

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

CONDOMINIUM PROJECT NAME	HAUULA BEACHFRONT COMMUNITY
Project Address	54-327 Kamehameha Highway Hauula, Hawaii 96717
Registration Number	7361 (Partial Conversion)
Effective Date of Report	June 19, 2013
Developer(s)	Healthsource Global Staffing, Douglas Leonard Jones, Geraldine Jones, Nicholas John Fanger, Janell Lorinda Fanger, Gary Warren Fanger, Benjamin Warren Fanger, Oahu Beachfront Estates LLC

Preparation of this Report

The Developer prepared this report to disclose relevant information, including "material facts", that are reasonably known to the Developer about the condominium project covered by this report. This report has been prepared pursuant to the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, as amended from time to time. The law defines "material facts" to mean "any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale."

This report has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts or all pertinent changes, or both, about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

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

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, including any omitted material facts, together with such supporting information as may be required by the Commission. In addition, the Developer may choose at any time to change or update the information in this report. Annually, at least thirty days prior to the anniversary date of the Effective Date of this report, the Developer shall file an annual report to update the material contained in this report. If there are no changes, the Developer is required to state that there are no changes. The Developer's obligation to amend this report or to file annual reports ends when the initial sales of all units in the project have been completed.

Purchasers are encouraged to read this report carefully and to seek professional advice before signing a sales contract for the purchase of a unit in the project.

Signing a sales contract may legally bind a purchaser to purchase a unit in the project, though a purchaser may have rights to cancel or rescind a sales contract under particular circumstances that may arise.

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

SPECIAL ATTENTION

[Use this page for special or significant matters which should be brought to the purchaser's attention and that are not covered elsewhere in this report.]

1. This Public Report does not constitute an approval of the project by the Real Estate Commission or any other governmental agency, nor does it ensure that all county codes, ordinances and subdivisions requirements have necessarily been complied with.

2. This Project does not involve the sale of individual subdivided lots. The land area beneath and immediately adjacent to each Apartment as shown on the Condominium Map is designated as a limited common element and does not represent a legally subdivided lot. The dotted lines on the Condominium Map merely represent the approximate location of the limited common element assigned to each Apartment.

3. Facilities and improvements normally associated with county approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for, and services such as County street maintenance and trash collection may not be available for interior roads and driveways.

4. Units 1A and 1B are residential structures without basements. Units 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, 7A and 7B are "spatial units" consisting initially as cubes of air space that are 5' in length x 5' in width x 5' in height, as described in the Restated Declaration of Condominium Property Regime of Hauula Beachfront Community, and which units may be expanded to include improvements to be constructed later in accordance with the Restated Declaration of Condominium Property Regime and the Declaration of Covenants, Conditions and Restrictions of Hauula Beachfront Community at Purchaser's expense; including, but not limited to, the preparation and filing of required amendments to the Restated Declaration of Condominium Property Regime and Amended Condominium Map to reflect the improvements made. Prospective Purchasers are advised that the location of the spatial cubes as depicted on the Condominium Map is not necessarily a representation as to where a residential structure can or will be built and/or the size or layout of such structure. Pursuant to Article XV of the Restated Declaration of Condominium Property Regime, any new residential structure must be built in accordance with applicable City and County building, zoning laws and ordinances (including, but not limited to setback requirements) and applicable State law.

The spatial units do not consist of any actual physical structures within the Project at this time. THERE ARE CITY AND COUNTY RESTRICTIONS ON THE NUMBER OF RESIDENTIAL DWELLING UNITS OR OTHER STRUCTURES WHICH MAY BE BUILT UPON THE PROPERTY. THEREFORE, UNLESS THE PURCHASER IS PURCHASING AN EXISTING RESIDENTIAL DWELLING, THERE IS NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO BUILDING A RESIDENTIAL DWELLING UNIT ON THE PROPERTY. THE PURCHASER SHOULD CONSULT WITH THE APPROPRIATE COUNTY AGENCIES TO DETERMINE WHETHER THE PURCHASE MAY BUILD A RESIDENTIAL DWELLING UNIT, OR ANY OTHER TYPE OF STRUCTURE, UPON THE PROPERTY.

5. No warranties are given to the Purchaser as to the construction, materials or workmanship of the Project. The Project is being sold in "as is" condition.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW ALL DOCUMENTS REGARDING THIS CONDOMINIUM PROJECT FOR FURTHER INFORMATION WITH REGARDING TO THE FOREGOING.

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EXHIBIT I:	Letter from the Department of Planning and Permitting dated March 28, 2013

General Information On Condominiums

A condominium is a special form of ownership of real property. To create a condominium in Hawaii after July 1, 2006, the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, must be followed. In addition, certain requirements and approvals of the county in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land and/or the building(s) and other improvements are leased to the purchaser. The lease for the land usually requires that at the end of the lease term, the lessees (unit owners) deliver their interest in the land to the lessor (fee property owner).

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

You will be entitled to exclusive ownership and possession of your unit. Subject to the documents governing them, condominium units may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift or operation of law.

Your unit will, however, be part of the group of units that comprise the condominium project. Study the project's Declaration of Condominium Property Regime, Bylaws of the Association of Unit Owners, Condominium Map and House Rules, if any, which are being concurrently delivered to you with this report. These documents contain important information on the use and occupancy of the units and the common elements of the project, as well as the rules and regulations of conduct for unit owners, tenants and guests.

Operation of the Condominium Project

The Association of Unit Owners is the entity through which unit owners may take action with regard to the administration, management and operation of the condominium project. Each unit owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as a unit owner. The Board and officers can take certain actions without the vote of the unit owners. For example, the Board may hire and fire employees, increase or decrease maintenance fees, adopt budgets for revenues, expenses and reserves and regulate the use, maintenance, repair and replacement of common elements. Some of these actions may significantly impact the unit owners.

Until there is a sufficient number of purchasers of units to elect a majority of the Board, it is likely at first that the Developer will effectively control the affairs of the Association. It is frequently necessary for the Developer to do so during the early stages of development and the Developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective purchasers should understand that it is important to all unit owners that the transition of control from the Developer to the unit owners be accomplished in an orderly manner and in a spirit of cooperation.

1. THE CONDOMINIUM PROJECT

1.1 The Underlying Land

Fee Simple or Leasehold Project	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Fee Owner's Name if Developer is not the Fee Owner	
Address of Project	54-327 Kamehameha Highway, Hauula, Hawaii 96717
Address of Project is expected to change because	N/A
Tax Map Key (TMK)	(1) 5-4-003: 003, 052; 053 & 054
Tax Map Key is expected to change because	Each unit will receive separate designated tax map key number
Land Area	Approximately 178,003 sf
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	

1.2 Buildings and Other Improvements

Number of Buildings	2
Floors Per Building	1A & 1B - 1 flr; remaining are spatial units (not yet built)
Number of New Building(s)	0
Number of Converted Building(s)	2
Principle Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Units 1A and 1B are constructed principally of wood, concrete, glass and allied building materials.

1.3 Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc)	Total Area
		See Exhibit A	attached			
See Exhibit <u> A </u>						

14	Total Number of Units
----	------------------------------

Note: Net Living Area is the floor area of the unit measured from the interior surface of the perimeter walls of the unit. Other documents and maps may give floor area figures that differ from those above because a different method of determining floor area may have been used.

1.3 Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage etc.)	Total Area
1A	1	5/4½	5,716 sf	458 sf	Lanai/portico	7,074 sf
				900 sf	Garage	
1B	1	3/3½	3,067 sf	75 sf	Lanai	3,420 sf
				278 sf	Portico	
2A	1	0/0	0	25 sf	Spatial Unit	25 sf
2B	1	0/0	0	25 sf	Spatial Unit	25 sf
3A	1	0/0	0	25 sf	Spatial Unit	25 sf
3B	1	0/0	0	25 sf	Spatial Unit	25 sf
4A	1	0/0	0	25 sf	Spatial Unit	25 sf
4B	1	0/0	0	25 sf	Spatial Unit	25 sf
5A	1	0/0	0	25 sf	Spatial Unit	25 sf
5B	1	0/0	0	25 sf	Spatial Unit	25 sf
6A	1	0/0	0	25 sf	Spatial Unit	25 sf
6B	1	0/0	0	25 sf	Spatial Unit	25 sf
7A	1	0/0	0	25 sf	Spatial Unit	25 sf
7B	1	0/0	0	25 sf	Spatial Unit	25 sf

1.4 Parking Stalls

Total Parking Stall in the Project:	29
Number of Guest Stalls in the Project:	11
Number of Parking Stalls Assigned to Each Unit:	Unit 1A=3; Unit 1B=2; remaining units = 2 each
Attach Exhibit <u> A </u> specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact or tandem and indicate whether covered or open).	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights.	

1.5 Boundaries of the Units

Boundaries of the unit:

Each Unit shall include its entire structure, and the limited common element land area appurtenant to such Unit. The boundary of each unit is the exterior finished surfaces of the units' perimeter frame, beams, doors, foundations, roofs, shade cloth, windows, frames, and posts, if any.

1.6 Permitted Alterations to the Units

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

Each Unit Owner may construct and/or alter the structure and any other improvements located within their Unit's limited common element land area as provided in Section XV of the Declaration of Condominium Property Regime and the Declaration of Covenants, Conditions and Restrictions.

1.7 Common Interest

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

Described in Exhibit B .

As follows:

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

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

1.9 Common Elements

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

Described in Exhibit C .

Described as follows:

Common Element	Number
Elevators	0
Stairways	0
Trash Chutes	0

1.10 Limited Common Elements

Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.

Described in Exhibit C .

Described as follows:

1.11 Special Use Restrictions

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include, but are not limited to, those described below.

<input type="checkbox"/>	Pets:
<input type="checkbox"/>	Number of Occupants:
<input type="checkbox"/>	Other:
<input checked="" type="checkbox"/>	There are no special use restrictions.

1.12 Encumbrances Against Title

An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit (see Section 5.3 on Blanket Liens).

Exhibit D describes the encumbrances against title contained in the title report described below.

Date of the title report: March 25, 2013

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

1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning				
	Type of Use	No. of Units	Use Permitted by Zoning	Zoning
<input checked="" type="checkbox"/>	Residential	2	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	R-5
<input type="checkbox"/>	Commercial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Mix Residential/Commercial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Hotel		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Timeshare		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Ohana		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Industrial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Agricultural		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Recreational		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input checked="" type="checkbox"/>	Other (Specify): Spatial Unit	12	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	R-5
Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Variances to zoning code have been granted.			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Describe any variances that have been granted to zoning code			Conditional Use Permit approved. See Item 4 on page 18 herein.	

1.14 Other Zoning Compliance Matters

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

1.15 Conversions

<p>Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.</p>	<p><input type="checkbox"/> Applicable</p> <p><input checked="" type="checkbox"/> Not Applicable</p>
<p>Developer's statement, based upon a report prepared by a Hawaii-licensed architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units:</p>	
<p>Developer's statement of the expected useful life of each item reported above:</p>	
<p>List of any outstanding notices of uncured violations of any building code or other county regulations:</p>	
<p>Estimated cost of curing any violations described above:</p>	

<p>Verified Statement from a County Official</p>	
<p>Regarding any converted structures in the project, attached as Exhibit <u>H&I</u> is a verified statement signed by an appropriate county official which states that either:</p> <p>(A) The structures are in compliance with all zoning and building ordinances and codes applicable to the project at the time it was built, and specifying, if applicable:</p> <ul style="list-style-type: none"> (i) Any variances or other permits that have been granted to achieve compliance; (ii) Whether the project contains any legal non-conforming uses or structures as a result of the adoption or amendment of any ordinances or codes; and (iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the structure into compliance; <p style="text-align: center;">or</p> <p>(B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.</p>	
<p>Other disclosures and information:</p>	

1.16 Project In Agricultural District

<p>Is the project in an agricultural district as designated by the land use laws of the State of Hawaii? If answer is "Yes", provide information below.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable state and county land use laws? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the answer is "No", provide explanation.</p>	
<p>Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable county real property tax laws? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.</p>	
<p>Other disclosures and information:</p>	

1.17 Project with Assisted Living Facility

<p>Does the project contain any assisted living facility units subject to Section 321-11(10), HRS? If answer is "Yes", complete information below.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>Licensing requirements and the impact of the requirements on the costs, operations, management and governance of the project.</p>	
<p>The nature and the scope of services to be provided.</p>	
<p>Additional costs, directly attributable to the services, to be included in the association's common expenses.</p>	
<p>The duration of the provision of the services.</p>	
<p>Other possible impacts on the project resulting from the provision of the services.</p>	
<p>Other disclosures and information.</p>	

2. PERSONS CONNECTED WITH THE PROJECT

2.1 Developer(s)	Name: <p style="text-align: center;">See attached page 9a</p> Business Address: Business Phone Number : E-mail Address:
Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).	
2.2 Real Estate Broker	Name: CJ Real Estate International (Choon James) Business Address: 55-052 Naupaka Street Laie, HI 96762 Business Phone Number: (808) 293-9111 E-mail Address: choonjameshawaii@gmail.com
2.3 Escrow Depository	Name: Title Guaranty Escrow Services, Inc. Business Address: 235 Queen Street, 1st Floor Honolulu, HI 96813 Business Phone Number: (808) 521-0211
2.4 General Contractor	Name: N/A Business Address: Business Phone Number:
2.5 Condominium Managing Agent	Name: Self-Managed by the Association Business Address: Business Phone Number:
2.6 Attorney for Developer	Name: Jonathan S. Durrett, Esq. Business Address: 841 Bishop Street, #1101 Honolulu, HI 96813 Business Phone Number: (808) 526-0892

2.1 Developers:

Healthsource Global Staffing,
a California corporation
39270 Paseo Padre Parkway, #138
Fremont, CA 94538
Email: Lancef@healthsourceglobal.com

Lance Vincent Fanger, CEO

Douglas Leonard Jones
Geraldine Jones
235 Tally Ho Road
Arroyo Grande, CA 93420
Bus. Phone: (805) 481-4000

Nicholas John Fanger
Janell Lorinda Fanger
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Moorpark, California 93021
Email: n.fanger@yahoo.com

Gary Warren Fanger
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Alameda, CA 94502
Email: garyfanger@gmail.com

Benjamin Warren Fanger
50 Univesrity Avenue, #B104
Los Gatos, California 95030
Email: benfanger@gmail.com

Oahu Beachfront Estates LLC,
a Hawaii limited liaibility company
54-337 Kamehameha Highway
Hauula, HI 96717
Email: garyfanger@gmail.com

Gary Warren Fanger, Member-Manager

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

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

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	June 1, 2011	4077580

Amendments to Declaration of Condominium Property Regime		
Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court & Bureau of Convey.	November 28, 2011	4117348; 2011-207189
Land Court & Bureau of Convey.	November 28, 2011	4117349; 2011-207191
Land Court & Bureau of Convey.	June 10, 2013	T-8564503; A-49121376

3.2 Bylaws of the Association of Unit Owners

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

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	June 1, 2011	4077581

Amendments to Bylaws of the Association of Unit Owners		
Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court & Bureau of Convey.	December 1, 2011	4117350; 2001-207192

3.3 Condominium Map

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

Land Court Map Number	2109
Bureau of Conveyances Map Number	5045
Dates of Recordation of Amendments to the Condominium Map: December 8, 2011; June 13, 2013	

3.4 House Rules

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

The House Rules for this project:

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

3.5 Changes to the Condominium Documents

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

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

3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents

<input type="checkbox"/>	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
<input checked="" type="checkbox"/>	<p>Developer has reserved the right to change the Declaration, Bylaws, Condominium Map and House Rules (if any) and to add to or merge the project or to develop the project in one or more phases, and such rights are summarized as follows:</p> <p>The Developer has reserved the right to file an amendment as provided for in Section XXII of the Declaration of Condominium Property Regime reflecting improvements including alteration, demolition or removal and/or construct the improvements to the Common Elements.</p>

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

Management of the Common Elements: The Association of Unit Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.	
The initial Condominium Managing Agent for this project is (check one):	
<input type="checkbox"/>	Not affiliated with the Developer
<input checked="" type="checkbox"/>	None (self-managed by the Association)
<input type="checkbox"/>	The Developer or an affiliate of the Developer
<input type="checkbox"/>	Other (explain)

4.2 Estimate of the Initial Maintenance Fees

Estimate of the Initial Maintenance Fees: The Association will make assessments against your unit to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your unit and the unit may be sold through a foreclosure proceeding. Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.
Exhibit <u>G</u> contains a breakdown of the estimated annual maintenance fees and the monthly estimated maintenance fee for each unit, certified to have been based on generally accepted accounting principles, with the Developer's statement as to when a unit owner shall become obligated to start paying the unit owner's share of the common expenses.

4.3 Utility Charges to be Included in the Maintenance Fee

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

4.4 Utilities to be Separately Billed to Unit Owner

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

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit <u>E</u> contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement dated: November 28, 2011 Name of Escrow Company: Title Guaranty Escrow Services, Inc. Exhibit <u>F</u> contains a summary of the pertinent provisions of the escrow agreement.
<input type="checkbox"/>	Other:

5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants.

<input type="checkbox"/>	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
<input type="checkbox"/>	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit ____.
<input type="checkbox"/>	Developer has or will designate the units for sale to Owner-Occupants by publication.

5.3 Blanket Liens

Blanket Liens: A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the developer conveys the unit to a purchaser. The purchaser's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.

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

Type of Lien	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
See attached	

5.4 Construction Warranties

Construction Warranties: Warranties for individual units and the common elements, including the beginning and ending dates for each warranty (or the method of calculating them), are as set forth below:
Building and Other Improvements: None. There are no warranties, express or implied, being made by Developer. Sales are "as is".
Appliances: None. There are no warranties, express or implied. Sales are "as is".

5.3 Blanket Liens

There are blanket liens that may affect title to the individual units:

<u>Type of Lien</u>	<u>Effect of Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgages	Purchaser's interest may be terminated, in which event Purchaser will be entitled to a refund of deposit less an escrow cancellation
Foreign Judgment	Is in the process of being released
Tax Lien	Proceeds from sales of Units will be applied to outstanding balance of tax lien which shall be partially released incident to the closing of the sale of each Unit.

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

<p>Status of Construction: Unit 1A was completed in April of 2013 & Unit 1B was completed in September of 2010. Units 2A, 2B, 3A, 3B, 4A, 4B, 5A, 5B, 6A, 6B, 7A & 7B are spatial units which do not consist of any actual physical structure.</p>
<p>Completion Deadline: If a sales contract for a unit is signed before the construction of the unit has been completed, or, in the case of a conversion, completion of any repairs, does not occur by the completion deadline set forth below, one of the remedies available to a purchaser is a cancellation of the purchaser's sales contract. The sales contract may include a right of the Developer to extend the completion deadline for force majeure as defined in the sales contract. The sales contract may also provide additional remedies for the purchaser.</p>
<p>Completion Deadline for any unit not yet constructed, as set forth in the sales contract:</p>
<p>Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract:</p>

5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance

The Developer is required to deposit all moneys paid by purchasers in trust under a written escrow agreement with a Hawaii licensed escrow depository. Escrow shall not disburse purchaser deposits to the Developer or on behalf of the Developer prior to closing, except if a sales contract is canceled or if Developer has met certain requirements, which are described below.

5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance

<input checked="" type="checkbox"/>	<p>The Developer hereby declares by checking the box to the left that it shall use its own funds to complete the construction of the condominium project by the date indicated in Section 5.5 of this report, and the Developer, pursuant to its own analysis and calculations, certifies that it has sufficient funds to complete the construction of the condominium project.</p> <p><i>If this box is checked, Section 5.6.2, which follows below, will not be applicable to the project.</i></p>
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5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

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

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

<p>Box A</p> <p><input type="checkbox"/></p>	<p>The Developer has submitted all information and documents required by law and the Commission prior to the disbursement of purchaser deposits before closing. This means that the Developer may use such deposits before closing. If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report.</p> <p>If Box A is checked, you should read and carefully consider the following notice, which is required by law:</p> <p><u>Important Notice Regarding Your Deposits:</u> Deposits that you make under your sales contract for the purchase of the unit may be disbursed before closing of your purchase to pay for project costs, construction costs, project architectural, engineering, finance, and legal fees, and other incidental expenses of the project. While the developer has submitted satisfactory evidence that the project should be completed, it is possible that the project may not be completed. If your deposits are disbursed to pay project costs and the project is not completed, there is a risk that your deposits will not be refunded to you. You should carefully consider this risk in deciding whether to proceed with your purchase.</p>
<p>Box B</p> <p><input type="checkbox"/></p>	<p>The Developer has <u>not</u> submitted all information and documents required by law and the Commission, and, until all such information and documents are submitted, thus, the Developer cannot use purchaser deposits.</p> <p>If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the <u>Important Notice Regarding Your Deposits</u> set forth immediately above will apply to all purchasers and will be restated in the amendment to this report or an amended developer's public report. When an effective date for such an amendment or an amended developer's public report is issued, <u>you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment.</u> (This, however, does not affect your right to rescind for material changes or any other right you may have to rescind or cancel the sales contract, as described in Section 5.8 below.) If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report.</p> <p>You should understand that, although the <u>Important Notice Regarding Your Deposits</u> set forth above does not currently apply to you, it might apply to you in the future, and, therefore, you should read and carefully consider it now to ensure that you understand the risk involved in deciding whether to proceed with your purchase.</p>
<p>Material House Bond. If the Developer has submitted to the Commission a completion or performance bond issued by a material house instead of a surety as part of the information provided prior to the use of purchaser deposits prior to closing or conveyance of a unit, the Developer shall disclose the same below and disclose the impact of any restrictions on the Developer's use of purchaser deposits.</p>	

5.7 Rights Under the Sales Contract

Before signing the sales contract, prospective purchasers should carefully review all documents relating to the project. These include but are not limited to the documents listed below. Items 2, 3 and 4 are made a part of this public report, as well as Item 5, if any, and are being delivered to you with this report.

1.	Developer's Public Report
2.	Declaration of Condominium Property Regime (and any amendments)
3.	Bylaws of the Association of Unit Owners (and any amendments)
4.	Condominium Map (and any amendments)
5.	House Rules, if any
6.	Escrow Agreement
7.	Hawaii's Condominium Property Act (Chapter 514B, HRS, as amended) and Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), provided that rules and regulations under Chapter 514B have not yet been adopted.
8.	Other: Declaration of Covenants, Conditions and Restrictions dated December 2, 2011, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. T-8018217, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. A-43660965.

Copies of the condominium and sales documents and amendments made by the Developer are available for review through the Developer or through the Developer's sales agent, if any. The Condominium Property Regime law (Chapter 514B, HRS) and the Administrative Rules (Chapter 107, HAR), are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov

Website to access rules: www.hawaii.gov/dcca/har

5.8 Purchaser's Right to Cancel or Rescind a Sales Contract

A purchaser's right to cancel a sales contract or to rescind a sales contract may arise under varying circumstances. In the sections below, some circumstances that will give rise to a purchaser's right to cancel or rescind are described, together with what a purchaser must do if the purchaser wishes to exercise any of the rights.

5.8.1 When a Sales Contract becomes Binding and Purchaser's 30-Day Right to Cancel a Sales Contract

A sales contract signed by a purchaser and the developer will not become binding on a purchaser or the Developer until the following events have taken place:

- (1) The purchaser has signed the sales contract.
- (2) The Developer has delivered to the purchaser a true copy of the developer's public report with an effective date issued by the Commission, together with all amendments to the report as of the date of delivery, and the project's recorded Declaration and Bylaws, House Rules (if any), the Condominium Map and any amendments to them to date (all of which are a part of the developer's public report). If it is impracticable to include a letter-sized Condominium Map, the Developer must provide written notice of an opportunity to examine the Condominium Map.
- (3) The Developer has delivered to the purchaser a notice of the purchaser's 30-day cancellation right on a form prescribed by the Commission.
- (4) The purchaser does at least one of the following:
 - (a) Waives the purchaser's right to cancel the sales contract within 30 days from receipt of the notice of the purchaser's 30-day cancellation right; or

(b) Allows the 30-day cancellation period to expire without exercising the right to cancel; or

(c) Closes the purchase of the unit before the 30-day cancellation period expires.

The purchaser or the Developer may cancel the sales contract at any time during the 30-day cancellation period, and the sales contract will be canceled and the purchaser's deposits returned to the purchaser, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.

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

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

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

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

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

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

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

The rescission form must be signed by all purchasers of the affected unit and delivered to the developer no later than midnight of the 30th calendar day after the purchasers received the rescission form from the developer. Purchasers who validly exercise the right of rescission shall be entitled to a prompt and full refund of any moneys paid.

A rescission right shall not apply in the event of any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of a project, made pursuant to the terms of the project's Declaration.

These provisions shall not preclude a purchaser from exercising any rescission rights pursuant to a contract for the sale of a unit or any applicable common law remedies.

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

1. **NOT A SUBDIVISION.** This is a condominium project which should not be confused with a subdivision. A purchaser of a Unit will be conveyed a Unit together with an "undivided" percentage interest in the common elements of the project. The entire parcel of land upon which the project is situated is designated as a common element. That portion of the common element which each purchaser has the exclusive right to use is called a limited common element or area, but is NOT a separate, legally subdivided lot.

2. **INSURANCE.** Section 514B-143, Hawaii Revised Statutes, requires the Association of Unit Owners to purchase fire insurance to cover the improvements of the Project, and that the premiums for the insurance be common expenses. Developer anticipates that the Association will elect to permit individual Unit owners to obtain and maintain separate policies of fire insurance and name the Association as an additional insured. In such case, fire insurance premiums will be the responsibility of individual Unit owners and not common expenses. Prospective purchasers should consult with their own insurance professionals to obtain an estimate for individual fire and hazard insurance.

3. **RESERVES.** Developer discloses that no "reserve study" was done in accordance with Section 514B-148, Hawaii Revised Statutes, and replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

4. **WASTEWATER SYSTEM. THERE IS NO PUBLIC WASTEWATER SYSTEM AVAILABLE.** Each Unit will be serviced by its own individual wastewater system ("IWS") and such system must be designed, permitted and installed at each Unit Owner's sole expense. Prospective Purchasers should verify requirements with the City & County of Honolulu Wastewater Division and seek design and installation estimates prior to making an offer to purchase a Unit in the Project.

The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report and the exhibits attached to this report and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report at least 30 days prior to the anniversary date of the effective date of this report.

HEALTHSOURCE GLOBAL STAFFING

Printed Name of Developer

By: [SEE ATTACHED] 06/14/13
Duly Authorized Signatory* Date

Lance Vincent Fanger, CEO
Printed Name & Title of Person Signing Above

Distribution:

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

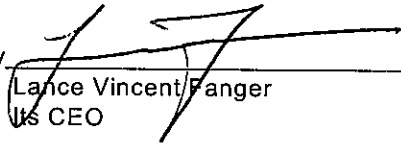
***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

Developer:

HEALTHSOURCE GLOBAL STAFFING,
a California corporation

Date: 06/14/13

By _____



Lance Vincent Fanger
Its CEO

The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

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DOUGLAS LEONARD JONES and GERALDINE JONES

Printed Name of Developer

By: [SEE ATTACHED]
Duly Authorized Signatory*

06/14/13
Date

DOUGLAS LEONARD JONES and GERALDINE JONES, Developer
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City & County of Honolulu

Planning Department, City & County of Honolulu

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

Developer:

Date: 06/14/13


DOUGLAS LEONARD JONES

Date: 06/14/13


GERALDINE JONES

The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

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NICHOLAS JOHN FANGER and JANELL LORINDA FANGER

Printed Name of Developer

By: [SEE ATTACHED]
Duly Authorized Signatory*

06/14/13
Date

NICHOLAS JOHN FANGER and JANELL LORINDA FANGER, Developer
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City & County of Honolulu

Planning Department, City & County of Honolulu

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

Developer:

Date: 06/14/13


NICHOLAS JOHN FANGER

Date: 06/14/13


JANELL LORINDA FANGER

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GARY WARREN FANGER;
OAHU BEACHFRONT ESTATES LLC

Printed Name of Developer

By: [SEE ATTACHED] 06/14/13
Duly Authorized Signatory* Date

GARY WARREN FANGER;
GARY WARREN FANGER, Manager of Oahu Beachfront Estates LLC

Printed Name & Title of Person Signing Above


Distribution:

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

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

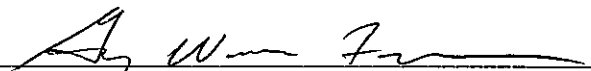
Developer:

Date: 06/14/13


GARY WARREN FANGER

OAHU BEACHFRONT ESTATES LLC

Date: 06/14/13

By 
Gary Warren Fanger
Its Manager

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BENJAMIN WARREN FANGER

Printed Name of Developer

By: [SEE ATTACHED]
Duly Authorized Signatory*

06/14/13
Date

BENJAMIN WARREN FANGER, Developer

Printed Name & Title of Person Signing Above

Distribution:

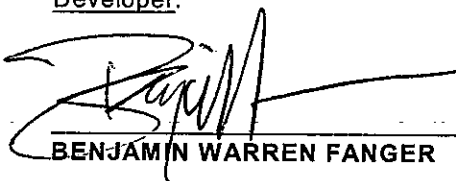
Department of Finance, City & County of Honolulu

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

Developer:

Date: 06/14/13



BENJAMIN WARREN FANGER

EXHIBIT A

DESCRIPTION OF UNITS

The Project is divided into the following fourteen (14) estates (hereinafter referred to as a "Unit" and the owner of a Unit shall be referred to as a "Unit Owner"):

a. Unit 1A. Unit 1A consists of one freehold estate including a 1-story residential structure identified as "Unit 1A" on the Condominium Map. Unit 1A consists of five (5) bedrooms, four and one-half (4-1/2) bathrooms, kitchen, breakfast nook, dining room, family room, living room, den, laundry area, entry, lanai, portico and free-standing three (3) car garage. Unit 1A has a net interior area of approximately 5,716 square feet, lanai/portico area is approximately 458 square feet, and the free-standing three (3) car garage is approximately 900 square feet.

Parking for three (3) vehicles is available within the garage, and parking for three (3) additional vehicles is available within the limited common element land area.

The unit is constructed principally of wood, concrete, glass windows, and other building materials. The land area surrounding Unit 1A as delineated in the Condominium Map is 52,266 square feet, is a limited common element to Unit 1A and is for the exclusive use of Unit 1A.

b. Unit 1B. Unit 1B consists of one freehold estate including a 1-story residential structure identified as "Unit 1B" on the Condominium Map. Unit 1B consists of three (3) bedrooms, three and one-half (3-1/2) bathrooms, kitchen, laundry area, family room, dining room, living room, den, entry lanai and portico. Unit 1B has a net interior area of approximately 3,067 square feet, the entry lanai is approximately 75 square feet and the portico area is approximately 278 square feet.

The unit is constructed principally of wood, concrete, glass windows, and other building materials. The land area surrounding Unit 1B as delineated in the Condominium Map is 27,512 square feet, is a limited common element to Unit 1B and is for the exclusive use of Unit 1B.

Parking for four (4) vehicles is available anywhere within the limited common element land area.

c. Unit 2A. Unit 2A consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 2A is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 2A contains approximately 25 square feet. The center location of Unit 2A is identified through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 2A" on the Condominium Map. The land surrounding Unit 2A as delineated in the Condominium Map is 4,144 square feet, is a limited common element to Unit 2A and is for the exclusive use of Unit 2A.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

d. Unit 2B. Unit 2B consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 2B is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 2B contains approximately 25 square feet. The center location of Unit 2B is identified through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 2B" on the Condominium Map. The land surrounding Unit 2B as delineated in the Condominium Map is 5,165 square feet, is a limited common element to Unit 2B and is for the exclusive use of Unit 2B.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

e. Unit 3A. Unit 3A consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 3A is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 3A contains approximately 25 square feet. The center location of Unit 3A is identified

through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 3A" on the Condominium Map. The land surrounding Unit 3A as delineated in the Condominium Map is 4,189 square feet, is a limited common element to Unit 3A and is for the exclusive use of Unit 3A.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

f. Unit 3B. Unit 3B consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 3B is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 3B contains approximately 25 square feet. The center location of Unit 3B is identified through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 3B" on the Condominium Map. The land surrounding Unit 3B as delineated in the Condominium Map is 4,700 square feet, is a limited common element to Unit 3B and is for the exclusive use of Unit 3B.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

g. Unit 4A. Unit 4A consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 4A is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 4A contains approximately 25 square feet. The center location of Unit 4A is identified through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 4A" on the Condominium Map. The land surrounding Unit 4A as delineated in the Condominium Map is 4,439 square feet, is a limited common element to Unit 4A and is for the exclusive use of Unit 4A.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

h. Unit 4B. Unit 4B consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 4B is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 4B contains approximately 25 square feet. The center location of Unit 4B is identified through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 4B" on the Condominium Map. The land surrounding Unit 4B as delineated in the Condominium Map is 4,615 square feet, is a limited common element to Unit 4B and is for the exclusive use of Unit 4B.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

i. Unit 5A. Unit 5A consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 5A is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 5A contains approximately 25 square feet. The center location of Unit 5A is identified through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 5A" on the Condominium Map. The land surrounding Unit 5A as delineated in the Condominium Map is 4,513 square feet, is a limited common element to Unit 5A and is for the exclusive use of Unit 5A.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

j. Unit 5B. Unit 5B consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 5B is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 5B contains approximately 25 square feet. The center location of Unit 5B is identified through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 5B" on the Condominium Map. The land surrounding Unit 5B as delineated in the

Condominium Map is 4,417 square feet, is a limited common element to Unit 5B and is for the exclusive use of Unit 5B.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

k. Unit 6A. Unit 6A consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 6A is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 6A contains approximately 25 square feet. The center location of Unit 6A is identified through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 6A" on the Condominium Map. The land surrounding Unit 6A as delineated in the Condominium Map is 3,885 square feet, is a limited common element to Unit 6A and is for the exclusive use of Unit 6A.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

l. Unit 6B. Unit 6B consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 6B is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 6B contains approximately 25 square feet. The center location of Unit 6B is identified through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 6B" on the Condominium Map. The land surrounding Unit 6B as delineated in the Condominium Map is 2,533 square feet, is a limited common element to Unit 6B and is for the exclusive use of Unit 6B.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

m. Unit 7A. Unit 7A consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 7A is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 7A contains approximately 25 square feet. The center location of Unit 7A is identified through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 7A" on the Condominium Map. The land surrounding Unit 7A as delineated in the Condominium Map is 3,335 square feet, is a limited common element to Unit 7A and is for the exclusive use of Unit 7A.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

n. Unit 7B. Unit 7B consists of one freehold estate including coordinates of a one-story spatial unit without basement. Unit 7B is an open area that is approximately 5 feet in length, 5 feet in width, and with a height of 5 feet. Unit 7B contains approximately 25 square feet. The center location of Unit 7B is identified through a tie in with the Government Survey Triangulation Station "KAIPAPAU," as more particularly depicted as "Spatial Unit 7B" on the Condominium Map. The land surrounding Unit 7B as delineated in the Condominium Map is 2,195 square feet, is a limited common element to Unit 7B and is for the exclusive use of Unit 7B.

Parking for at least two (2) vehicles is available anywhere within the limited common element land area.

UNIT TYPES AND SIZES OF UNITS

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage etc.)	Total Area
1A	1	5/4½	5,716 sf	458 sf	Lanai/portico	7,074 sf
				900 sf	Garage	
1B	1	3/3½	3,067 sf	75 sf	Lanai	3,420 sf
				278 sf	Portico	
2A	1	0/0	0	25 sf	Spatial Unit	25 sf
2B	1	0/0	0	25 sf	Spatial Unit	25 sf
3A	1	0/0	0	25 sf	Spatial Unit	25 sf
3B	1	0/0	0	25 sf	Spatial Unit	25 sf
4A	1	0/0	0	25 sf	Spatial Unit	25 sf
4B	1	0/0	0	25 sf	Spatial Unit	25 sf
5A	1	0/0	0	25 sf	Spatial Unit	25 sf
5B	1	0/0	0	25 sf	Spatial Unit	25 sf
6A	1	0/0	0	25 sf	Spatial Unit	25 sf
6B	1	0/0	0	25 sf	Spatial Unit	25 sf
7A	1	0/0	0	25 sf	Spatial Unit	25 sf
7B	1	0/0	0	25 sf	Spatial Unit	25 sf

EXHIBIT B

DESCRIPTION OF COMMON INTERESTS

Each Unit shall have the following appurtenant common interests, and the same shall be determinative for all purposes including voting and the allocation of the common profits and expenses:

<u>UNIT #</u>	<u>PERCENTAGE INTEREST (%)</u>
1A	40.86%
1B	21.51%
2A	3.24%
2B	4.04%
3A	3.27%
3B	3.67%
4A	3.47%
4B	3.61%
5A	3.53%
5B	3.45%
6A	3.04%
6B	1.98%
7A	2.61%
7B	1.72%
TOTAL:	100.00%

The common interest was computed based on the net limited common element land areas of the respective Units.

EXHIBIT C

DESCRIPTION OF COMMON ELEMENTS

The Common Elements of the Project ("Common Elements") to which the Units have immediate access include:

- a. The Land in fee simple;
- b. The common roadway (and fire safety turn arounds) providing access to Kamehameha Highway, a public road, and containing an area of 14,283 sq. ft., and eleven (11) guest parking stalls;
- c. The common park and pedestrian beach access containing an area of 12,542 sq. ft., and utility elements, if any;
- d. The central and appurtenant installations for services such as power, light, gas, telephone, sewer, and any improvements, equipment and drainage, hot and cold water and like utilities which services more than one Unit and any easements for such utility services, if any;
- e. The common easements for drainage and all common or shared installations for underground utilities including electricity, water, telephone, and cable television which run upon or under the common easement, if any; and
- f. All other parts of the Project existing for the common use or necessary to the existence, maintenance and safety of the Project.

DESCRIPTION OF LIMITED COMMON ELEMENTS

The Land area delineated and designated in the Condominium Map as Limited Common Elements are Limited Common Elements ("Limited Common Elements") of a Unit and consist of the following:

- a. Unit 1A. The land area surrounding and under Unit 1A, including the seaward boundary, any seawalls, revetments, or emplacements providing lateral support, is a limited common element of Unit 1A and is for the exclusive use of Unit 1A and consists of approximately 52,266 sq. ft.; and
- b. Unit 1B. The land area surrounding and under Unit 1B, including the seaward boundary, any seawalls, revetments, or emplacements providing lateral support, is a limited common element of Unit 1B and is for the exclusive use of Unit 1B and consists of approximately 27,512 sq. ft.; and
- c. Unit 2A. The land area surrounding and under Unit 2A is a limited common element of Unit 2A and is for the exclusive use of Unit 2A and consists of approximately 4,144 sq. ft.; and
- d. Unit 2B. The land area surrounding and under Unit 2B is a limited common element of Unit 2B and is for the exclusive use of Unit 2B and consists of approximately 5,165 sq. ft.; and
- e. Unit 3A. The land area surrounding and under Unit 3A is a limited common element of Unit 3A and is for the exclusive use of Unit 3A and consists of approximately 4,189 sq. ft.; and
- f. Unit 3B. The land area surrounding and under Unit 3B is a limited common element of Unit 3B and is for the exclusive use of Unit 3B and consists of approximately 4,700 sq. ft.; and
- g. Unit 4A. The land area surrounding and under Unit 4A is a limited common element of Unit 4A and is for the exclusive use of Unit 4A and consists of approximately 4,439 sq. ft.; and

h. Unit 4B. The land area surrounding and under Unit 4B is a limited common element of Unit 4B and is for the exclusive use of Unit 4B and consists of approximately 4,615 sq. ft.; and

i. Unit 5A. The land area surrounding and under Unit 5A is a limited common element of Unit 5A and is for the exclusive use of Unit 5A and consists of approximately 4,513 sq. ft.; and

j. Unit 5B. The land area surrounding and under Unit 5B is a limited common element of Unit 5B and is for the exclusive use of Unit 5B and consists of approximately 4,417 sq. ft.; and

k. Unit 6A. The land area surrounding and under Unit 6A is a limited common element of Unit 6A and is for the exclusive use of Unit 6A and consists of approximately 3,885 sq. ft.; and

l. Unit 6B. The land area surrounding and under Unit 6B is a limited common element of Unit 6B and is for the exclusive use of Unit 6B and consists of approximately 2,533 sq. ft.; and

m. Unit 7A. The land area surrounding and under Unit 7A is a limited common element of Unit 7A and is for the exclusive use of Unit 7A and consists of approximately 3,335 sq. ft.; and

n. Unit 7B. The land area surrounding and under Unit 7B is a limited common element of Unit 7B and is for the exclusive use of Unit 7B and consists of approximately 2,195 sq. ft.; and

o. Any utility systems or lines, and septic tanks with leach fields, which are located within a limited common element area and which services or benefits only one Unit shall be deemed a limited common element for such Unit.

EXHIBIT D

DESCRIPTION OF ENCUMBRANCES

As to All Lots:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

2. Terms and conditions contained in the Declaration of Condominium Property Regime dated June 1, 2011, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 4077580 and Condominium Map No. 2109, as amended by instrument dated November 28, 2011, filed in said Office as Document No. 4117348, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2011-207189 and Condominium Map No. 5045.

Said Declaration was restated by instrument dated November 28, 2011, filed in said Office as Document No. 4117349 and recorded in said Bureau as Document No. 2011-207191. The Restated Declaration was amended by instrument dated June 10, 2013, filed in said Office as Document No. T-8564503 and recorded in said Bureau as Document No. A-49121376.

3. Terms and conditions contained in the By-Laws of the Association of Unit Owners dated June 1, 2011, filed in said Office as Document No. 4077581.

Said By-Laws was amended and restated by instrument dated December 1, 2011, filed in said Office as Document No. 4117350 and recorded in said Bureau as Document No. 2011-207192.

4. Terms and conditions contained in the Declaration of Covenants, Conditions and Restrictions dated December 2, 2011, filed in said Office as Document No. T-8018217, and recorded in said Bureau as Document No. A-43660965.

5. Real property taxes that may be due and owing. Reference is made to the Tax Assessor's Office, City and County of Honolulu.

As to Lot 6:

6. Location of the seaward boundary in accordance with the laws of the State of Hawaii and shoreline setback line in accordance with County regulation and/or ordinance.

7. Mortgage in favor of Investors Funding Corporation, a Hawaii corporation, dated April 7, 2006, filed in said Office as Document No. 3415639 and recorded in said Bureau as Document No. 2006-068460.

8. Grant in favor of Hawaiian Electric Company, Inc. and GTE Hawaiian Telephone Company Incorporated, now known as Hawaiian Telcom, Inc., dated November 17, 2009, filed in said Office as Document No. 3917220, for a perpetual easement for utility purposes.

9. Accommodation Second Mortgage, Security Agreement and Financing Statement in favor of Pacific Financial Solutions, LLC, a Hawaii limited liability company, dated April 30, 2010, filed in said Office as Document No. 3959937, as amended by instrument dated October 9, 2012, filed in said Office as Document No. 8333295.

Consent to Second Mortgage by Investors Funding Corporation dated April 6, 2006, filed in said Office as Document No. 3959938.

10. Affidavit of Gary K. Iki, Manager of Pacific Financial Solutions, LLC, dated April 26, 2010, recorded in said Bureau as Document No. 2010-058963, re unrecorded Participation Agreement - Loan to Oceanfront Estates, LLC, dated April 30, 2010 (the "Agreement").

11. Grant in favor of Hawaiian Electric Company, Inc., dated June 25, 2010, filed in said Office as Document No. 3974491, for an easement for utility purposes over easements consisting of three parts: Easement(s) "E", "F" and "G", as shown on HECO Right-of-Way Map 2009-025A.

12. Tax Lien by United States of America, Department of Treasury, Internal Revenue Service, against Healthsource Global Staffing, dated January 6, 2011, recorded in said Bureau as Document No. 2011-010015.

As to Lots 132, 133 and 134:

13. Terms and conditions contained in the Agreement for Issuance of Conditional Use Permit Under Section 21-5.380 of the Land Use Ordinance (LUO) dated October 4, 2011, filed in said Office as Document No. T-8018200, and recorded in said Bureau as Document No. A-43660948.

As to Lot 134:

14. Location of the seaward boundary in accordance with the laws of the State of Hawaii and shoreline setback line in accordance with County regulation and/or ordinance.

15. Grant in favor of Hawaiian Electric Company, Inc. and GTE Hawaiian Telephone Company Incorporated, now known as Hawaiian Telcom, Inc., dated November 17, 2009, filed in said Office as Document No. 3917220, for a perpetual easement for utility purposes.

As to Lot 133:

19. Mortgage in favor of First Hawaiian Bank, a Hawaii corporation, by instrument dated July 24, 2005, filed in said Office as Document No. 3308150 and recorded in said Bureau as Document No. 2005-155031, as amended.

20. Grant in favor of Hawaiian Electric Company, Inc. and GTE Hawaiian Telephone Company Incorporated, now known as Hawaiian Telcom, Inc., dated November 17, 2009, filed in said Office as Document No. 3917220, for a perpetual easement for utility purposes.

EXHIBIT F

SUMMARY OF ESCROW AGREEMENT

Seller has entered into an Escrow Agreement dated November 28, 2011, with Title Guaranty Escrow Services, Inc. The Escrow Agreement sets up an arrangement under which the deposits which a Buyer makes under a Purchase Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement the following will or may happen:

- a. Seller will require all payments due to be made to Escrow.
- b. All money received by Escrow will be deposited in an interest-bearing account in a federally-insured bank or savings and loan institution. All interest earned in the account will be credited to the account of the Seller.
- c. If the Buyer under a reservation as an owner-occupant is not offered an unit or if the Buyer refuses to enter into a Purchase Contract, Escrow will promptly refund the deposit made by Buyer without interest. If Buyer enters into Purchase Contract but rescinds the Purchase Contract because of hardship or because the Buyer no longer intends to be an owner-occupant, Seller will cancel Purchase Contract and Escrow will promptly return all money to Buyer without interest and less the cancellation fee.
- d. Escrow will not disburse Buyer's funds until:
 - (1) Seller shall have delivered to the Buyer a true copy of the Developer's Public Report including all amendments, with effective date(s) issued by the Real Estate Commission and Escrow has received a copy of Buyer's receipt for the Developer's Public Report;
 - (2) Buyer has waived the right to cancel or shall be deemed to have waived the right to cancel in accordance with HRS §514B-86(c); and
 - (3) Seller has affirmed to Escrow that there has been no material change in the Project after the Contract became binding, or, in the event of a material change in the Project after the Contract became binding, the Seller has delivered to Buyer a description of such material change and buyer shall have waived the right to rescind or shall be deemed to have waived the right to rescind in accordance with HRS §514B-87(b).
- e. If Buyer is in default under the Purchase Contract, Escrow shall promptly notify Seller, and if Seller subsequently certifies in writing to Escrow that Seller has terminated the Purchase Contract in accordance with the terms thereof, Escrow shall thereafter treat all funds of the Buyer paid on account of such Purchase Contract as funds of Seller and not as funds of the Buyer.
- f. Escrow is relieved from all liability for acting in accordance with the terms of the Escrow Agreement.
- g. The compensation of Escrow shall be based on the scheduled rate, plus Hawaii general excise tax for each unit sold under a binding Purchase Contract and of which a deed has been fully recorded in the Bureau of Conveyances of the State of Hawaii; provided, however, that if Escrow shall for any reason without fault on its part to be required to change, subsequent to the commencement of pre-closings for the Project, any closing statement or document previously approved as to form and figures by the Seller, Seller agrees to pay an additional charge for each such statement or document which is changed.

EXHIBIT G

**ESTIMATED MAINTENANCE FEES AND OPERATING
EXPENSES OF ASSOCIATION**

(For Period January 1, 2012 to December 31, 2012)

As Prepared by Developer

Estimated Annual Expenses

Water	\$	1,200.00
*Electricity		1,200.00
**Fire/Liability Insurance		2,400.00
Trash Removal		1,200.00
Tree Trimming		1,200.00
Grounds keeping		18,000.00
Miscellaneous		3,000.00
Management Fee		5,200.00
Total Annual Expenses:	\$	33,400.00

Estimated Monthly Expenses \$ 2,783.33

Estimated Monthly Maintenance Fee
For Each Apartment

Lot 1A	\$ 491.18
Lot 1B	327.45
Lots 2A - 7A each	163.73
Lots 2B - 7B each	163.73

*All utilities will be separately metered or otherwise charged, and the common elements will incur no separate utility charges.

**Section 514B-143, Hawaii Revised Statutes, requires the Association of Unit Owners to purchase fire insurance to cover the improvements of the Project, and that the premiums for the insurance be common expenses. Developer anticipates that the Association will elect to permit individual Unit owners to obtain and maintain separate policies of fire insurance and name the Association as an additional insured. In such case, fire insurance premiums will be the responsibility of individual Unit owners and not common expenses.

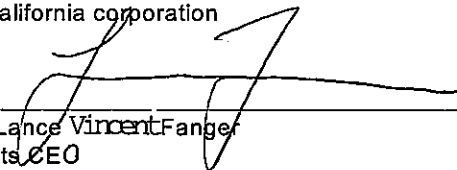
The Developer certifies that the maintenance fees and costs as estimated by the Developer is based on generally accepted accounting principles.

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Signature page(s) to follow.]

Developer:


HEALTHSOURCE GLOBAL STAFFING,
a California corporation

Date: _____

By  _____
Lance Vincent Fanger
Its CEO

Developer:

Date: February 1, 2012



DOUGLAS LEONARD JONES

Date: February 1, 2012



GERALDINE JONES

Developer:

Date: February 1, 2012

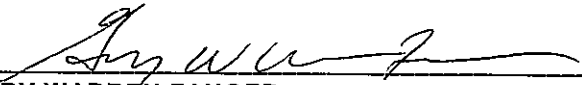
Nicholas John Fanger
NICHOLAS JOHN FANGER

Date: February 1, 2012

Janel Lorinda Fanger
JANELL LORINDA FANGER

Developer:

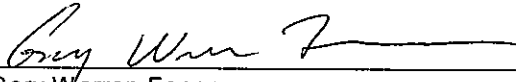
Date: 1/16/2012



GARY WARREN FANGER

OAHU BEACHFRONT ESTATES LLC

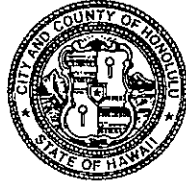
Date: 1/16/2012

By 

Gary Warren Fanger
Its Manager

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU
650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: www.honolulu.gov • CITY WEB SITE: www.honolulu.gov

KIRK CALDWELL
MAYOR



GEORGE I. ATTA
FAICP, LEED AP, CEI
DIRECTOR DESIGNATE

JIRO A. SUMADA
DEPUTY DIRECTOR

2012/ELOG-95(LT)

March 21, 2013

Jonathan S. Durrett, Esq.
Durrett, Rosehill & Ma, LLLP
Attorneys at Law
Davies Pacific Center
841 Bishop Street, Suite 1101
Honolulu, Hawaii 96813

Dear Mr. Durrett:

Subject: Condominium Conversion Project
54-327 Kamehameha Highway
Tax Map Key: 5-4-003: 003

This is in response to your letter dated January 13, 2012, requesting verification that the structure on the above-referenced property met all applicable code requirements at the time of construction.

Investigation revealed that the one-story single-family detached dwelling with four all-weather-surface off-street parking spaces met all applicable code requirements when it was constructed in 2008 on this 1.6-acre R-5 Residential District zoned lot.

Investigation also revealed the following:

1. On September 10, 1990, a Special Management Area (File No. 80/SMA-48) was approved with conditions under Resolution 80-223 to construct a 16-unit cluster development.
2. On February 20, 1992, a subdivision (File No. 91/SUB-118) was granted approval to the proposed Erosion of Lot 6 of Land Court Consolidation 23 and redesignation of Lot 6, less erosion as Lot J of 1.60 acres, erosion to Lot 134 of Land Court Consolidation 23 and redesignation of Lot 134, less erosion, as Lot E and the revised consolidation and resubdivision of said Lot E and Lots 132 and 133 of Land Court Consolidation 23 and Lots B, C and D into three lots for the purpose of readjustment of lot lines: Lot F of 1.939 acres (a flag lot), Lot G of 8,682 square feet and Lot H of 8,656 square feet; and the designation of Easement "1" to "4".

EXHIBIT H

Jonathan S. Durrett, Esq.
Durrett, Rosehill & Ma, LLLP
March 21, 2013
Page 2

3. On March 12, 2003, a Special Management Area (File No. 2003/SMA-25) was approved for the installation of a 6-foot high CRM fence and wood gate at the right side, and a 6-foot CRM fence and sliding gate at the front of the parcel.
4. On September 8, 2009, a minor modification to 80/SMA-48 was approved to delete Condition B of Resolution 80-223 requiring the dedication of a 12-foot wide beach right-of-way.

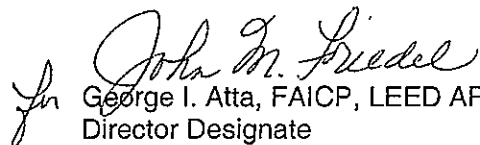
As a result of the adoption or amendment of any ordinance or code, the Department of Planning and Permitting cannot determine all legal nonconforming uses or structures.

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

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

If you have any questions regarding this matter, please contact Alex Sugai or our Commercial and Multi-Family Code Enforcement Branch at 768-8152.

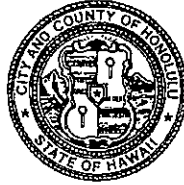
Very truly yours,


George I. Atta, FAICP, LEED AP, CEI
Director Designate
Department of Planning and Permitting

GIA:ft
[1026738]

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU
650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: www.honolulu.gov/dpp • CITY WEB SITE: www.honolulu.gov

KIRK CALDWELL
MAYOR



GEORGE I. ATTA
FAICP, LEED AP, CEI
DIRECTOR DESIGNATE
ARTHUR D. CHALLACOMBE
DEPUTY DIRECTOR

2012/ELOG-95(LT)

March 28, 2013

Jonathan S. Durrett, Esq.
Durrett, Rosehill & Ma, LLLP
Attorneys at Law
Davies Pacific Center
841 Bishop Street, Suite 1101
Honolulu, Hawaii 96813

Dear Mr. Durrett:

SUBJECT: Condominium Conversion Project
54-337 Kamehameha Highway
Tax Map Key (TMK): 5-4-003: 054

This is in response to your letter dated January 13, 2012, requesting verification that the structure on the above-referenced property met all applicable code requirements at the time of construction.

Investigation revealed that the one-story single-family detached dwelling with six all-weather-surface off-street parking spaces met all applicable code requirements when it was constructed in 2008 on this 106,111-square-foot R-5 Residential District zoned lot.

Investigation also revealed the following:

1. On September 10, 1990, a Special Management Area (File No. 80/SMA-48) was approved with conditions under Resolution 80-223 to construct a 16-unit cluster development.
2. On February 20, 1992, a subdivision (File No. 91/SUB-118) was granted approval to the proposed Erosion of Lot 6 of Land Court Consolidation 23 and redesignation of Lot 6, less erosion as Lot J of 1.60 acres, erosion to Lot 134 of Land Court Consolidation 23 and redesignation of Lot 134, less erosion, as Lot E and revised consolidation and resubdivision of said Lot E and Lots 132 and 133 of Land Court Consolidation 23 and Lots B, C and D into three lots for the purpose of readjustment of lot lines: Lot F of 1.939 acres (a flag lot), Lot G of 8,682 square feet and Lot H of 8,656 square feet; and the designation of Easement "1" to "4".

EXHIBIT I

Jonathan S. Durrett, Esq.
Durrett, Rosehill & Ma, LLLP
Mach 28, 2013
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3. On March 12, 2003, a Special Management Area (File No. 2003/SMA-22) was approved for the installation of a 6-foot high CRM fence and wood gate at the left and front of the parcel (TMK: 5-4-003: 054).
4. On March 12, 2003, a Special Management Area (File No. 2003/SMA-23) was approved for the installation of a 6-foot high CRM fence at the front of the parcel (TMK: 5-4-003: 052).
5. On March 12, 2003, a Special Management Area (File No. 2003 SMA-24) was approved for the installation of a 6-foot high CRM fence at the front of the parcel (TMK: 5-4-003: 053).
6. On September 8, 2009, a minor modification to 80/SMA-48 was approved to delete Condition B of Resolution 80-223 requiring the dedication of a 12-foot wide beach right-of-way.
7. On December 8, 2011, a Conditional Use Permit (File No. 2011/CUP-91) was approved with conditions for a joint development of three adjoining lots (TMKs: 5-4-003: 052, 053 and 054). All lots identified in the exhibits of the approved joint development agreement shall be considered to be one (1) zoning lot.

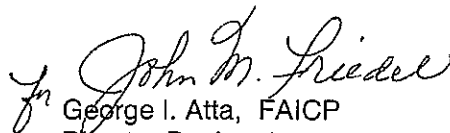
As a result of the adoption or amendment of any ordinance or code, the Department of Planning and Permitting cannot determine all legal nonconforming uses or structures.

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

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

If you have any questions regarding this matter, please contact Alex Sugai of our Commercial and Multi-Family Code Enforcement Branch at 768-8152.

Very truly yours,

A handwritten signature in cursive script that reads "George I. Atta".

George I. Atta, FAICP
Director Designate
Department of Planning and Permitting

GIA:ft