawn mower.
    Separate mauka maintenance shed - gas in lawn mowers.

38. There is a crawl space under the first apartment floor accessed via a scuttle from the garden level. There is also a plenum space between the roof slab and the top apartment ceiling. There is no indication that there are fire-stopped as required by current Code. Further investigation by an Engineer is recommended.

39. There is stabilized chlorinating concentrate stored in Room 315. Building Management needs to have rules regarding storage of chlorine, gardening, maintenance and housekeeping chemicals.

40. Maintenance office in the King Tower ground level has fire panel that is not keyed for HFD access.

41. Commercial lease space in the King Tower ground floor does not meet present zoning unless the business is ancillary to the major building use. Commercial

use may be grandfathered due to historical use (Ram Chargers). Recommend investigation at DLU before tenant leases are processed.

42. The above commercial lease space has a toilet added without permit and without toilet exhaust.

43. The above commercial lease space has circuit breaker boxes open without safety covers.

44. Guardrail recommended at open stair by emergency generator room.

45. Emergency Generator Room needs roof or screen over grating to prevent leaves from plugging floor drain.

46. Upper garage mauka doors to garden stair locked. Building Management needs to verify that these were not required exit doors.

47. Utility spaces may have components such as ship ladder to Elevator Machine Room that do not meet current OSHA Standards but may be grandfathered.

48. Maintenance Shop in lower basement not fire separated from garage. This needs to be altered to conform.

49. Painting done in Maintenance Shop without exhaust hood.

50. Fire rated door labels have been painted over and cannot be read.

51. Pump Room does not have fire sprinklers should not be blocked by piping.

52. Fire extinguisher in Maintenance Shops not strategically located.

53. Electrical Room should be fire separated from storage lockers. No fire sprinklers or detectors in either areas.

54. High Voltage Room must have "NO ENTRY" sign. Maintenance personnel have access at present and are not trained to access these rooms.

55. Fire detector in trash chute dumpster room dirty and covered with cobwebs. Periodic cleaning of fire detector required.

56. Lower parking Staff Lunch Room is not vented with outside air.

57. Carwash in garage was not in original construction. Drain may be undersized.

58. Tunnel connecting King and Queen Towers lower level has CMU walls that do not go up to structural slab. Fire separation may be required between tunnel and adjoining storage rooms. This meeds to be altered to conform.

59. HECO vault door fire resistive rating not checked.

60. Teahouses do not have railing at step. No ramp or guardrail along access. For safety these should be provided.

61. Queen Tower elevator Machine Room fire extinguisher test date tag expired.

62. Metal grate rusted on air conditioning to Store Room at Queen Tower lower level.

63. Exhaust from emergency generator is not fenced off from access from lawn.

64. Pool fence is a little short.

65. Storage lockers are not secured at top wire mesh allows contents to be visible so that high value property should not be stored. Numbers are not on permanent plaques. Some lockers need repair and at least one was flooded.

66. Retaining walls on grounds require guardrails when grade differences exceed Code maximums.

67. Locker rooms have deadend corridors longer than twenty feet. Exit signs are not visible from all points in the corridor and exit signs may not be on emergency power.

RESIDENTIAL APARTMENTS

1. No fire evacuation plan showing exit ways were posted. Exit signs should be on emergency power.

2. Fire pull boxes were not clearly identified by sign. Fire hose standpipe and fire extinguisher should be periodically inspected as required by Code and tagged.

3. Extension cords were seen in Apartments. The use of and extent of extension cords should follow rules posted by Building Management.

4. No checks were done on building materials and finishes for toxic content. New painting should be EPA approved.

5. No GFIC electrical convenience outlets were provided in kitchens and baths and constitutes safety hazard.

6. Wall behind the kitchen range were in most cases plastic laminate or metal but at least one instance was found where painted wallboard was left unprotected.

7. Cabinets above the kitchen range must be metal or UL approved metal hood but at least one instance was found where painted wood cabinet was left unprotected.

8. Plumbing for water supply should be lead-free.

9. Low-flow plumbing fixtures must be used for all future replacement.

10. A smoke detectors were observed in each Apartment, but in the future additional smoke detectors must be placed on both sides of each bedroom door.

11. There should be a policy from Building Management in the storage of flammable materials. Unless a fire-resistive closet is provided, improper storage may occur elsewhere.

12. No peep holes in entry doors and no special high security locksets were observed for Apartment security.

13. The units were not designed for individual washer, dryer, dishwasher or window air conditioning units. The addition of these appliances would severely impact the Building's capacity to provide for its basic utility needs.
14. Termite damage was not observed, but is possible even in high-rises so periodic inspection is recommended.

15. Apartments are not individually metered so that utility charges may not reflect actual use.

16. No grab bars or non-slip surface in bathtub area.

17. Windows at bedroom does not meet current fire exit opening Code Requirements. The openings are grandfathered.

18. Window at living room does not have 3'-6" high safety bar which should be added. Recommend adding this item.

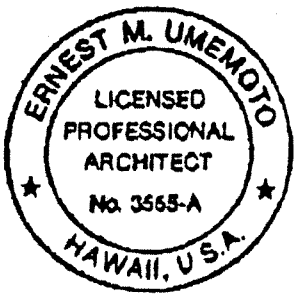
19. Lanai guardrail spacing is half inch larger than 4 inches, the current Code maximum opening but may be grandfathered.

Many of the above comments contain a note that the referenced item may be grandfathered. This means that it may have conformed to the Building Code at the time of construction. Usually, the item does not need to be altered to meet the latest Building Code until substantial renovation or addition takes place in the area where the item is located. The mention of this grandfathered status is meant to recommend further study by the property managers and the occupants, sometimes involving inquiry to the governing agencies or commissioning professional engineering consultants to make further studies, especially in cases where health and safety of occupants, guest and staff are concerned.

The Buildings are well built and have held up to wear and tear very well. A strict maintenance and repair program has kept the complex clean and functionally able to provide for the needs of the intended use.

Respectfully submitted by:

Ernest M. Umemoto, AIA
Architect



Cotton Consulting, Inc.
835 Akumu Street
Kailua, Hawai'i 96734
Tel (808) 294-6080
Fax (808) 262-2479

September 26, 1996

Savio Development Co., Inc.
931 University Avenue
Honolulu, Hawai'i 96826

Attention: Crystal Acohido

RE: Report - Lead Paint & Asbestos Sampling
1511, 1515, & 1519 Nuuanu Avenue
Honolulu, Hawai'i

Dear Ms. Acohido:

As requested, an asbestos and lead paint survey of six apartment units at the Queen Emma Gardens complex was conducted on September 16, 1996. The purpose of the survey was to determine the presence of any accessible suspect asbestos containing building materials (ACBM) and lead based paint (LBP), collect samples, and analyze the samples for asbestos or lead content and assess the condition of the sampled materials.

The Apartment units surveyed and sampled were:

- King Tower: Units 1154 and 1454
- Queen tower: Units 944 and 1240
- Prince Tower: Units 333 and 524

The results of the survey are detailed below.

1.0 Asbestos: The survey of the units in the Queen Emma Garden Apartments identified the following materials to be suspect ACBM: 12x12 inch floor tiles and mastic, cove base and mastic, and gypsum wall board and joint compound. A total of nine bulk samples were collected. Sample type, location, and analysis results are detailed in the attached asbestos sample chain of custody and laboratory report.

The ACBM survey was conducted under passive conditions, no destructive techniques were used. The scope of this survey was limited to accessible suspect ACBM.

The collected bulk samples were analyzed by EMSL Analytical, Inc., a certified laboratory for asbestos analysis, using the mandated Polarized Light Microscopy method. The analysis results indicated:

The wall joint compound samples collected from:

King Tower apartment 1155 bedroom contained asbestos in the form of < 1% Chrysotile (sample 1220A04K).

Queen Tower apartment 1240 bedroom contained asbestos in the form of 2% Chrysotile (sample 1220A07Q).

Prince tower apartment 520 living room contained asbestos in the form of <1% Chrysotile (sample 1220A08P).

The above sampled material was visually determined to be in good condition. The results also indicated that the other samples collected did not contain asbestos.

Please note that a material is considered to be an ACBM if it contains one or more percent by weight asbestos. The identified ACBM were visually determined to be in good condition and do not appear to pose an environmental hazard unless they are disturbed. If any of the ACBM are damaged by water, renovation, or demolition work remedial action would be mandated. This work would have to be performed by a professionally qualified and licensed asbestos abatement contractor.

2.0 Lead: A total of nine representative paint samples were collected and analyzed by EMSL, Inc. for suspect LBP. Method SW 846-3050-7420 atomic absorption spectrophotometry was utilized for the analysis. Sample type, location, and analysis results are detailed in the attached lead sample chain of custody and laboratory report. The analyses indicated that:

The paint sample collected from Prince tower unit 524 bathroom contained 0.062 % lead by weight. The sampled paint was visually determined to be not in good condition and flaky. At the time of the survey the apartment was undergoing renovation.

It should be noted that paints containing > 0.060 to 0.5% lead by weight is considered lead containing paint by the Consumer Product Safety Commission. Current EPA guidance for residential LBP, however, states that abatement measures should be applied if lead in residential paint exceeds 0.5% by weight when found on friction/impact surfaces, protruding surfaces (within 3 ft. of floor/ground), or in deteriorated condition on any surface.

The other samples collected had levels of lead below the action level.

The information set forth in this report is based solely on the agreed upon scope of our services and should be evaluated only in light of that scope. This information is the result of personal observation, sample collection, and analysis in accordance with established protocols, procedures and data provided by others. Our services have been provided with the normal thoroughness and competence of our profession but disclaim any responsibility for consequential damages. No other warranty or representation, either express or implied, is included or intended.

Cotton Consulting, Inc. appreciates your confidence in us and look forward to assisting you in the future. If there are any questions or comments please do not hesitate to contact me at 294-6080.

Sincerely,

Stuart Cotton

Stuart Cotton, REA
President

Attachments

Exhibit 4

'AINA ENVIRONMENTAL GROUP, INC.
P.O. Box 23299 Honolulu, Hawaii 96823-3299 • Phone (808) 833-0136 • Fax (808) 834-5748

ASBESTOS SAMPLE CHAIN OF CUSTODY

Project No.: 1220 Address: QUEEN EMMA GARDEN APARTMENTS Date: 9.16.96 Inspector: S. Ayamon Sheet: 1 of 1

SAMPLE NO.	SAMPLE TYPE	SAMPLE LOCATION	SAMPLE DESCRIPTION (MATERIAL SAMPLED, CONDITION, ETC.)
1220 A #1 K	B	Apt. 1155 Entrance Closet	Spotted Creamish floor tile Good
1220 A #2 K	B	Apt. 1155 Bathroom	Cove liner + mastic "
1220 A #3 K	B	Apt. 1165 Bedroom	wall joint compound "
1220 A #4 K	B	Apt. 1454 Kitchen	Spotted Cremish floor tile "
1220 A #5 K	B	Apt. 1464 Living Room	Wall joint compound "
1220 A #6 P	B	Apt. 1414 Bedroom	wall joint compound "
1220 A #7 P	B	Apt. 1240 Bedroom #1	Wall joint compound "
1220 A #8 P	B	Apt. 534 Living Room	wall joint compound "
1220 A #9 P	B	Apt. 333 Living Room	wall joint compound "
X	X	X	X X

Relinquished By: S. Ayamon Date: 9/16/96 Received By: Quietela Guidos Date: 9/17/96 10:00Am

Relinquished By: _____ Date: _____ Received By: _____ Date: _____

SAMPLE TYPE: B = Bulk sample D = Dubois Sample SD/T = Surface Dust-Tape Sample SD/V = Surface Dust-Vacuum Sample SD/G = Surface Dust-Grab Sample

Westmont, NJ [illegible] | Piscataway, NJ [illegible] | Carle Place, NY [illegible] | Manhattan, NY [illegible] | Melbourne, FL [illegible] | Ann Arbor, MI [illegible] | San Mateo, CA [illegible] | Smyrna, GA [illegible] | Greensboro, NC [illegible] | Houston, TX [illegible]

EMSL

AINA Environmental Group, Inc.
P.O. Box 23299
Honolulu, HI 96823-3299

Wednesday, September 18, 1996

Ref Number: CA968060

POLARIZED LIGHT MICROSCOPY (PLM)

Project: Queen Emma Garden Apartments - #1220

SAMPLE	LOCATION	APPEARANCE	SAMPLE TREATMENT	ASBESTOS %	ASBESTOS TYPE	NONASBESTOS %	FIBROUS	%	NONFIBROUS
A-01 TILE	73279	White Non-Fibrous Homogeneous	Teased		None Detected		None Detected	80% 20%	Ca Carbonate Other
A-01 MASTIC	73280	Black Non-Fibrous Homogeneous	Teased		None Detected	5%	Cellulose	30% 20% 45%	Quartz Ca Carbonate Other
A-02	73281	White Non-Fibrous Homogeneous	Teased		None Detected		None Detected	50% 50%	Ca Carbonate Other
A-03	73282	White/Tan Non-Fibrous Heterogeneous	Teased	< 1%	Chrysotile		None Detected	60% 10% 30%	Ca Carbonate Mica Other
A-04	73283	White Non-Fibrous Homogeneous	Teased		None Detected		None Detected	80% 20%	Ca Carbonate Other
A-05	73284	White Non-Fibrous Heterogeneous	Teased		None Detected	10% 5%	Other Cellulose	40% 20% 25%	Gypsum Ca Carbonate Other

Comments: For all obviously heterogeneous samples easily separated into subsamples, and for layered samples, each component is analyzed separately. Also, "# of Layers" refers to number of separable subsamples.

Kevin Smith
Analyst

Laboratory
Supervisor

Other Approved
Signatory

Exhibit 4
(Page 52 of 55)

Westmont, NJ [illegible] | Piscataway, NJ 908-981-0500 | Carle Place, NY 516-997-7251 | Manhattan, NY 212-290-[illegible] | Melbourne, FL 407-[illegible] | Ann Arbor, MI 313-[illegible] | San Mateo, CA 415-570-[illegible] | Smyrna, GA 404-[illegible] | Greensboro, NC 910-[illegible] | Houston, TX 713-[illegible]

EMSL

AINA Environmental Group, Inc.
P.O. Box 23299
Honolulu, HI 96823-3299

Wednesday, September 18, 1996

Ref Number: CA968060

POLARIZED LIGHT MICROSCOPY (PLM)

Project: Queen Emma Garden Apartments - #1220

SAMPLE	LOCATION	APPEARANCE	SAMPLE TREATMENT	ASBESTOS %	ASBESTOS TYPE	NONASBESTOS %	NONASBESTOS FIBROUS	%	NONFIBROUS
A-06	73285	Tan Non-Fibrous Homogeneous	Teased		None Detected		None Detected	60% 20% 20%	Ca Carbonate Mica Other
A-07	73286	Tan Non-Fibrous Heterogeneous	Teased	2%	Chrysotile		None Detected	50% 20% 28%	Ca Carbonate Mica Other
A-08	73287	Tan Non-Fibrous Homogeneous	Teased	< 1%	Chrysotile		None Detected	70% 10% 20%	Ca Carbonate Mica Other
A-09	73288	White Fibrous Heterogeneous	Teased		None Detected	3% 3%	Other Cellulose	40% 20% 34%	Gypsum Ca Carbonate Other

Comments: For all obviously heterogeneous samples easily separated into subsamples, and for layered samples, each component is analyzed separately. Also, "# of Layers" refers to number of separable subsamples.

Kevin Smith
Analyst

Laboratory
Supervisor

Exhibit 4
(Page 53 of 55)

Other Approved
Signatory

'AINA ENVIRONMENTAL GROUP, INC.
P.O. Box 23299 Honolulu, Hawaii 96823-3299 • Phone (808) 833-0136 • Fax (808) 834-5746

PAINT SAMPLE CHAIN OF CUSTODY

Project No.: 1220 Address: QUEEN EMMA GARDEN APARTMENTS Date: 9.16.96 Inspector: S. Arakawa Sheet: 1 of 1

SAMPLE NO.	SAMPLE TYPE	SAMPLE LOCATION		SAMPLE DESCRIPTION (MATERIAL SAMPLED, CONDITION, ETC.)	
1220 L 01K	B	Apt 1155	Various	Composite White/Cream Paint	Good
1220 L 02K	B	Apt 1455	Kitchen	Composite Paint	"
1220 L 03K	B	Apt 1454	Bedroom	White Paint	"
1220 L 04 Q	B	Apt. 944	Bedroom Closet	White Paint	"
1220 L 05 Q	B	Apt 1240	Lanai	Light Brown paint	Fair.
1220 L 06 Q	B	Apt 1240	Living Room	Whitish paint	"
1220 L 07 Q	B	Apt 1240	Kitchen	Creamish paint	"
1220 L 08 P	B	Apt 533	Bedroom Closet	White paint	Good
1220 L 09 P	B	Apt 524	Living Rm + Bathroom	Creamish paint	Flaking.

Relinquished By: [signature] Date: 9.16.96 Received By: Deedra Chafin Date: 9/17/96 - 9:35 AM

Relinquished By: _____ Date: _____ Received By: _____ Date: _____

SAMPLE TYPE: B = Bulk sample D = Debris Sample SD/T = Surface Dust-Tape Sample SD/V = Surface Dust-Vacuum Sample SD/G = Surface Dust-Grab Sample

Exhibit 4 (Page 54 of 55)

EMSL ANALYTICAL, INC.

1720 So. Amphlett Blvd., Suite 130, San Mateo, CA 94402 - Phone (415) 570-5401 - Fax (415) 570-5402

Wednesday, September 18, 1996

Ref Number: CA968028

AINA Environmental Group, Inc.
P.O Box 23299
Honolulu, HI 96823-3299

ATOMIC ABSORPTION SPECTROPHOTOMETRY (AAS)
LEAD IN BULK PAINT SAMPLES
METHOD, SW 846-3050-7420

PROJECT: Queen Emma Garden Apartments - #1220

EMSL#	SAMPLE#	MDL (Weight %)	RESULTS (Weight %)
73068	1220L01	0.010	0.051
73069	1220L02	0.010	0.026
73070	1220L03	0.010	<0.010
73071	1220L04	0.010	0.053
73072	1220L05	0.010	<0.010
73073	1220L06	0.010	0.017
73074	1220L07	0.010	0.030
73075	1220L08	0.010	0.016
73076	1220L09	0.010	0.062
Lab Blank			<6.5mg

MDL=Method Detection Limit

JOE CENTIFONTI
Laboratory Manager

Exhibit 5

ADDITIONAL STRUCTURAL, ELECTRICAL,
MECHANICAL SYSTEMS AND ENVIRONMENTAL REPORTS

HAWAII
ENGINEERING
GROUP, INC.

Consulting Civil & Structural Engineers

January 10, 2001

Prince Tower at Queen Emma Gardens, LLC
500 Alakawa Street, Building 214-A
Honolulu, HI 96817

QUEEN EMMA GARDENS – PRINCE TOWER DUE DILIGENCE

1511 Nuuanu Avenue, Honolulu, Oahu, Hawaii
TMK: (1) 2-1-005-004

STRUCTURAL OBSERVATION REPORT

A Site Visit was held to note cursory observations of Queen Emma Gardens, Prince Tower at 1511 Nuuanu Avenue on January 2, 2001. The project consists of a 12-story reinforced concrete tower with a two storied basement comprising of storage/parking areas.

The inspection involved a walk-through of the building complex limited to the following:

Prince Tower

- Apartment #535
- Apartment #725
- Apartment #821
- Apartment #938
- Common Areas
- Upper Storage/Parking
- Lower Storage/Parking

No calculations or testing of any kind was performed. Architectural, Mechanical, Electrical and other non-structural aspects were not addressed. A set of existing structural drawings, sheets S-1 thru S-58 dated April 15, 1962, were provided by the client. The drawings indicate Mr. Alfred A. Yee as the Engineer of Record for this project. These drawings show details for the Prince Tower. No soil exploration report was made available for review.

98-023 Hekaha Street, Unit 2B, Aiea, Hawaii 96701 – Tel: (808) 486-2092 Fax: (808) 486-9261
Email: heg@hawaii.rr.com

PRINCE TOWER: This building is a reinforced concrete structure consisting of 12 floors above the ground level and 2 basement levels. The roof has an elevator machine room. The basement levels serve as storage and parking areas. The building has one stair shaft at each end of the building and one stair shaft and two elevator shafts in the middle of the building. Typical floor plan dimensions are 271'-4" x 51'-0". Typical bay dimensions are 18'-0" x 20'-9". Typical floor to floor height is 8'-6 1/2". Typical floor framing consists of poured in place concrete flat slabs with a perimeter beam. The typical floor slabs are 6 1/2" thick. Typical interior floor columns are 10"x 4'-4 1/2" and exterior columns are 1'-4"x2'-6". Each floor also has precast sunshades that have been cast integral with the perimeter beam. The elevator and stair shaft walls are all 10" thick reinforced concrete cast in place walls that continue all the way to the foundations. These walls serve as the lateral force resting system for the Tower. The ground floor framing and basement floor framing, under the tower foot print, is similar to the typical floors. The ground floor framing supporting the garden and the basement floor framing supporting the parking area consist of 16" deep prestressed joists with a 4 1/2" thick poured in place concrete deck slab. The floor framing is supported by precast concrete frames. The perimeter basement walls are 8" thick reinforced concrete walls. The drawings indicate that the basement slab is a 4" thick slab on grade and has been cast integral with the perimeter walls. The foundation system for the tower consist of isolated spread footings bearing on rock surface (indicated on the drawings).

OBSERVATION & COMMENTS

The drawings indicate that the project was designed for seismic loads for zone 1 intensity. The current earthquake zone for the island of Oahu is zone 2A. This change in the building code was adopted by the City and County of Honolulu in 1990. Structures which received a building permit before the new code went into effect are grandfathered as being acceptable from the building code standpoint.

Apartment Units

All apartments observed did not indicate any structural related problems except for minor hair cracks on surfaces of concrete members. These cracks are typical of concrete structures and do not impair the integrity of the structure.

Building maintenance records indicate that spalling of concrete at lanai edges has occured in the past in this tower. Maintenance records also indicate that the damaged areas were repaired.

Common Areas

Lower Parking Area; the following observations were made

Cracks were observed in the slab on grade

Cracks were observed in the ceiling of the slab in between gridlines 17 & 18 adjacent to gridline Y.

Consulting Civil & Structural Engineers
98-023 Hekaha Street, Unit 28, Aiea, Hawaii 96701 – Tel: (808) 486-2092 Fax: (808) 486-9261
Email: heg@hawaii.rr.com

Damage due to seepage of water was observed in the basement wall along gridline Y at various locations.It seems that the water had seeped through the wall and slab joint at the ceiling level. At the time of observation no active seepage was observed. We were also informed by the Building Maintenance Manager Mr. Mike Murphy, that he has not observed any active seepage through the wall along gridline Y.

Some separation was observed between the masonry and the concrete column on gridline 14 between gridlines B & C.

Damage due to leakage of water, observed at the expansion joint (between the Parking Garage and the Prince Tower) located along gridline 1 and along gridline F. The damage is limited to surface discoloration of concrete walls.

Ceiling cracks were observed along gridlines 17 between gridlines A & F. Mr. Murphy said that water from the upper parking area leaks thru these cracks during heavy rainfall.

Lower Storage Area

No structural damage was observed.

Upper Parking Area

Severe damage was observed to the main girders on gridline A between gridlines 10 & 11. The concrete has spalled and the exposed reinforcement is starting to rust.

Cracks in floor slab were observed along gridline 17 between gridlines A & F.

According to Mr. Murphy the roof above the upper parking area supports the garden and water leaks thru the roof along gridline A during heavy rainfalls.

No observation were made along the retaining wall above gridline A in the fresh air intake plenum area.

Some diagonal cracking was observed around the column and floor slab joints at different locations.

Upper Storage Area

No structural damage was observed.

Garden Entrance/Lobby Level

The open lobby at the Mauka Ewa corner of the building has water seepage coming in from the garden side. Mr. Murphy indicated that this problem worsens during heavy rains. Mr. Murphy also indicated that water leaks to the lower floors from the joint along gridlines 1 & F on the garden level.

Exterior Elevations

The exterior of the building was freshly painted. Mr. Murphy said that repairs to spalled concrete were made before painting. No damage was apparent at the time of observations. Mr. Murphy also indicated that most of the spalling had occurred at exposed corridor lanais at the mauka end of the building.

CONCLUSIONS AND RECOMMENDATIONS

The structures for the Prince Towers is in good condition. Spalling of concrete lanai edges is typical for concrete buildings in Hawaii due to the corrosive atmosphere. Even though this problem can affect the appearance of the building it does not impair the overall integrity of the structure. It is recommended to repair similar damage with the consultation of a professional engineer. No spalling was observed at the time of inspection due to the fresh paint and repair job on the building exterior.

Even though no cracks were apparent on the elevations of the building due to the new paint job, earlier reports indicate cracks in the end walls of the building that were repaired. These walls do not continue to the foundation of the structure and are not part of the primary lateral load resisting system of the structure. These walls may be contributing some stiffness to the building as non-structural in-fill wall elements. Cracks in these walls may have been caused due to a number different reasons including deflection of structure due to lateral loads or thermal movements in the structure. The panels can allow rain water to leak through these cracks and if this condition is not corrected, it can result in corrosion of reinforcement in the walls and spalling of concrete. It is the opinion of Hawaii Engineering Group that these cracks do not impair the overall integrity of the structure. It is recommended that such cracks be repaired with the consultation of a professional engineer.

The separation joints between the main tower and the adjoining structures should be properly sealed as seepage thru these joints is causing damage to the structure in the basement area.

The crack in the floor slab of the upper parking area and the damage to the main girder in the upper parking area should be repaired immediately under the guidance of a professional engineer, as this can impact the structural integrity of the concerned members.

The parking structure under Prince Tower is generally in a good condition except for basement retaining wall areas where water seepage has caused damage to the wall. Damage caused by seepage of water can affect the integrity of the structural element. The reason for seepage of water through the walls and type of damage observed may be caused by failure of waterproofing (due to age) and drainage system behind the wall. Based on the observations made, it is the opinion of Hawaii Engineering Group that the integrity of retaining wall has not been significantly compromised. However, if the situation is not corrected it may be a problem in the future. It is recommended that this problem be investigated and repaired with the consultation of a professional engineer.

The building complex appears to be well maintained. The building structures are in good condition and can be expected to continue to perform well with normal maintenance and up keep.

This report does not address portions of the building other than those areas mentioned, nor does it provide any warranty either expressed or implied for any portion of the existing building. If there are any comments or questions on any item above, please do not hesitate in calling.

Submitted by:

Ather R. Dar, S.E.
Structural Engineer

ATHER R. DAR
LICENSED
PROFESSIONAL
ENGINEER
No. 7808-8
HAWAII, U.S.A.

Consulting Civil & Structural Engineers
98-023 Hekaha Street, Unit 2B, Aiea, Hawaii 96701 – Tel: (808) 486-2092 Fax: (808) 486-9261
Email: heg@hawaii.rr.com

RS Engineering

1376 Kalaniiki Street
Honolulu, Hawaii 96821

Phone (808) 377-9210
Fax (808) 377-9210

January 23, 2001

Prince Tower at Queen Emma Gardens, LLC
500 Alakawa Street, Building 214-A
Honolulu, Hawaii 96817

Queen Emma Gardens - Prince Building
1511 Nuuanu Avenue
Honolulu, Hawaii 96813

ELECTRICAL OBSERVATION REPORT

On Thursday, January 18, 2001, a cursory inspection was performed on the subject property to evaluate the condition of it's electrical system. The inspection was limited to observations of exposed electrical devices, equipment and wiring, fire alarm system and devices, exit signs and security lighting.

REFERENCES

1. Electrical Design Drawings
   Queen Emma Gardens
   Minoru Yamasaki and Associates
   Drawing Sheets E-2 through E-14, dated April 15, 1962

2. National Electrical Code, 1999
   with C & C of Honolulu Amendments

3. Uniform Fire Code, 1988
   with C & C of Honolulu Amendments

Note: The plans noted above were used for reference only. Our scope of work did not include reviewing the design plans for conformance to applicable Codes. The electrical drawings were assumed to be correct unless specifically noted otherwise. Building permits were assumed to have been obtained and all required inspections were assumed to have been performed by the proper authorities.

The term "good condition" refers to the observed device or equipment being physically free from excessive deterioration and, if tested, fully performing it's intended function.

GENERAL

The subject property is an 11 story building with a two-level parking structure beneath. The building is approximately 37 years old. The property shares common areas with two other structures, the King building and the Queen building. The common area includes two tea houses, a fish pond, parking areas, grassed areas, a swimming pool and a wading pool. In addition, the fire alarm system and the emergency generator are shared by the three buildings.

ELECTRICAL SERVICE SYSTEM

The electrical service is provided by 12KV cables from Nuuanu Avenue to a cable vault in the Queen building. From the cable vault, cables are run to the transformer vault in the Prince building. The transformers convert the 12 KV power to 120/208 volts and the power is distributed throughout the building through distribution equipment in the main electrical room. Since the service equipment is indoors, it appears to be in very good condition and, in addition, appears to have been well maintained. No corrosion or other signs of deterioration were noted.

The doors to the electrical room are locked and are marked with a "high voltage" sign. The sign does not meet the NEC requirement described in section 110-43 (c), which requires that as a minimum, the sign should read "Warning - High Voltage - Keep Out". In addition, the operating voltage of the exposed parts of the transformer installation is not marked on the equipment or structure as required by NEC section 450-8(d). Signs meeting the NEC requirements should be installed immediately.

The door handles to the transformer room are the rotary type. NEC section 450-43(c) requires that these doors be equipped "with panic bars, pressure plates or other devices that are normally latched but open under simple pressure". The handles should be replaced as soon as possible.

The apartment units are fed from the main electrical room through five risers. Each riser has a capacity of 200 amps, three phase, and feeds 11 single phase panels. Each panel feeds 4 apartment units.

The designed load for each apartment is one 40-amp circuit for the electric range, two 20-amp circuits for small appliances and one 20-amp circuit for lighting and general power. No provisions have been made for dishwashers or air conditioning units. Any significant increase in these types of loads should be closely monitored.

EMERGENCY GENERATOR

In April 1995, an emergency generator was installed. The installation is located mauka of the parking structure. Since the unit is relatively new, it appears to be in very good physical condition. The generator provides power to the elevators and the emergency lights in case of utility power outages.

"No load" tests are run of a periodic basis. We recommend that "load" tests be run on a yearly basis in addition to these "no load" tests.

FIRE ALARM SYSTEM

There is a central fire alarm system for the three building complex. The control panel is located in the maintenance office. All pull stations, alarm devices and smoke detectors, including those in the apartment units, are tied in to the main fire alarm control panel.

The present Fire Code does not require that the apartment smoke detectors be tied into the fire alarm control panel because of the nuisance factor. However, according to the maintenance personnel, this has not been a problem.

In the two units inspected, one smoke detector was noted in the in the hallway outside the bedroom. Present Code requires that additional smoke detectors in the bedrooms. The maintenance personnel indicated that in the five units that were renovated on the first floor, the required smoke detectors were installed.

SECURITY LIGHTING

The interior exit corridors appear to be adequately lit. The hallways are lit by fluorescent fixtures above each apartment door. The corridors to the stairways are lighted by two ceiling mounted fixtures and appear to be adequate. The stairways have a 4 foot fluorescent fixture on each landing and appear to be adequate. Since these fixtures are on the emergency generator, emergency lighting should be adequate.

The lighting in the parking structure appears to be low. A study should be made to determine the adequacy of the lighting.

The lighting in the driveway and other roadways appears to be adequate.

Exit signs were noted on each floor level at the end of the hallways as well as the middle stairway. Exit signs were also noted in the parking garage. The exit signs in the parking garage are deteriorated to a point that they should be replaced immediately.

LAUNDRY AREA

There is a laundry area on the Garden Level which has 6 washers and 6 dryers. The receptacles located in the laundry room were not ground fault protected as required by NEC section 210-8. This should be corrected immediately.

SWIMMING POOL AND WADING POOL

The swimming pool and the wading pool are part of the common area amenities. Receptacles near the pool are required to be GFI protected. These receptacles should be replaced as soon as possible.

APARTMENT UNITS

Two units were inspected in addition to other units inspected in previous inspections. The 1999 NEC requires that receptacles in the bathrooms and kitchens be GFI protected. For the units inspected, the kitchen receptacles were GFI protected. The ones in the bathrooms were not. The maintenance personnel informed us that the two units inspected were not the norm and that most units do not have GFI receptacles in the kitchen. GFI protected receptacles may not have been required by the electrical code at the time the building was built.

Each bedroom, living room and kitchen had either a ceiling light fixture or a switched outlet as required by NEC section 210-70. All switches tested functioned properly. All light fixtures appeared to be in good condition.

CONCLUSIONS

The existing electrical service for the Prince building is adequately sized for the present loads. The loads designed for include an electric range, two appliance circuits and one circuit for lighting and general power. Any significant additions to the electrical load, such as air conditioning and dish washers, should be monitored very carefully.

The electrical service equipment appears to be in good condition. This is a result of the equipment being in an enclosed environment and good maintenance. Review of the maintenance procedures should be made and continued effort should be maintained for the equipment.

Corrective actions that affect safety should be made as soon as possible. As enumerated above, these are:

1. It is strongly recommended that proper warning signs be installed on the transformer room door. Similarly, operating voltages of the exposed live parts of the transformer should be marked by signs or visible markings on the equipment.

2. The door handles on the transformer room door should be changed to a pressure type door.

3. The exit signs in the parking structure should be replaced immediately.

4. The receptacles near the pool should be changed to the GFI type.

5. The receptacles in the apartment units should be changed to the GFI type should the apartment units be renovated.

Overall, the general condition of the electrical equipment is good. The maintenance has been adequate . However, most of the equipment is past its useful economic life of 25 years. But with normal replacement and upkeep, many more years of useful life can be expected.

Submitted by:

Samuel S. Matsuo

Samuel S. Matsuo
Phd, PE

MECHANICAL SYSTEMS OBSERVATION REPORT

FOR

QUEEN EMMA GARDENS CONDOMINIUM

PRINCE TOWER
1511 NUUANU STREET
HONOLULU, HAWAII

FOR

PRINCE TOWER AT QUEEN EMMA GARDENS, LLC

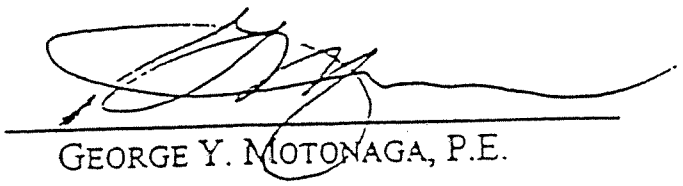
500 ALAKAWA STREET, BUILDING 214-A
HONOLULU, HAWAII 96817

JANUARY 25, 2001

REPORT FOR QUEEN EMMA GARDENS CONDOMINIUM

PRINCE TOWER

SUBMITTED BY



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INTRODUCTION

This is an updated mechanical system observation report for the Prince Tower in the Queen Emma Gardens Condominium complex. Mechanical systems intended to be covered in this observation report will be for the major items of the plumbing, ventilation and fire protection systems for only the Prince Tower.

Our basic scope was to provide Prince Tower at Queen Emma Gardens, LLC with insight into the general condition for the major mechanical components within the Princess Tower Building and comments on the common areas. Cursory observations and inquiry with building management personnel, Mike Murphy, Maintenance Engineer, was coordinated. Only selected apartment units were observed to obtain information as to observable mechanical conditions, without any part of the building being demolished or removed. No design analysis, building permit verification, or in depth code reviews are included. Site Civil scope is generally not included such as site utilities five feet outside of building walls or connections to the city's systems and permits for Waste Water Connection. No hazardous material assessment services are included in this report.

This update observations were conducted for this tower on January 18th for Prince Tower at Queen Emma Gardens, LLC, and Ernest Umemoto, Architect. Also present for this observation was the Maintenance Engineer, Mike Murphy, for the Prince Tower and team electrical engineer, Sam Matsuo.

Building plans were provided as referenced in this report. These plans were not as-built drawings but original construction plans. No as-built drawings were available or provided. Only construction plans were

INTRODUCTION
.....(continued)

made available during our 1996 observations for the initial report.

This complex consist of three main apartment towers; Queen, King and Prince; two large levels of underground parking; the Garden level with oval swimming and round wading pools; two Teahouses with surrounding fish ponds; and on site outside parking areas along main driveway.

The Queen and King Towers are 22 stories high. The Prince Tower is 12 stories high. The Prince Tower has two parking levels interconnected to the main parking areas.

This complex is connected to the street gas, sewer, water, and storm drain systems. Gas, water and sewer connections are provided on the Nuuanu Avenue side. Sewer and storm drain connections are provided on Vineyard Boulevard side.

The Prince Tower apartment units were not designed for installation of air conditioning, automatic dishwasher, and clothes washer or dryer.

REFERENCES

1. Mechanical Design Drawings reviewed in 1996
(Original construction drawings)

   QUEEN EMMA GARDENS LTD.
   Minoru Yamasaki, Registered Professional Architect;
   Cass. S. Wado, Registered Professional Engineer Hawaii
   Plans provided: Sheets M-1 thru M-26
   Dated: April 15, 1962
   Project No. 5933

2. No as-built drawings were available from building management.

3. 1511 (Prince Tower), 1515, & 1519
   Nuuanu Avenue
   Honolulu, Hawaii
   TMK: (1)2-1-005-004

ASSUMPTIONS

1. Mechanical design drawings are correct unless observed otherwise.

2. Mechanical equipment is operational unless noted otherwise by observation or noted by Queen Emma Garden management or Prince Tower management.

3. Buildings are about 33 years old and installation is original unless noted otherwise.

4. Building permits were obtained for all work and changes for present usage..

OBSERVATION/
DISCUSSION

PLUMBING SYSTEM

Apartment Units

Typical apartment units opened for observation for the Prince Tower update were Unit #821, Unit #938, and Unit #939.

The kitchen fixtures seem to be in operational condition or being replaced. The sink was either a single compartment stainless steel sink (studio unit) with a single handle Moen faucet, or a double compartment stainless steel sink (all others) with a single handle Moen faucet. All sinks have a garbage disposal installed. All fixtures are either old or new depending on unit status. Units are being upgraded as apartments becomes available when tenants leave.

The bathroom fixtures seem to be in operational condition or being replaced. A typical bathroom has a floor mounted tank type water closet, a wall hung or countertop lavatory with a dual handle faucet, and a tub/shower or shower stall with dual handle faucet.

Common Area Systems

The plumbing system for the Prince Tower is similar to the other two towers, Queen & King, but larger in capacity.

The domestic water booster pump system for the Prince Tower was replaced about six years ago. The booster pump unit had three pumps, two 25hp & one a 15 hp motor sizes. The system was noted to be under maintenance with Doonwood Engineering.

A heat pump water heater system consist of a compressor/condenser heat exchanger unit and a air

OBSERVATION/
DISCUSSION
(continued)

evaporator unit was installed about 15 years ago. This system has a dual 705 gallons water storage tank associated with the heat pump system. The observed heat pump system was not working and is obsolete. The refrigerant R-12 is no longer manufactured and is required by EPA to be replaced being an environmentally unfriendly gas. The Maintenance Engineer indicated that it is not being repaired. Presently no indication that is will be replaced.

The Prince Tower heat pump system is out of operation. The two backup 600,000 BTU input Champion gas water heaters are supplying this building with hot water. These heaters are dated 1992 indicating an age of about eight years. Condition seems good. Maintenance Engineer stated that the hot water capacity is adequate.

Swimming pool and wadding pool equipment are maintained by AOAO management and are in operational condition. No special automatic chemical feed system is provided. Chlorine and other chemicals are hand fed. Pool make-up water is manually controlled. From the plans it seems that the filter backwash drain is connected to the storm drain system.

Emergency Generator Unit was installed into one of the garage intake areaway about 1996 and seem to be in good condition. Storm drain for the Areaway was changed into a sump pump system where the pump discharges into a drywell on grade. The engine exhaust, radiator exhaust air, and fuel oil tank vent all terminated above grade. The fuel tank fill is located at the grating opening level without any spill containment. The unit was noted to be maintained and tested by Pacific Machinery.

OBSERVATION/
DISCUSSION
(continued)

Trash chutes are provided with a wash down head at the top of the chute. A floor drain is provided at the bottom of the trash chute. This floor drain seems to be connected to the storm drain system according to the plans.

The original plans noted that each tower had an elevator pit sump pump. But none was noted as installed for the Prince Tower. No attempt was made to get into the elevator pit.

An 8 inch reduced pressure backflow preventor (RPBP) was installed on the main water supply into this complex to meet Board of Water Supply requirements. The RPBP was a Hersey model 8-6CMDA with two isolation valves mounted about 38 inches above slab. Installation seem to meet Board of Water Supply requirements.

Utilities; water, sewer, and gas; are not metered individually for each tower. Individual units are not separately metered for water use.

There are no irrigation piping plans available. It was pointed out that the irrigation system are the visible atmospheric vacuum breakers with PVC piping in the planter areas. Noted also that hose bibbs and box hydrants did not have any vacuum breakers.

Prince Tower has a common laundromat for use by tenants at the Lobby Level. Area seems well maintained. There are six Huebsch gas clothes dryers and one Unimat 35 gas clothes dryer. Six topload clothes washers were Maytags. One Laundry Tray was noted and useable condition. The other towers have there own common laundromat as well.

OBSERVATION/ DISCUSSION (continued)

Each Teahouse is provided with a kitchen sink, electric water heater, and a toilet with a wall hung lavatory, and a floor mounted water closet. All noted to be operational or being repaired.

A number of common area toilets were noted and seem to be in operational condition and well maintained.

The Prince Tower kitchen waste stacks are being replaced or repaired as needed. A number of them have been done. The bathroom soil stacks are also old but operational. With age and with the condition of the kitchen piping system as an indication, the soil stacks will also be requiring more repairs and replacements in the future.

Code Items

Plumbing code items noted from cursory observations and design drawing review that do not meet present code are as follows:

- No shut off valve for individual units. Each unit is required to have its own water shut-of valve.
- No sudsing sewer piping configuration consideration provided for vertical stacks to minimize sudsing at the low points.
- No pressure balance type shower unit.
- No water conservation fixtures.

OBSERVATION/
DISCUSSION
(continued)

VENTILATION & AIR CONDITIONING SYSTEMS

Typically, the apartment unit vertical vent shafts are common with the piping shafts. There are no sheetmetal ductwork provided to carry the exhaust air from the apartment wall exhaust register to the roof exhaust fan. This scheme does not comply with present building code. All the apartment shaft exhaust fans are located on the roof of the towers. All the toilets are mechanically vented. All the kitchen is mechanically vented except the end units, where the unit has a window or lanai door.

The roof exhaust fans are uitility type fans ducted from each shaft roof opening to the fan inlet. The fans are the original ones as noted and are operational but looks old and shows heavy corrosion. Fan and ducts are heavily painted. Noted belt and drive noises from many. Fan performance is questionable in this condition and age. Typically two shafts are connected to one fan. This is and will be a continuous maintenance item.

Noted that the lower common area of the Towers are mechanically ventilated with supply and exhaust air. Fans and ductwork are located at these lower levels. Areaway shafts are provided for intake and exhaust air.

The underground Parking Garage is ventilated by supply or intake areaways and exhaust areaways. The areaway shafts are provided with propellar type belt driven fans. These fans were noted to be the originals and are about 33 years old. They are operational but show signs of corrosion. These fans are controlled manually as needed. This is and will be a continuous maintenance item.

OBSERVATION/ DISCUSSION (continued)

Generally all accessories such as volume dampers, fire dampers, controllers and air devices are corroded.

Code Items

Building code items noted from cursory observations and design drawing review are as follows:

- No separate sheetmetal duct shaft for kitchen and bathroom exhaust systems in pipe chase. Pipe chase cannot be used as a combination duct shaft and pipe chase.

- Ventilation rates for building spaces.

OBSERVATION/ DISCUSSION (continued)

Code Items

Some building code items noted from cursory observations and design drawing review are as follows:

- The building stairwells have no smoke tower ventilation system per current code.
- Electrical related rooms have no fire sprinkler protection. (maybe exempt by Electrical code)
- Elevator shafts and machine rooms have no fire sprinkler protection. (maybe exempt by Electrical code)
- No Trash Chute fire sprinkler head at intermediate floors.

OBSERVATION/
DISCUSSION
(continued)

FIRE PROTECTION SYSTEM

The Tower's Lower Storage Floors and the two level of the underground parking garage structure are generally fully protected by automatic, wet type, fire sprinkler systems. The Tower's Upper Storage Floors are generally partially protected by automatic, wet type, fire sprinkler systems. The Transformer Vault, Switchgear and Elevator Machine Rooms were not protected with fire sprinklers.

The apartment floors have no fire sprinkler protection.

Trash chutes are provided with a fire sprinkler head at the top of the chute. No fire sprinkler heads on other floors were indicated.

All fire sprinkler alarm riser assemblies for the complex are located in the basement of the King Tower. Five fire zones were indicated.

Sprinkler piping and accessories are old and corroding.

Fire dampers are corroded and its function questionable.

Dry standpipes are located in both stairwells for the Prince Tower. These standpipes terminate above the roof on each tower. Generally they seem to be in operational condition.

Wet standpipe/Fire Hose Cabinets are located on each apartment floor and throughout the common areas. They are old but seem to be operational and with a test tag.

CONCLUSION/
RECOMMENDATION

PLUMBING SYSTEM

Generally the plumbing systems seem to be in a maintained condition. But these systems being about 33 years old have exceeded their economic life of 25 years. Constant repairs, fixes, and replacement cost should be anticipated in future maintenance budget. Fixes have been done to inaccessible parts of the plumbing system and need to be addressed for complete replacements as these areas become known.

Replace remaining Prince Tower kitchen sink waste stacks and associated piping and fittings, as soon as possible. A number of them have been indicated to have been replaced per Maintenance Engineer. Closely coordinate this work with all floors vertically. This pipe replacement will require the pipe chase wall (an exhaust shaft also) kitchen counters and cabinets be removed on all floors for any one stack. The probable mechanical average replacement cost per stack is $66,000.

Treat and paint all rusted pipe supports on the roof of the tower. Cost unknown.

Correct the water pressure variations which occur in each tower's cold and hot water system effecting the water temperature at the shower head. This may require the replacement of each shower valve assembly with a new pressure balance type as the present code requires. Shower valve assembly replacement probable cost is approximately $1800 per apartment and will be a responsibility of the owner. This cost is for mechanical work only and does not include wall, shaft, counter, or cabinet work.

CONCLUSION/
RECOMMENDATION
(continued)

Convert fixtures to water conservation type. The probable replacement cost is $100,000 for the Prince Tower.

Replace heat pump system with new for the presently broken one. Recommend a new hot water system and cost study. Cost unknown.

A waste water study is recommended. Noted on plans that floor drains connected to storm drain system which we believe needs to be connected to the sewer system. Cost impact unknown.

Recommend a swimming pool study to determine code compliance. Cost impact unknown.

Provide vacuum breakers for all hose bibbs and box hydrants or replace if necessary to comply with code. Probable cost $6,000.

Recommend study for all other code compliance items to meet current plumbing code. Cost impact unknown.

CONCLUSION/
RECOMMENDATION
(continued)

VENTILATION & AIR CONDITIONING SYSTEMS

All systems seemed to be operational and fairly maintained. But having past its economic life of 25 years, all the ventilation fans and accessories are due for programed replacements to regain its intended efficiency and function. Probable replacement cost is $200,000 for the Prince Tower.

Providing separate sheetmetal duct shaft for kitchen and bathroom exhaust will be costly, but recommend a study be done for concept, costing, and possible decision. Cost impact unknown.

Conduct indepth design/code study for Tower Upper and Lower Storage Levels for ventilation adequacy due to partition and use changes from original design intent. Cost impact unknown.

CONCLUSION/
RECOMMENDATION
(continued)

FIRE PROTECTION SYSTEM

Obtain automatic fire sprinkler system approval from Hawaii Insurance Rating Bureau if original system was not recorded. Obtain fire sprinkler and standpipe system test and performance certification conducted by a certified fire inspector. Cost unknown.

Clean and paint corroding fire sprinkler piping and accessories. Probable cost is $35,000.

Test automatic function for all fire dampers and replace as necessary. Cost impact unknown.

Exit stairwell smoke tower ventilation system may become a future requirement. Cost impact unknown.

Fire sprinkle the remaining portions of the Tower Complex presently not protected. Probable cost is $500,000 for the Prince Tower.

Add fire sprinkler intermediate floor heads in trash chute or replace with new trash chute. Cost unknown.

CONCLUSION/
RECOMMENDATION
(continued)

GENERAL

Plans indicated that individual apartments were not designed to have air conditioners, dishwashers, and clothes washers & dryers. Presently apartment owners cannot install these appliances. But with the association of apartment owners direction and applicable system re-engineering, they may become installable. These installations can be very costly.

Generally the plumbing systems observed are in usable condition and will require on going repairs, fixes, and replacements to keep it working properly. Replacement or repair of plumbing fixtures, faucets, equipments, and piping have been taking place on an on-going basis and will continue. Many fixtures looked new due to on going replacements. Existing fixtures generally does not meet today's current water conservation code. The underground soil, water, fire line, standpipe lines, storm drain, and gas systems serving the tower buildings, swimming & wading pool, and teahouses are old and will generally require constant repairs, fixes, and possible major replacements in the near future.

Arrange for the Fire Marshall to inspect this building complex for code violations and evaluate his comments and implement as necessary to comply.

Overall, the mechanical system maintenance for this building has been adequate to keep it operational. But due to the age and above normal use, higher replacements should be anticipated as it has far pasted its 25 years of economic life. With a highly skilled management team, constant maintenance and high replacements, the plumbing, ventilation & air conditioning, and fire protection systems could provide

CONCLUSION/
RECOMMENDATION
(continued)

many more years of useful service. This project seems to be adequately served by the principle utilities of water, sewer, gas, and storm drainage.

The present mechanical systems may not meet today's codes, and as repairs and replacements are , the Building Codes may require current code compliance. Compliance will be very costly.

The above applicable comments for the apartments should generally apply to all of the Prince Tower units since they are all somewhat of the same age and maintenance level.

ERNEST M. UMEMOTO AIA
Architect, Inc.

Prince Tower at Queen Emma Gardens, LLC
500 Alakawa Street, Building 214-A
Honolulu, Hawaii 96817

January 23, 2001

Subject: **Queen Emma Gardens (QEG)**
Prince Tower Condominium Conversion
1511 Nuuanu Ave., Honolulu, Hawaii
TMK:(1)2-1-05:04

ARCHITECTURAL REPORT

A Site Visit was done to note cursory observations of Queen Emma Gardens Prince Tower. Only what was visible at the walk-through is noted without further testing or further investigations. The Prince Tower consists of a 12-story high-rise structure with underground basement parking and storage areas. A two-story parking garage connects the King Tower and Prince Tower structures. The construction drawings dated April 15, 1962 were found but some changes were observed from the original design.

No Soils and Foundation Engineer, Civil Engineer, Hazardous Waste (asbestos, etc.) or other specialists were retained. Structural, Mechanical and Electrical Engineers were retained for separate reports. The Buildings were built prior to the latest Building Code and Zoning Ordinances and may not meet all the latest requirements. When future additions or alterations are executed these latest requirements will have to be met. "Grandfathered" and non-conforming status will limit future renovations, alterations and addition possibilities.

The original building permit did not cover 5 apartments on the 1st floor. A new building permit was obtained for the 5 apartments after upgrading the apartments for current Building Code requirements concerning bedroom window size for fire exit; additional smoke detectors on the bedroom side of door to hall; low-flow plumbing fixtures; electrical GFI convenience outlet located in toilet and kitchen; and fire-rated entry doors to building corridor. The remainder of the apartments are "grandfathered" under previous code requirements and must be made current when substantial alteration or renovation work occurs in the future.

442 Kaleimamahu Street Honolulu, Hawaii 96825 • phone (808) 395-3744, fax (808) 395-6441

Compliance to the ADA Requirements for disability accommodations are not required for single family units, however, common areas may require compliance. The Buildings do not have any handicap accessible apartments and do not comply to the ADA or FHA Requirements for disability accommodations. Public visitors and possible commercial lease facilities are required to comply with the Americans with Disabilities Act(ADA). "Readily achievable" removal of architectural barriers are required by law. There are presently no commercial lease facilities on site, but visitors are allowed on the premises and no accommodations are provided. It is recommended that an Architect be retained to design a barrier removal plan and obtain Building Permits to accommodate public visitors and guests. Any future new use or changes in occupancy will require full compliance to ADA requirements.

The Building Maintenance Supervisor conducted the tour of the Prince Tower and did not indicate any on-going or recurring operating and maintenance problems. He reports that there are no leaks. The Building exterior was just painted and the roof redone five years ago.

The following concerns were observed and are presented for your consideration:

COMMON AREAS

1. There are cracks in the sidewalk. Concrete repair is recommended to prevent pedestrians slipping and tripping.

2. Exterior stairs that are major exit ways have handrails wider apart than the maximum allowed by Code. These may be non-conforming and may be grandfathered.

3. Lighting of exit ways should be reviewed.

4. Lighting and security measures in dark walkways and public areas (such as parking stalls and storage) should be reviewed.

5. Termite damage was seen in the teahouses but not observed in the high-rises. Periodic termite inspection is recommended.

6. Ramps do not have handrails as required by Code. These may be non-conforming and may be grandfathered.

7. Cracks and drops in concrete paving at joints and edges could contribute to tripping. Recommend repair or replacement by ramps.

8. Fire pull stations were identified in the parking garages by orange colored light fixtures but not identified with sign.

9. All the exit doors from the garage were not identified with exit signs. These exit signs should be on emergency power.

10. Fire hose standpipes and fire extinguishers should be periodically inspected as required by Code and tagged.

11. No tests were done on building materials and finishes for toxic content. New painting should be EPA approved.

12. No GFIC electrical convenience outlets were provided in public toilets, laundry and other areas near water fixtures and constitutes a safety hazard. Although legal when built, recommend electrical outlets near wet areas be replaced with GFIC outlets.

13. Plumbing for water supply and water fountains should be lead-free.

14. Low-flow plumbing fixtures must be used for all future replacements.

15. Smoke detectors were seen in trash chute dumpster rooms but were not present in maintenance rooms, laundry, electrical rooms and other rooms where combustion may occur.

16. Storage should not be permitted under open stairs. This should be a Building Maintenance check item.

17. Walkways and stairs do not have a consistent level of texturing and water drainage slope which may cause slipping. Constant maintenance to clear debris, algae and fungus from surfaces is necessary.

18. The building fire alarm is a local system. The emergency procedures local sounding alarm range and testing records were not examined. A report by the Fire Department is recommended.

19. Exterior walkways and stairway lighting should illuminate the complete exit paths and be switched by sensor switch instead of timer switches.

20. Due to minor construction deficiencies some stairway risers and treads vary more than 3/8" currently permissible by Code.

21. Due to minor construction deficiencies some entry doors are more than 1/2" above the landing.

22. Roof access was locked and should be kept locked by Building Management policy with access allowed only to maintenance workers.

23. Site encroachments, access routes and other site features should be reviewed in the Site Survey drawn by a licensed Surveyor..

24. No observations were made of the following, but attention by Building Maintenance is recommended:

    a. Prevention of access in or out of Site along mauka and Koko Head freeways.
    b. Prevention of access in or out of Site where guardrails do not protect drop in site elevation.
    c. Security for personal safety and property from injury or damage.
    d. Flooding and blockages to drainage.
    e. Condition of retaining walls.
    f. Safety grating, covers and secured opening from entry by unauthorized personnel.
    g. Swimming and wading pool safety rules.
    h. Playground and children play yard safety rules.
    i. Site soil settlements.
    j. Trash removal safety rules.
    k. Clearance of gas heater flues to occupied areas.
    l. Clearance of exhaust air to occupied areas.
    m. Parking garage exhaust fans.
    n. Fire doors and frames labels.
    o. Ground condition under playground equipment.

25. Building lobby was not secured from exterior entry. No enter phone system, security checkpoints or cameras are present.

26. Exhaust from laundry dryers are within one story from apartment windows and do not have filters. Laundry lint from dryer must be periodically cleaned.

27. Exit doors were found propped open when closers were required.

28. Area separation doors due to occupancy group transitions were found propped open or missing when closers were required. An example is between garage and lobby entry.

29. Electrical panels were generally clear for servicing but at least one instance of storage blocking panels was observed.

30. Loading areas are available near porte cocheres of all towers, but loading stalls are not marked.

31. The children play areas are not fenced and border an open pond near the Queen Tower and the swimming and wading pools between the King and Prince Towers.

32. The number of handicap parking stalls is below current Code requirements and no exterior route of travel is provided per ADA. Conforming signs, ramps, curb cuts and clear path should be provided.

33. Frequent inspection to note cracks in the roofing surface layer should be conducted and repairs made to prevent leaking.

34. The roof drains appear too small. Either provide larger scuppers or an engineering examination of the drain size is recommended.

35. Unused TV antennas on the roof should be removed.

36. Parapets on the roof should not be cracked, chipped or have exposed reinforcing. Repair is required to prevent further deterioration.

37. Flammables were observed in unprotected areas and must be relocated to approved fire-resistive storage.

38. There is a crawl space under the first apartment floor accessed via a scuttle from the garden level. There is also a plenum space between the roof slab and the top apartment ceiling. There is no indication that there are fire-stopped as required by current Code. Further investigation by an Engineer is recommended.

39. There is stabilized chlorinating concentrate stored in Room 315. Building Management needs to have rules regarding storage of chlorine, gardening, maintenance and housekeeping chemicals.

40. The fire panel in the maintenance office in the King Tower ground level should be keyed for HFD access.

41. The Ewa makai corner of the Prince Tower entry level(between basement and garden levels) has high rock retaining wall and does not have guardrails.

42. Wading pool should not be hidden from view of the adjoining recreational area. To be more open would enable others to see if children are being properly supervised.

43. Mauka corridor exterior exit balcony door should not be louvered.

44. Guardrail recommended at open stair by emergency generator room.

45. Emergency Generator Room needs roof or screen over grating to prevent leaves from plugging floor drain.

46. Upper garage mauka doors to garden stair locked. Building Management needs to verify that these were not required exit doors.

47. Utility spaces may have components such as ship ladder to Elevator Machine Room that do not meet current OSHA Standards but may be grandfathered.

48. Maintenance shops or storage in lower basement should be fire separated from garage.

49. If painting is done in Maintenance Shop an exhaust hood is required.

50. Fire rated door labels have been painted over and cannot be read.

51. Pump Room does not have fire sprinklers should not be blocked by piping.

52. Fire extinguisher in Maintenance areas should be strategically located.

53. Electrical Room should be fire separated from storage lockers. No fire sprinklers or detectors in either areas.

54. High Voltage Room must have "NO ENTRY" sign. Maintenance personnel have access at present and are not trained to access these rooms.

55. Fire detector in trash chute dumpster room dirty and covered with cobwebs. Periodic cleaning of fire detector required.

56. Lower parking Staff Lunch Room is not vented with outside air.

57. Carwash in garage was not in original construction. Drain may be undersized.

58. Tunnel connecting King and Queen Towers lower level has CMU walls that do not go up to structural slab. Fire separation may be required between tunnel and adjoining storage rooms. This needs to be altered to conform.

59. HECO vault door fire resistive rating not checked.

60. Teahouses do not have railing at step. No ramp or guardrail along access. For safety these should be provided.

61. Security in basement areas difficult due to numerous access points, hidden corners and large area for surveillance.

62. The lighting design in the corridor results in dark areas alternating with light areas. The dark areas may not meet minimum level of illumination.

63. Exhaust from emergency generator is not fenced off from access from lawn.

64. Pool fence is a little short. The wading pool perimeter fence is too short.

65. Storage lockers are not secured at top wire mesh allows contents to be visible so that high value property should not be stored. Numbers are not on permanent plaques. Some lockers need repair and at least one was flooded.

66. Retaining walls on grounds require guardrails when grade differences exceed Code maximums.

67. Locker rooms have dead-end corridors longer than twenty feet. Exit signs are not visible from all points in the corridor and exit signs may not be on emergency power.

68. No fire evacuation plan showing exit ways were posted. Exit signs should be on emergency power.

69. Fire pull boxes were not clearly identified by sign. Fire hose standpipe and fire extinguisher should be periodically inspected as required by Code and tagged.

RESIDENTIAL APARTMENTS

1. Extension cords were seen in Apartments. The use of and extent of extension cords should follow rules posted by Building Management.

2. No checks were done on building materials and finishes for toxic content. New painting should be EPA approved.

3. No GFIC electrical convenience outlets were provided in kitchens and baths and constitutes safety hazard.

4. Wall behind the kitchen range were in most cases plastic laminate or metal but at least one instance was found where painted wallboard was left unprotected.

5. Cabinets above the kitchen range must be metal or UL approved metal hood but at least one instance was found where painted wood cabinet was left unprotected.

6. Plumbing for water supply should be lead-free.

7. Low-flow plumbing fixtures must be used for all future replacement.

8. A smoke detectors were observed in each Apartment, but in the future additional smoke detectors must be placed on both sides of each bedroom door.

9. There should be a policy from Building Management in the storage of flammable materials. Unless a fire-resistive closet is provided, improper storage may occur elsewhere.

10. No peep holes in entry doors and no special high security locksets were observed for Apartment security.

11. The units were not designed for individual washer, dryer, dishwasher or window air conditioning units. The addition of these appliances would severely impact the Building's capacity to provide for its basic utility needs.
12. Termite damage was not observed, but is possible even in high-rises so periodic inspection is recommended.

13. Apartments are not individually metered so that utility charges may not reflect actual use.

14. No grab bars or non-slip surface in bathtub area.

15. Windows at bedroom do not meet current fire exit opening Code Requirements. The openings are grandfathered.

16. Kitchen appliances are of smaller size than found in houses.

17. Window at living room does not have 3'-6" high safety bar which should be added. Recommend adding this item. It is possible to remove the screen and open the window. This results in a dangerous condition where a 3'-6" high safety bar is insufficient and a full guardrail with 4" maximum opening pickets is recommended.

18. Lanai guardrail spacing is half inch larger than 4 inches, the current Code maximum opening but may be grandfathered.

Many of the above comments contain a note that the referenced item may be grandfathered. This means that it may have conformed to the Building Code at the time of construction. Usually, the item does not need to be altered to meet the latest Building Code until substantial renovation or addition takes place in the area where the item is located. The mention of this grandfathered status is meant to recommend further study by the property managers and the occupants, sometimes involving inquiry to the governing agencies or commissioning professional engineering consultants to make further studies, especially in cases where health and safety of occupants, guest and staff are concerned.

The Prince Tower Building is well built and has held up to wear and tear very well. A strict maintenance and repair program has kept the building clean and functionally able to provide for the needs of the intended use.

Respectfully submitted by:

Ernest M. Umemoto, AIA
Architect

BULK MATERIAL REPORT

LAB: 71483

REPORT Laboratory Analysis: BULK MATERIAL
Methodology: EPA 600/M4-82-020

It: J.R. HEROLD & ASSOCIATES
P/C#:

Reported to: RANDY HEROLD
Proj: IA007107

Sampled from: QUEEN EMMA PRINCE
By: Client

Shipped via: US MAIL
Received: 1/22/01 Reported: 1/25/01

SAMPLE	IDENTIFICATION	PARAMETER	TEST RESULTS
01	A-1 gypsum board, joint compound off white, white #938/BEDRM	Asbestos	Positive. This sample contains approx. 3% Chrysotile, 97% Quartz , CaCO , CaSO , Mica , Binder
02	A-2 sink coat white #938/KITCHEN	Asbestos	None detected. This sample contains approx. 15% Cellulose, 85% Quartz , CaCO , Mica , Binder
03	A-3 gypsum board, joint compound off white, white #938/BATH	Asbestos	Positive. This sample contains approx. 3% Chrysotile, 97% Quartz , CaCO , CaSO , Mica , Binder
04	A-4 sink coat black #921/KITCHEN	Asbestos	Positive. This sample contains approx. 5% Chrysotile, 95% Quartz , CaCO , Mica , Binder

BULK MATERIAL REPORT

LAB: 71453
Methodology: EPA 600/M4-82-020
P/O#:
Proj: IA007107
By: Client

REPORT Laboratory Analysis: BULK MATERIAL
Client: J.R. HEROLD & ASSOCIATES
Reported to: RANDY HEROLD
Sampled from: QUEEN EMMA PRINCE
Shipped via: US MAIL

Received: 1/22/01 Reported: 1/25/01

SAMPLE	IDENTIFICATION	PARAMETER	TEST RESULTS
05	A-5 joint compound off white, white #821/BATH	Asbestos	Positive. This sample contains approx. 3% Chrysotile 97% Quartz , CaCO , CaSO , Mica , Binder
06A	A-6 gypsum board white, brown #821/KITCHEN	Asbestos	None detected. This sample contains approx. 10% Cellulose, 1% Talc, 89% Quartz , CaCO , CaSO , Mica , Binder
06B	A-6 joint compound white #821/KITCHEN	Asbestos	Positive. This sample contains approx. 3% Chrysotile, 97% Quartz , CaCO , CaSO , Mica , Binder

Analyst: Octavio Gavarretezayecas By: Kurt Kettler

NVLAP Accreditation #1926, CA ELAP #1913, TX DOH #30-0094
7342 EAST THOMAS ROAD SCOTTSDALE, ARIZONA 85251-7213 (480) 990-2060 FAX: (480) 990-5465

ENVIRONMENTAL

MANAGEMENT

CONSULTANTS, INC.

7042 EAST THOMAS RD / SCOTTSDALE, ARIZONA 85251 / (480) 990-2050 / FAX (480) 990-3433

LEAD (Pb) IN PAINT CHIP SAMPLES
EMC SOP METHOD #L01/1 EPA METHOD SW-846

EMC LAB #:	L14715	DATE RECEIVED:	01/22/01
CLIENT:	J.R. Harold & Associates	REPORT DATE:	01/24/01
		DATE OF ANALYSIS:	01/24/01
CLIENT ADDRESS:	1125 Nuuanu Ave., Suite 270 Honolulu, HI 96817	P.O. NO.:	
PROJECT NAME:	Queen Emma Palace	PROJECT NO.:	LA007107

EMC # L14715-	SAMPLE DATE/01	CLIENT SAMPLE #	DESCRIPTION	DETECTION LIMIT	%Pb BY WEIGHT
1	01/16	LP-1	#923 / Interior – White	0.002	0.082
2	01/16	LP-2	#821 / Interior White	0.002	0.039

* = Dilution Factor Changed ** = Excessive Substrate May Bias Analytical Results BDL = Below Detectable Limits
# = Very Small Amount Of Sample Submitted, May Affect Result

This report applies to the standards or procedures identified and to the samples tested only. The test results are not necessarily indicative or representative of the qualities of the lot from which the sample was taken or of apparently identical or similar products, nor do they represent an ongoing quality assurance program unless so noted.

Where it is noted that a sample with excessive substrate was submitted for laboratory analysis, such analysis may be biased. The lead content of such sample may, in actuality, be greater than reported. EMC makes no warranty, expressed or implied, as to the accuracy of the analysis of samples noted to have been submitted with excessive substrate. Resampling is recommended in such situations to verify original laboratory results.

These reports are for the exclusive use of the addressed client and are rendered upon the condition that they will not be reproduced wholly or in part for advertising or other purposes over our signature or in connection with our name without special written permission. Samples not destroyed in testing are retained a minimum of sixty (60) days.

ANALYST: [signature]
Sherry Bersamina

QA COORDINATOR: [signature]
Kurt Kettler

[illegible]

J.R. Herold & Associates
Environmental Professionals

January 26, 2001

Ms. Lee
Prince Tower at
Queen Emma Gardens
500 Ala Kawa St.
Building 214-A
Honolulu, Hi 96817

RE: Suspect Asbestos Building Materials and Suspect Lead Paint
Sampling & Testing Results
Queen Emma Gardens, Prince Tower, Units 821 & 938

Dear Ms. Lee,

On January 16, 2001, suspect asbestos building materials and suspect lead paint Samples were collected from Units 821 & 938 of the Prince Tower at Queen Emma Gardens. The scope of the assessment included:

1. Identifying suspect building materials for possible asbestos content

2. Collecting representative samples of the identified suspect asbestos containing building materials.

3. Testing via USEPA methods the collected samples to determine percent of asbestos content.

4. Assessing the condition of the confirmed asbestos containing building materials.

5. Identifying painted areas to be sampled.

6. Collecting representative paints samples for subsequent testing.

7. Analyzing the collected paint samples using recognized USEPA methodology for lead content.

8. Assessing the condition of the confirmed lead paint areas.

Our results are as follows.

Unit 821

Unit 821 is a studio that consisted of a bathroom, living area and a small partitioned kitchen.

Asbestos

The vinyl floor tile was relatively new and in excellent condition. Consequently, the flooring was not sampled.

The insulation on the underside of the stainless steel sink in the kitchenette was sampled for asbestos and contains 5% chrysotile asbestos.

The joint compound applied to the gypsum walls in the bathroom contains 3% chrysotile asbestos. The gypsum board in the kitchen did not have asbestos, however, the joint compound applied to the gypsum board contains 3% chrysotile.

The studio unit was in excellent condition.

Paint

The entire room was painted white. The paint was in excellent condition.

Interior paint collected from a closet had 0.039 percent lead by weight.

629 Kailua Road, Suite 204 • Kailua, Hawaii 96734
Tel: 808/262-4000 • Fax : 808/262-4449

Unit 938

Unit 938 is a two-bedroom apartment that consisted of two bedrooms, a bathroom, living area and a small partitioned kitchenette.

Asbestos

The vinyl floor tile was relatively new and in excellent condition. Consequently, the flooring was not sampled.

The insulation on the underside of the stainless steel sink in the kitchenette was sampled for asbestos and does not contain asbestos.

The joint compound/gypsum samples collected from the walls of the bathroom and bedroom each contains 3% chrysotile asbestos.

The unit was in excellent condition.

Paint

The entire room was painted white. The paint was in excellent condition.

Interior paint collected from a closet had 0.082 percent lead by weight.

The Occupational Health and Safety Administration considers a material to be asbestos containing whenever there is a measurable amount of asbestos detected. If any of the asbestos identified materials require abatement, demolition or remodeling, a certified and trained asbestos worker should perform the work.

Lead paint is primarily regulated by OSHA, EPA and HUD. Current EPA guidance for residential lead paint calls for abatement measures for lead paint concentrations of 0.5% or greater. Lead in the paint in the two units sampled and tested was significantly less than this value. No immediate abatement measures are required.

Should you have any questions, please contact us.

Sincerely,

KLB

Randy Herold
President

629 Kailua Road, Suite 204 • Kailua, Hawaii 96734