

## PROPERTY MANAGEMENT AND AGENCY AGREEMENT

THIS AGREEMENT, made and entered into this 9<sup>th</sup> day of January, 2014, ~~2013~~, by and between **Gentry Homes, Ltd.** ("Developer"), as the developer of the condominium project described below and on behalf of **Ewa by Gentry, Area 14 (ParkSide by Gentry)** ("Association"), pursuant to Chapter 514B of the Hawaii Revised Statutes ("HRS 514B"), and Hawaiiana Management Company, Ltd. (the "Agent").

### Description of Property Covered by This Agreement:

Property:	<b>Ewa by Gentry, Area 14 (ParkSide by Gentry)</b>
Location:	<b>Ewa Beach, Oahu, Hawaii</b>
Tax Map Key:	
Public Report No.:	
Architect:	
Attorney:	
Developer:	<b>Gentry Homes, Ltd.</b>
Total Units:	<b>235 at build-out</b>
Type Units:	<b>Single Family Condominium</b>
Number of Floors:	
Land Title:	<b>Fee Simple</b>
Method of Accounting:	
Fiscal Year:	
Billing Method:	

### Information Concerning Association:

Association:	<b>Ewa by Gentry, Area 14 (ParkSide by Gentry)</b>
Address:	<b>c/o Gentry Homes, Ltd. 733 Bishop Street, Suite 1400 Honolulu, HI 96813</b>

### Information Concerning Agent:

Name:	<b>Hawaiiana Management Company, Ltd.</b>
Address:	<b>711 Kapiolani Boulevard, Suite 700 Honolulu, Hawaii 96813</b>

WITNESSETH:

WHEREAS, the Developer desires to employ Agent to serve as the managing agent for the Property, and the Agent desires to be employed to serve as the same;

NOW THEREFORE, it is agreed as follows:

1. TERM

The initial term of this Agreement shall be one year, commencing upon the recordation of the Developer's first unit conveyance within the Property. Thereafter the term shall automatically renew for successive one-year terms unless either party delivers written notice of termination to the other party on or before 60 days prior to the expiration of the one-year term then in effect. The term shall also be subject to the early termination provisions set forth herein.

2. APPOINTMENT OF AGENT AND ACCEPTANCE OF APPOINTMENT

Developer hereby employs Agent to serve as the managing agent for the Property as set forth herein throughout the term of this Agreement. Agent agrees to provide the management services described herein to the extent, for the period, and upon the terms herein provided. Developer hereby represents and warrants to Agent that Developer has full right, power, and authority to enter into this Agreement on behalf of the Association and that this Agreement shall be fully binding upon the Association, subject to the early termination rights set forth herein.

3. SERVICES TO BE PROVIDED BY AGENT

Agent agrees to perform the following services in the name of and on behalf of Association, and Developer hereby grants Agent the authority and powers required to perform these services on behalf of Association:

(a) Collections

Agent shall, on a mutually agreed upon monthly date, collect Property maintenance fees, assessments and charges (collectively, "Fees") on behalf of Association and, as necessary, shall apply the proceeds of such collections to the appropriate accounts as determined in writing by the Board of Directors of Association (the "Board").

[Monthly/quarterly/semi-annual] statements will be mailed with pre-printed envelopes to all Association members, or their designated agent or representative, for the payment of Fees. Agent is expressly authorized to request, demand, collect, receive and receipt as necessary for any and all Fees on behalf of Association, and to take all such action in

the name of the Association.

Upon the direction of the Board, Agent shall engage an attorney designated by the Board on behalf of Association and at Association's expense to seek to place a lien on the unit for which Fees are overdue. Agent is expressly authorized to execute on behalf of Association, such liens, notices of liens, releases of liens, complaints, and such other legal documents as may be deemed necessary in furtherance of the collection of Fees. Notwithstanding the foregoing, Agent shall not authorize Association's attorney to commence foreclosure proceedings without the prior express written authorization of the Board. All costs of foreclosure (including, without limitation, related legal fees and expenses) shall be paid by Association.

(b) Disbursement Authorization

Agent shall make all disbursements for recurring expenses included in the Board-approved, annual budget from collected Fees. In the course of performing Agent's obligations herein, Agent is hereby granted authority to make non-budgeted expenditures from the collected Fees subject to the approval of the Treasurer of the Board and the limitations below.

In discharging its responsibilities, Agent shall not make any non-budgeted expenditure exceeding \$500 nor incur any contractual obligation exceeding \$500 without the prior consent of the Board except in emergency situations which require prompt action to avoid damage to property, bodily injury, or life-threatening circumstances.

(c) Financial Records and Reporting

Agent shall maintain financial records, reports and statements based on all cash receipts and expenditures affecting the common elements of the Property. Agent shall submit to the Board a statement of Association's receipts and disbursements, cash accounts and delinquent Fees for the preceding month by the fifteenth business day of the month.

Within 30 days after the end of each fiscal year, Agent shall submit to the Board a summary of Association's receipts and expenditures relating to the common elements of the Property for the preceding year, provided that this service shall not be construed to require Agent to supply an audit unless otherwise expressly provided herein.

(d) Budget Preparation

By such deadline as may be specified in Association's Bylaws or, if none, by 90 days prior to the end of each fiscal year, Agent shall prepare and submit to the Board a recommended budget for Association's next fiscal year showing anticipated receipts and

expenditures for such year. Association is responsible for final review and approval of the budget and thus Agent shall not be responsible for any omissions or revisions thereto.

In the event the Developer requests that the Agent prepare an initial budget, including initial estimates of maintenance fee assessments and disbursements, the Developer and Association acknowledge that the Agent shall prepare such estimates in good faith based upon the assumptions and expense and income data provided by the Developer, along with information gathered by the Agent from projects of comparable size and character. The Association and Developer acknowledge that the estimated figures do not account for inflation, market adjustments, future utility rate changes or future insurance premium rate changes. Further, pursuant to Hawaii Revised Statutes Section 514B-148(b), a new association need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting. Therefore, any budget amount for reserves until that time would be an estimate only based upon information provided by the Developer.

(e) Annual Audit and Tax Return

As directed by the Board, Agent shall cooperate with a certified public accounting firm chosen by the Board to conduct an annual audit of the financial records in accordance with the requirements of HRS 514B and prepare federal and state income tax returns for Association. Agent shall also cooperate with the selected certified public accounting firm to complete an unannounced verification of cash balances at least once per year and to prepare Association's Hawaii State General Excise Tax returns as required by Hawaii law. The fees and costs for such audit, unannounced cash verification and preparation of tax returns shall be paid by Association.

(f) Insurance

Pursuant to Paragraph 11, Agent shall cause insurance coverage as required by the Bylaws or Declaration of Association to be obtained and paid for on behalf of Association each year. Association shall select the carrier and notify Agent of its selection sufficiently in advance of the applicable policy's expiration date to ensure adequate time for Agent to process payment of the premium. Agent shall maintain records of Association's insurance policies; however, Agent shall not be responsible for the accuracy or completeness of the records prepared by Association in connection with its insurance claims. Agent shall cooperate with the Association and its employees in investigating and reporting all accidents or claims for damage relating to the ownership, operation and maintenance of the common elements of the Property including any damage or destruction thereto.

(g) Association's Employees and Payroll

Agent, on behalf of Association and at the direction of the Board, will offer support and guidance to the Resident or Site Manager and act as a liaison between the Board and the Resident or Site Manager if so directed by the Board. If the Board hires additional employees, the Resident or Site Manager will be responsible for the supervision of such employees. Agent will conduct an annual performance review of the Resident or Site Manager on Agent's standard performance review form and shall provide a copy to the Board. The Resident or Site Manager will be responsible for conducting any performance reviews of any other Association employees as required by the Board. The Resident or Site Manager and all other employees hired by the Board will for all purposes be employees of the Association and not of the Agent, and the Board will determine the job standards and wage rates for the Association's employees. Nothing herein shall be construed as requiring Agent to supervise Association's employees.

Based on the employee wage information provided by Association, Agent shall cause the computation and payment of wages and payroll taxes for Association's employees from Association's funds and shall cause the filing of necessary State and Federal payroll tax returns when due. Wages and payroll taxes for Association's employees shall be expenses of Association.

Agent shall assist a tax professional engaged by Association as necessary in the preparation and filing of Association's payroll tax returns and other instruments and deposits of such amounts as are required of Association as an employer under the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, Subtitle C of the Internal Revenue Code of 1954 and the Hawaii Income Tax Act with respect to wages paid by Agent on behalf of Association and under any similar Federal, State or Municipal law now or hereafter in force (and in connection therewith Association agrees upon request to execute and deliver promptly to Agent all necessary powers of attorney, notices of appointment and similar documents).

Agent shall, with the assistance of an accountant (and attorney if necessary), prepare for execution and filing by Association, all forms, reports, and returns required by law in connection with unemployment insurance, worker's compensation insurance, disability benefits, Social Security benefits, and any employment taxes now in effect or hereinafter imposed upon Association, or which otherwise relate to Association's employment of personnel.

(h) Compliance with Applicable Laws and Regulations

Agent shall take such action as may be reasonably necessary to comply with any and all governmental orders or requirements applicable to the Property of which Agent is notified in writing, subject to limitations upon expenditures contained in this Agreement

and subject to any other limitations imposed by the Board. Agent, however, shall not take any action under this paragraph if Association has informed Agent that Association is contesting or intends to contest any such order or requirement. Agent shall promptly notify Association of all notices of Property-related governmental orders and requirements which Agent receives on behalf of Association.

(i) Web Site

If Addendum B is attached hereto and executed by both Association and Agent, then Agent shall create a web site for Association, on the terms and conditions set forth on Addendum B.

(j) Building Maintenance

Subject to the direction and at the expense of Association, Agent shall cause the common elements of the Property to be maintained according to appropriate standards of maintenance consistent with the character of the Property, including cleaning, painting, plumbing, carpentry, decorating and such other maintenance and repair work as may be reasonably necessary to preserve and protect the Property.

Notwithstanding the foregoing, Agent is not responsible for the maintenance or upkeep of any individual Unit or any other portion of the Property with respect to which the duty of maintenance and upkeep has been imposed upon a Unit owner or owners by law or by the Association's Declaration, Bylaws, House Rules, or other project documents.

(k) Property Inspections

Agent shall make inspections of the common elements of the Property on a periodic basis and shall render reports and make recommendations to the Board as Agent deems appropriate or advisable. Inspections will be conducted from readily accessible common areas, and will be limited to those items that can be reasonably seen and inspected from such areas.

**Covenant enforcement and design review services shall be provided upon request by agent at a rate of \$150 per hour plus tax plus reimbursables.**

(l) Contracts on Association's Behalf

Agent shall, as directed by the Board, negotiate and prepare for Board signature, contracts for Property-related services on behalf of Association. Agent is authorized by Association to place orders for such equipment, tools, appliances, materials, utility services and supplies as are reasonably necessary to properly maintain the Property.

All such contracts and orders shall be made in the name of Association and shall be subject to the expenditure limitations set forth in this Agreement. When taking bids for purchases, Agent shall act under the direction of the Board and shall, when possible, secure for and credit to the latter any discounts, commissions, or rebates obtained in connection with such purchases.

#### 4. BANK ACCOUNTS/FIDUCIARY RESPONSIBILITY

Agent shall establish and maintain one or more separate bank accounts, in a bank, savings and loan company or other financial institution which complies with the requirements of HRS 514B, as agent of Association for the deposit of Association's funds. Such accounts shall indicate the custodial nature thereof, and Agent shall have authority to draw thereon for any payments to be made by Agent to discharge any liabilities or obligations incurred pursuant to this Agreement, and for the payment of Agent's management fees, all of which payments shall be subject to the limitations contained in this Agreement. All such accounts will be in the name of Association. Interest earned on the accounts shall be credited to the same Association account or other Association accounts as directed by Association's Treasurer. Agent's expenditures from said accounts are subject to the limitations set forth in this Agreement and HRS 514B provisions applicable to Association. Association acknowledges and agrees that Agent is not a professional financial advisor and makes no representations to that effect. Agent's management services are not intended to substitute for the services of a professional financial advisor. All risks associated with any Association investment decisions shall be borne by Association.

Agent agrees that its employees who handle or are responsible for the safekeeping of any Association funds shall be covered by a fidelity bond which complies with the requirements of HRS 514B and Association's Bylaws, and is obtained from a company selected by Agent.

#### 5. MEETINGS

Agent shall organize the annual meeting of Association's members, including the preparation and delivery of notice of the meeting and proxy forms to Association's members in accordance with Association's Bylaws. Agent shall prepare the agenda for the annual meetings, assist in the conduct of the annual meetings and oversee the election of Directors with all costs thereof to be paid by Association. Agent shall attend the annual membership meeting and up to twelve (12) Board meetings per year; provided Association shall pay Agent additional charges as set forth on Addendum A for any such meeting which exceeds two (2) hours in duration.

#### 6. RECORDS

Agent shall maintain records of the affairs of Association as required by HRS 514B, including but not limited to, minutes of Association and Board meetings, Association correspondence, and amendments to the Declaration, Bylaws and House Rules. Agent shall maintain a system

of office records, books and accounts in a professional manner. Association's records shall be made available as required by HRS 514B for examination and copying by Association's members by prior appointment during Agent's normal business hours, subject to such reasonable compensation as may be permitted by HRS 514B.

Agent will maintain at Agent's office a complete list of Association's members and their respective unit ownership interests. Upon the transfer of ownership of a unit, Agent will require the applicable escrow company or the new unit owner to provide a copy of the conveyance document and the new unit owner's information at closing. A fee will be charged to prospective unit purchasers by Agent for certification of status of a unit's account and to register the new unit owner in Association's records.

Prior to the commencement of the term of this Agreement, Association shall provide Agent with: (a) specifications for the Property's common and limited common elements, if available; (b) copies of all Property-related guarantees and warranties in effect; (c) copies of all project governance documents, including, without limitation, the Articles of Incorporation of Association (if any), Bylaws of Association, the recorded Declaration of Condominium Property Regime, Board resolutions, project rules and regulations, policy statements, and all amendments to the foregoing; and (d) copies of Association's opening account balances, owner records, financial reports, and Association state and federal tax returns. Agent shall be entitled to rely on information and records provided by Association to be accurate and complete.

Upon the termination of this Agreement for any reason, Agent shall have the right (but not the obligation) to retain copies of Property-related records, in Agent's sole discretion.

#### 7. MANAGEMENT FEE

**No management fees will be assessed until the first escrow closing of a unit. All budgets, document review and other services needed by Gentry Homes, Ltd. shall be provided in exchange for Hawaiiana's appointment as managing agent.**

**Upon first closing of a unit, a monthly management fee of \$500 plus \$6 per unit plus tax shall be paid to Agent.**

**The foregoing fee assumes development of approximately 235 homes, no more than one board of directors at all times and production of no more than one financial statement.**

Agent establishes its management fees on a calendar year basis (commencing January 1st and ending December 31st). Agent's management fees for the following year shall be incorporated into the recommended budget prepared pursuant to Paragraph 3(d) of this Agreement.



All costs incurred for photo copies, postage, printing, envelopes, other administrative supplies and functions in relation to Association's operations or otherwise in furtherance of Agent's performance of its obligations under this Agreement are chargeable to Association at the rates established in Addendum A. Additionally, a payroll-processing fee as set forth on Addendum A shall be charged to Association. Agent may increase the rates and fees set forth on Addendum A annually. The rates and fees shall not be escalated by more than the change in the Honolulu Consumer Price Index for All Urban Consumers (All Items) (1982-1984=100, not seasonally adjusted) as published by the Bureau of Labor Statistics of the U.S. Department of Labor between June of the preceding year and June of the escalation year, **unless Agent delivers written notice thereof to Association on or before November 1 of any given year, and such increase goes into effect on or after January 1 of the following year.** If the CPI-U is changed or replaced by the United States Government, the government published conversion factor shall be used to compute annual adjustments. In addition to the foregoing, Association shall reimburse Agent for travel expenses incurred for conducting business on behalf of Association at a rate equal to the IRS standard mileage rate then in effect.

Together with each payment of management fees or any other payment hereunder which is subject to the State of Hawaii general excise tax on gross income, as such taxing statute may be amended, and all other similar taxes imposed on said management fee or other payment received by Agent in the nature of a gross receipts tax, sales tax, privilege tax or the like (excluding federal or state net income taxes) whether imposed by the United States of America, the State of Hawaii, or the City and County of Honolulu, Association shall pay an amount which, when added to such management fees or other such payments, a net amount equal to that which Agent would have realized from such payments had no such taxes been imposed.

#### 8. REPORTING RELATIONSHIP

The Board shall designate a single individual who shall be authorized to represent the Board in communications with Agent on any matters relating to the management of the Property. Agent is directed not to accept directions or instructions with regard to the management of the Property from anyone else. In the absence of any other designation by the Board, the President of the Board shall have this authority.

#### 9. LIMITATIONS TO AGENT'S AUTHORITY AND RESPONSIBILITY

Agent may not make any structural changes to the Property or make any other major alterations or additions in or to any building or equipment therein, except such emergency repairs as may be required to avoid endangering property or personal safety or which are required to avoid the suspension of any necessary services to the Property.

Association represents that, to the best of its knowledge, the Property complies with all applicable ordinances, laws, rules, codes and regulations (collectively, "Laws"), and authorizes

Agent to disclose the ownership of the Property (including, without limitation, unit ownership) to any government officials, and agrees to indemnify, defend and hold harmless Agent, its shareholders, officers, directors, affiliates, representatives, and employees (collectively, "Agent Parties"), of and from any and all claims, demands, actions, proceedings, liabilities, judgments, fines, penalties, damages, losses, awards, costs, expenses (including reasonable attorneys' fees) (collectively, "Claims") whatsoever which may be imposed on any one or more of them by reason of the Property's present or future failure to comply with applicable Laws. Such indemnity shall survive the termination of this Agreement.

Notwithstanding anything to the contrary herein, Agent's responsibility for causing the Property or any of its equipment to comply with the requirements of any applicable Laws (including those relating to the presence, disposal, removal, or remediation of hazardous wastes) shall be limited to notifying the Board promptly upon receipt of any complaints, warnings, notices, or summonses received by Agent relating to such matters.

Nothing herein shall be construed as requiring Agent to employ counsel to represent the Association in any legal proceeding or suit.

#### 10. INDEMNIFICATION

Unless resulting from Agent's gross negligence or willful misconduct as determined by a court of competent jurisdiction, Association shall indemnify, defend and hold harmless Agent and the Agent Parties from and against all Claims relating to, arising from, or in connection with the Property, including, without limitation (a) Claims for damage to property, personal injury, or death, (b) Claims relating to fair housing laws, and (c) Claims relating to equal employment opportunity laws or any other employment-related or labor laws. In addition thereto, Association shall indemnify, defend and hold harmless Agent and the Agent Parties from and against all Claims which directly or indirectly result from actions, instructions or orders of the Board which take place without the knowledge or acquiescence of Agent.

In addition to Association's indemnification obligations set forth above, Association understands, acknowledges and agrees that any acts or omissions of Association, its Board, officers, employees and agents, past and/or present, which occurred prior to Agent's employment by Association, to manage the Property (hereinafter referred to as "Prior Acts or Omissions"), have been done without the knowledge or participation of Agent and that Agent assumes no liability whatsoever for any said Prior Acts or Omissions. To the extent that Agent and/or any Agent Parties are named or otherwise required to participate in any suits, proceedings or actions involving Prior Acts or Omissions, Association hereby agrees to fully indemnify, defend, and save such parties harmless from the same and Association shall pay all expenses incurred by such parties including, but not limited to all charges established in Addendum A and all attorneys' fees, costs, and expenses incurred by such parties in connection with their participation in any such suit, proceeding or action involving the Prior Acts or Omissions.

11. ASSOCIATION'S INSURANCE

Association shall carry at its own expense property insurance, comprehensive general liability insurance (including liquor liability if liquor is sold, distributed, or served from the Property), a fidelity bond, directors' and officers' liability insurance, boiler and machinery insurance, umbrella insurance, and worker's compensation insurance, and all other insurance required by applicable Laws or otherwise required by the Bylaws, and shall name Agent as an additional insured for all policies except workers' compensation. Such policies shall be in forms, substance and amounts reasonably satisfactory to Agent, and Association shall furnish to Agent certificates evidencing the existence of such insurance. Unless Association shall provide such insurance and furnish such certificate within 30 days from the date of this Agreement, Agent may, but shall not be obligated to, obtain said insurance coverage on behalf of Association and charge the cost thereof to Association. Such insurance policies shall apply to any loss or claim before any contribution by any insurance which Agent may have in force, shall provide that such insurance cannot be canceled or modified upon less than thirty (30) days prior written notice to Agent, and shall include a waiver by the appropriate insurance carrier of the right of subrogation. Association and all parties claiming under it waive any right of recovery against the Agent Parties for any loss or damage to the extent such loss or damage is covered by any policy of insurance maintained by Association (or required to be maintained by Association under this Agreement), whether or not such loss is caused by the fault or negligence of Agent or any Agent Parties.

12. AGENT'S INSURANCE

Agent shall maintain throughout the term of this Agreement, the following insurance: (i) Professional Liability / Errors and Omissions in a minimum amount of \$1,000,000; (ii) Commercial General Liability in a minimum amount of \$2,000,000 combined single limit per occurrence for bodily injury and property damage; and (iii) workers' compensation insurance in accordance with the statutory requirements of the State of Hawaii.

13. EARLY TERMINATION

(a) Agent shall have the right to immediately terminate this Agreement by delivering written notice of termination to Association in the event: (i) Agent determines, in its sole and absolute discretion, that an action or position of Association may result in damage or liability to Agent, or (ii) Association defaults on this Agreement. Such termination shall be effective upon delivery of such notice of termination to Association.

(b) If Agent defaults on any material obligation set forth in this Agreement, then Association may terminate this Agreement by delivering ninety (90) days' prior written notice of termination to Agent. Notwithstanding the foregoing, Agent shall not be deemed to be in default of this Agreement unless and until Agent fails to perform or

comply with any material terms or provisions of this Agreement for a period of thirty (30) days after Association's delivery of written notice thereof to Agent or such longer time as may be required, provided that Agent shall within said period commence such cure and then continue it to completion.

(c) If a petition in bankruptcy is filed by either Association or Agent, or if either shall make an assignment for the benefit of creditors, the other party hereto may terminate this Agreement by serving ninety (90) days' prior written notice to the party who filed for bankruptcy or made an assignment for the benefit of creditors.

(d) Upon the taking of the entire or substantial portion of the Property through condemnation proceedings by any governmental party, either party may terminate this Agreement by serving ninety (90) days' prior written notice of termination to the other party.

(e) If this Agreement is executed before the Board elected by the unit owners takes office, then this Agreement may be terminated without penalty by the Association within a period of one hundred eighty (180) days after the Board elected by the unit owners takes office, by delivering not less than ninety (90) days' prior notice to Agent.

Association's indemnity obligations set forth in this Agreement shall survive any termination of this Agreement. Despite any termination of this Agreement, Association shall remain liable for any payment, reimbursement or other sum of money then due and payable to Agent hereunder.

#### 14. TRANSITION

Upon delivery of notice of early termination of this Agreement, or sixty (60) days prior to the expiration of this Agreement, Agent shall begin transitioning the Property management duties to a party identified by the Board. Agent shall deliver Property-related records to the Board or the party identified by the Board, subject to Association's payment of the record retrieval fees set forth on Addendum A and reimbursement of any other delivery costs actually incurred by Agent. Unless otherwise instructed by the Board in writing, Agent shall only be responsible for paying those invoices which are received by Agent as of the date of the last routinely scheduled disbursement prior to the termination of this Agreement, and no other expenses. If Association has indicated that any received invoices are in dispute, then Agent shall not pay such invoices and Association shall indemnify, defend, and hold Agent harmless from any claims or liabilities relating thereto. Agent shall, at Association's expense, arrange for Association's accountant to conduct a transition audit immediately following the termination of this Agreement.

15. TERM PRIOR TO APPROVAL BY OWNERS

If this Agreement is executed by Association before approval of this Agreement by a majority of the Association's members at a duly called Association meeting is obtained and such approval is required by the Bylaws, then this Agreement shall continue on a month to month basis until such approval of a management agreement is obtained to the extent permitted by the Bylaws.

16. MISCELLANEOUS

(a) Preliminary Dispute Resolution

The parties shall attempt in good faith to resolve any dispute between them promptly by negotiation. Either party may send the other a request to negotiate. If the negotiation does not result in resolution within 45 days of the notice, the parties shall attempt to resolve the dispute through confidential, nonbinding mediation in Honolulu, Hawaii. The parties agree that a good faith attempt to resolve all issues in mediation is a pre-condition to any further suits or adversarial proceedings of any kind.

(b) Attorneys' Fees

In the event of any suit or other proceeding to construe or enforce any provision of this Agreement or any other agreement to be entered into pursuant hereto, or otherwise in connection with this Agreement, the prevailing party's reasonable attorney's fees and costs (in addition to all other amounts and relief to which such party may be entitled) shall be paid by the other party hereto.

(c) Terms Used Herein

In this Agreement, unless the context otherwise requires, words in the singular include the plural and in the plural include the singular, and the use of any gender will be construed to include all genders. The word "include" and its derivatives shall not imply any limitation to the items listed thereafter.

(d) No Party Deemed Drafter

This Agreement and each provision hereof have been negotiated among the parties and their respective legal counsel, and shall not be construed against any party as the drafter thereof.

(e) Notices

Any notice given hereunder shall be in writing and shall be deemed effective upon the earlier of personal delivery or the third day after mailing by U.S. certified mail, postage prepaid and return receipt requested, to the addressee's address set forth herein or such address as may be furnished by the addressee in writing for such purpose.

(f) Partial Invalidity

If any provision of this Agreement or the application of any such provision to a party or any circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such party or circumstances other than those to which it is so determined to be invalid and unenforceable shall not be affected thereby, and each provision hereof shall be validated and shall be enforced to the fullest extent permitted by law.

(g) Entire Agreement

This Agreement and the addenda attached hereto constitute the final, exclusive and complete understanding of the parties with respect to the subject matter hereof and supersede any and all prior agreements, understandings and discussions with respect thereto. No amendment, variation or modification of this Agreement shall be valid unless in writing and signed by the party against whom enforcement of any such amendment, variation, or modification is sought.

(h) Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Hawaii without regard to conflict of law provisions.

(i) Successors and Assigns

This Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns.

(j) No Partnership

This Agreement shall not be construed to create a partnership or joint venture among the parties hereto.

(k) Addenda

Each Addendum attached hereto is hereby incorporated into and is an integral part of this Agreement.

(l) Counterpart Signatures

This Agreement may be executed in any number of counterparts, each of which when so executed shall constitute an original copy hereof, but all of which together shall constitute one agreement. The submission of a party's signature by facsimile or electronic transmission shall be deemed an "original" signature for purposes of this Agreement.

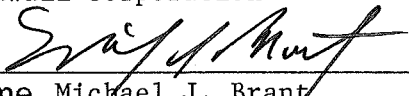
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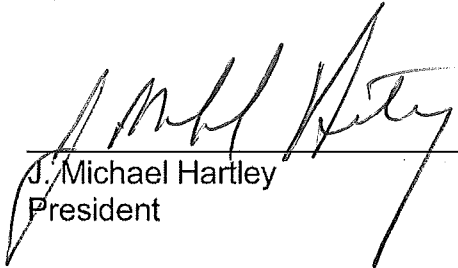
IN WITNESS WHEREOF, Developer and Agent have executed this Agreement as of the date first above written.

~~BY GENTRY, AREA 14 (PARKSIDE BY GENTRY)~~

HAWAIIANA MANAGEMENT COMPANY,  
LTD.

GENTRY HOMES, LTD.,  
A Hawaii corporation

By   
Name Michael J. Brant  
Its Vice President

  
J. Michael Hartley  
President

By \_\_\_\_\_  
Name \_\_\_\_\_  
Its \_\_\_\_\_





## **ADDENDUM A TO PROPERTY MANAGEMENT AND AGENCY AGREEMENT**

### SCHEDULE OF CHARGES FOR ADDITIONAL SERVICES

The following schedule of charges has been developed for additional services not covered by the standard Hawaiiiana Property Management and Agency Agreement. Services not covered in this schedule will be handled on a case by case basis. **The following charges are subject to change on a periodic basis.**

#### MEETINGS

The assigned management executive will attend up to one regular Board meeting per month and one regular Association meeting per year at no charge, as specified in the standard management agreement.

The Association will be charged \$50.00 per hour or partial hour for meetings in excess of one per month or meetings held on a Saturday, Sunday or generally recognized state or federal holiday. Additionally, \$50.00 per hour or partial hour will be charged for the portion of the regular monthly meeting or annual owners' meeting that exceeds two hours duration.

Tally clerk services provided by the managing agent for Board meetings or owners' meetings will be charged to the Association at \$50.00 per person. For meetings in excess of two hours an additional \$15.00 per hour or partial hour will be charged. Mileage reimbursement, at current IRS rates, shall be paid to tally clerks and recording secretaries from Hawaiiiana's offices to the meeting site and back. Mileage reimbursement amounts shall be based on Mapquest mileage estimates.

Recording secretary services provided by the managing agent by personnel other than the management executive for Board meetings or owners' meetings will be charged to the Association at \$75.00 per meeting. For meetings in excess of two hours an additional \$15.00 per hour or partial hour will be charged.

Court appearances, retrieval of records for attorneys, accounting research, tax preparation for work done by previous management company, etc. will be charged at \$100.00 per hour. Litigation or lease to fee conversion will be charged at \$100.00 per hour.

#### COMMUNICATION AND CORRESPONDENCE

- Minutes. There will be no extra charge for typing minutes transcribed by the Association's Secretary or by a recording secretary as provided above. However, if the management executive acts as the recording secretary, there will be a charge of \$60.00 per meeting.
- Project Newsletter. There will be no charge for typing up to one newsletter per month if drafting of the newsletter is not required of the management executive. If the management executive is required to draft the newsletter, there will be a \$75.00 charge.

**HAWAIIANA MANAGEMENT COMPANY, LTD.  
SCHEDULE OF REIMBURSABLE EXPENSES**

SERVICES	2014 RATES
Copy Charges:	
❖ Letter; reg -- two sided	\$0.19 - \$0.30
❖ Letter Color Printing; reg -- two sided	\$0.80 - \$1.00
❖ Legal; reg - two sided	\$0.21 - \$0.34
❖ Legal Color Printing; reg - two sided	\$0.90 - \$1.10
❖ 11x17; reg - two sided	\$0.30 - \$0.50
❖ 11x17 Color Printing; reg - two sided	\$1.20 - \$1.40
❖ Coverstock	\$0.27 each
Binding	\$1.00 ea
Monthly Statements with Detachable Coupons Incl Envelope - w/o utility submetering	\$1.50 ea
Monthly Statements with Detachable Coupons Incl Envelope - with utility submetering	\$2.25 ea
Special Assessment	\$150.00 One Time Charge + \$1.00/unit/month
Electronic Payment	\$1.45 ea
Lockbox	\$0.14 ea
Manual Payment	\$3.00 ea
Reserve Study - New	0-149 units \$480; 150-249 units \$720; 250+ units \$840 + \$1 per unit above 250 units
Reserve Study Annual Update	\$240.00 - \$840.00
Facsimile (Outgoing via Office Services or Toshiba) (Incoming via Office Services or Toshiba)	\$1.00 (local)/\$1.50 (others) \$0.50
Scans/pdf (Outgoing on Association Matters)	\$0.25/page
Coupons (Regular & Assessment)	\$1.50 ea
Delinquency Letters	\$7.00 (C-1); \$10.00 (C-2); \$15.00 (C-3); \$25.00 (C-7)
Postage	U.S. Postal Rate
Registered - Hand Delivery to Post Office (Postage Additional)	Actual Charge + \$13.50
Certified Handling (Postage Additional)	Actual Charge + \$12.50
<b>SUPPLIES</b>	
Envelopes - Regular Business Envelopes or Coupon Master Mailer	\$0.20 ea
Oversized Envelopes	\$0.50 ea
Manila, Legal & Letter Folders	\$0.45 ea
Pressboard Folders	\$4.50 ea
Workbook Folders	\$8.00 ea
Archive Storage Boxes (Letter or Blueprints)	\$4.00 ea
Labels or Computer Listing - 50 Units	\$13.00
Labels or Computer Listing - 51 to 100 Units	\$18.00
Labels or Computer Listing - 101 to 250 Units	\$21.00
Labels or Computer Listing - Over 250 Units	\$26.00
Ballots	\$1.10 ea
HMC Blue Mailing Labels	\$0.40 ea
Other Mailing Labels	\$0.08/label
<b>MISCELLANEOUS FEES</b>	
Notary Services Performed In-House	\$10.00 ea
Monthly Archive Storage	\$4.75 a box
Retrieval Charge	\$4.25 ea way
HR, Payroll & Benefit Charges (Including Health Care Administration & Personnel Management)	
BI-weekly Payroll	\$155.00/mo, 1-5 transactions
Monthly Payroll	\$88.85/mo, 1-2 transactions
Additional Charge (above limits of 5 or 2)	\$6.20/transaction above limit
Health Care Administrative Fee	\$10 per employee per month/\$75 maximum
W-2 Processing Fee	\$25.00 base charge
W-2 forms per employee/re-print	\$5.00 per employee
Checks	\$1.00 ea
Bank Runs	\$25 per bank run
Manual Checks	\$3.00 ea
1099 Returns	\$5.00
Long Distance Telephone Charges	Actual Rate
NSF Checks	\$30.00
Cancelled Check Copy	\$5.00
Lamination	\$5.00/page
Loan Processing Fee	\$250 Flat Fee
Annual Filing/Condo Registration	\$125.00 (Corp); \$100 (Condo)
<b>OPTIONAL ITEMS</b>	
Client Payment History (Includes Placing of Lien and Release of Lien)	\$50.00 per incident
Citation Forms or Violation Stickers	\$0.85 ea
Board requested e-mail blasts	0-99 units \$25; 100-199 units \$35; 200+ units \$50
Manual Utility Reading	\$100.00 per trip
Resident Information Cards	\$0.40 ea
514A or 514B Booklets	Copy Charge
Corporate Exhibit	\$75.00
Lien Processing Charge	\$50.00 charged to owner

ADDENDUM B  
WEB SITE

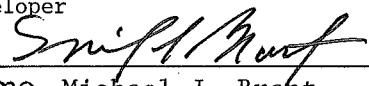
THIS ADDENDUM B to that certain Property Management and Agency Agreement, dated January 9, 2014, ~~2013~~ ("Agreement"), is entered into by and between Hawaiiiana Management Company, Ltd., a Hawaii corporation ("Agent") and Ewa by Gentry, Area 14 (ParkSide by Gentry) ("Association").

If Association elects to receive a "basic" web site, Agent shall create a web site for Association utilizing Agent's standard form web site template, for no additional charge. If Association elects to receive any custom web site features, referred to as a "premium" web site, then such custom features may be incorporated into the web site in Agent's discretion, subject to Association's payment of additional fees to be established by Agent. If Association requests an independent domain name for Association's web site, then Agent shall obtain and maintain such domain name registration on behalf of Association throughout the term of this Agreement, subject to reimbursement from Association for all domain name registration fees.

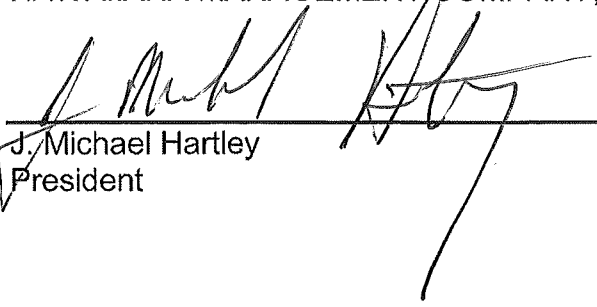
Upon Agent's creation of a "basic" or "premium" web site, Association shall be responsible for maintaining and updating the web site with current information. If Agent determines that Association's web site has not been updated for three months or longer, then Agent may disable the web site. If not previously disabled, Association's web site will be disabled upon the termination of this Agreement.

**ASSOCIATION ACKNOWLEDGES AND AGREES THAT THE HOSTING SERVICES FOR ASSOCIATION'S WEB SITE WILL BE PROVIDED BY A THIRD PARTY AND AGENT DOES NOT GUARANTY THE SERVICE LEVELS OF SUCH HOSTING SERVICES. AGENT DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, IN RELATION TO THE WEB SITE. AGENT DOES NOT WARRANT THAT THE WEB SITE WILL MEET ALL OF ASSOCIATION'S REQUIREMENTS OR THAT THE USE OF THE WEB SITE WILL BE UNINTERRUPTED OR ERROR FREE.**

**EWA BY GENTRY, AREA 14 (PARKSIDE  
BY GENTRY)** By Gentry Homes, Ltd., as  
Developer

By   
Name Michael J. Brant  
Its Vice President

HAWAIIANA MANAGEMENT COMPANY, LTD.

  
J. Michael Hartley  
President

By \_\_\_\_\_  
Name \_\_\_\_\_  
Its \_\_\_\_\_