

IMPORTANT - - Read This Developer Prepared Report Before Buying

This Report Is Not a Commission Approval or Disapproval of This Condominium Project

DEVELOPER'S PUBLIC REPORT FOR A CONDOMINIUM

CONDOMINIUM PROJECT NAME	KA'ULU BY GENTRY II
Project Address	91-1101 Franklin D. Roosevelt Avenue Kapolei, Hawaii 96707
Registration Number	9122
Effective Date of Report	June 21, 2024
Developer(s)	Gentry Kalaeloa, 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 ("HRS"), as amended from time to time. The law defines "material facts" as "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 ("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 the 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, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to immediately submit 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; however, a purchaser may have rights to cancel or rescind a sales contract under specific circumstances.

For all sales information, please contact the developer and real estate broker on page 9.

Individuals with special needs may request this material by calling the State of Hawaii Real Estate Commission at 586-2644.

Special Attention - - Significant Matters

Use this page for special or significant matters which should be brought to the purchaser's attention. Subject Headings and page numbers where the subject is explained must be used.

The Developer's inclusion of a disclosure or an explanation of any or all of the following applicable significant matters in this part of the Developer's Public Report shall not be construed to constitute the Commission's:

- **Approval or disapproval of the project;**
- **Representation that the Developer has fully or adequately disclosed either all material facts or all pertinent changes, or both, concerning the project;**
- **Representation that the Developer's disclosures of other material facts elsewhere in this report are less important; or**
- **Judgment of the value or merits of the project.**

The Commission reserves the right to request that the Developer include these special and significant matters elsewhere in the Developer's Public Report.

Use of "Buyer" and "Purchaser". In this Developer's Public Report (this "Public Report"), the words "Buyer" and "Purchaser" (whether or not capitalized) have the same meaning and are used interchangeably.

Use of "Developer" and "Declarant". In this Public Report, the words "Developer" and "Declarant" have the same meaning and are used interchangeably.

Status of Condominium Project. As described in the Declaration of Condominium Property Regime of Ka'ulu by Gentry II, dated April 29, 2024, and recorded in the Bureau of Conveyances of the State of Hawaii (the "Bureau") as Document No. A-89350862, as amended from time to time (the "Declaration"), and as shown on Condominium Map No. 6603, as amended from time to time (the "Condominium Map"), Ka'ulu By Gentry II (sometimes referred to as the "Project") is a 49-unit fee simple condominium project, comprised of 13 detached single-family units and 36 attached multi-family units. As of the submittal of this Public Report, the Developer is the fee simple owner of all of the units in the entire Ka'ulu By Gentry II condominium project.

Construction. Ka'ulu By Gentry II will be constructed and sold in seven (7) phases. Please see Section 5.5 on page 14 of this Public Report for estimated construction commencement and completion dates.

Limited Parking. Proper and efficient use of the space in Ka'ulu By Gentry II requires that Ka'ulu By Gentry II residents park their vehicle(s) only in their garage and, if applicable, the tandem parking stall directly in front of their garage. There are no other options for Ka'ulu By Gentry II residents to park their vehicles, because all of the on-street common element parking stalls in Ka'ulu By Gentry II are reserved for visitor use only. If all of the vehicles of a Buyer and other residents of the unit will not fit in the unit's garage or tandem parking stall, then such Buyer should not purchase a unit in Ka'ulu By Gentry II. Ka'ulu by Gentry only works if all owners and residents park their vehicles in the unit's garage or tandem parking stall. EACH BUYER SHOULD THOROUGHLY INSPECT THE UNIT'S GARAGE AND, IF APPLICABLE, TANDEM PARKING STALL IN FRONT OF THE GARAGE TO ENSURE THAT THE GARAGE AND TANDEM STALL CAN ADEQUATELY ACCOMMODATE THE BUYER'S VEHICLE(S). Please see Exhibit "A" of this Public Report for additional information regarding parking.

No Street Parking. Other than on-street common element parking stalls reserved for visitor use only, parking is not allowed on the roadways within Ka'ulu. There is also no street parking along the portions of Franklin D. Roosevelt Avenue, Copahee Avenue and Saratoga Avenue that are in the vicinity of Ka'ulu. No vehicle parked or stopped in a driveway, appurtenant parking stall or visitor parking stall is allowed to protrude beyond the driveway apron or to block or extend into any landscaped area, sidewalk or roadway within Ka'ulu By Gentry II. Tandem parking and double-parking are not allowed on any streets within Ka'ulu By Gentry II. Curbside parking outside of designated visitor parking stalls is not allowed. Vehicles violating these restrictions are subject to being towed.

Entry and Exit Only at Roosevelt Avenue. Unless and until another exit/entrance is made available to unit owners and occupants, the only entrance to and exit from the Project for unit owners and occupants will be from and to Franklin D. Roosevelt Avenue.

Kalaeloa Design Guidelines. Any alterations to any part of the Project must be consistent with Kalaeloa: Design Guidelines, dated December 6, 2021, as may be amended from time to time (the "Kalaeloa Design Guidelines").

Garages. Garages must be used for parking operational vehicles only. Residents may use their garage for incidental storage, provided that this incidental storage does not interfere with the parking of vehicles.

Visitor Parking. There are just three visitor parking stalls in Ka'ulu By Gentry II. Visitor parking stalls are reserved for guests, workers, delivery persons, service personnel and other non-residents who have business at Ka'ulu By Gentry II. Subject to specific exceptions set forth in the Ka'ulu By Gentry II Association of Unit Owners Project Rules, as amended from time to time (the "Project Rules"), residents of Ka'ulu By Gentry II are not to park in visitor parking stalls at any time. Visitor parking stalls are for the use of cars, trucks, motorcycles, mopeds, bicycles e-bikes and similar vehicles, provided that these vehicles must be parked entirely within the stall. An initial Visitor Parking Stall and Towing Policy is attached to and made a part of the Project Rules.

Contributions to Working Capital Fund. A working capital fund will be established for the Association of Unit Owners of Ka'ulu by Gentry II (the "Association") to be used for such purposes as the Association's board of directors (the "Board") may deem proper from time to time. The initial funds comprising the working capital fund will be obtained by assessing each person who buys a residential unit from the Developer an amount equal to two months of the common assessments for the residential unit being purchased. That amount will not be considered an advance payment of common assessments. The Developer will not be required to pay into such fund for unsold units.

Contributions to Reserve Funds. The Board will establish and maintain reserve funds to provide protection for the payment of common utilities, insurance, maintenance, repair, restoration, and replacement of the common elements and the furniture, fixtures, and mechanical equipment thereof, and other expenses of administration and management of the Project and such other regular and ongoing expenses or recurring liabilities as the Board may reasonably foresee. A portion of the funds comprising the reserve funds will be obtained by assessing each person who acquires fee simple title to a residential unit an amount equal to one month of the common assessments for such residential unit. That amount will not be considered an advance payment of common assessments and, subject to certain exceptions set forth in the Declaration, must be paid by each person who acquires fee simple title to a residential unit in the Project, not just those who purchase their units from the Developer. The Developer will not be required to pay into such fund for unsold units.

Joint Development Area. Ka'ulu By Gentry II is part of an overall residential condominium community to be known as "Ka'ulu By Gentry" (sometimes referred to as the "Joint Development Area"), and is subject to that certain Joint Development Agreement, dated December 23, 2022, and recorded in the Bureau on May 18, 2023 as Document No. A-85380495 (the "Joint Development Agreement"). The Joint Development Area is meant to operate as a cohesive, integrated condominium community comprised of condominium units that includes shared common facilities and infrastructure, including potable water, irrigation, drain, sewer, and electrical systems, visitor parking stalls, roadways, landscaping, one or more community parks, one or more gazebos and one or more mail pavilions.

Future Administrative Merger. It is anticipated that Ka'ulu By Gentry II will be administratively merged with other Ka'ulu By Gentry condominium projects into a "merged project" for the purposes of sharing the use and cost of maintaining and operating the Joint Development Area's shared common facilities and infrastructure. Such an administrative merger would not affect a unit owner's ownership interest in Ka'ulu By Gentry II. However, each residential unit's share of the common expenses of the merged project would be the product of the common interest appurtenant to such residential unit multiplied by the fractional share of common expenses allocated to the phase or increment in which the residential unit is located. Each unit owner's vote in the merged project would be the product of the common interest appurtenant to the owner's unit multiplied by the fractional share of the common expenses allocated to

the phase or increment in which the owner's unit is located, provided that common interests for any parking stall units will be factored in for determining total votes.

Developer's Disclaimers and Buyer's Agreement to Waive Certain Rights When Buying A Unit.

The Developer has no control over certain activities on nearby property owned by others, including recreation, military, utility and aviation. These activities and other activities, including ongoing construction and sales of the overall Ka'ulu By Gentry community, may cause some inconveniences to the Buyer and are outlined on pages 19 through 19g of this Public Report. The sales contract that each Buyer will sign includes an indemnity pursuant to which Buyer agrees to indemnify the Developer and related entities with respect to claims arising from or relating to activities, events and conditions occurring within the Ka'ulu By Gentry community and/or nearby properties, except in certain circumstances. Prior to purchasing a unit, a prospective Buyer is strongly urged to consult with his or her attorney to evaluate the risks and ramifications of these disclaimers and waivers.

Commencement of Maintenance Fees. Developer will provide the residential unit owners in Ka'ulu By Gentry II with written notice at least thirty (30) days prior to the maintenance fee commencement date. Please see Exhibit "G" of this Public Report regarding maintenance fees.

Other Important Matters. See Pages 19 through 19g of this Public Report for information on other important matters.

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EXHIBIT A: Parking

EXHIBIT B: Permitted Alterations to Units

EXHIBIT C: Unit Description and Common Interest

EXHIBIT D: Common Elements and Limited Common Elements

EXHIBIT E: Encumbrances Against Title

EXHIBIT F: Developer's Reserved Rights to Change the Project and the Documents

EXHIBIT G: Estimated Budget and Initial Maintenance Fee Schedule

EXHIBIT H: Summary of Sales Contract

EXHIBIT I: Summary of Escrow Agreement

EXHIBIT J: Construction Warranties

EXHIBIT J-1: Sample Limited Warranty

ADDITIONAL:

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, HRS, 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.

For more general information on condominiums, please go to <http://www.hawaii.gov/hirec>. Contact the Hawaii Real Estate Commission's Condominium hot line at (808) 586-2644 from 9:00 AM to 3:00 PM, Monday through Friday. Contact the Developer and real estate broker on page 9 for any sales information.

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 that at first 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.

Resources For Condominium Living

The Real Estate Branch website (<https://cca.hawaii.gov/reb>) includes information for owners on the management and operation of a condominium project. Topics include the following and more:

- The law and rules governing condominiums and the role of the declaration, bylaws, and house rules in the management and operation of the project.
- The respective roles of the owners, the board of directors, and agents of the association in managing and operating the project.
- The rights and responsibilities of owners and the board.
- The role of the Real Estate Commission in condominium governance.
- Access to information and documents concerning the management and operation of the project.
- Budgets and the role of maintenance fees and reserves in the upkeep of the project.
- Participation and procedures in board, association, and special meetings.
- Dispute resolution.
- Access to educational seminars sponsored by the Real Estate Commission and other organizations.

The Real Estate Branch also hosts free copies of the developer's public reports, the condominium law, and condominium administrative rules on its website.

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	Not Applicable
Address of Project	91-1101 Franklin D. Roosevelt Avenue Kapolei, Hawaii 96707
Address of Project is expected to change because (describe)	Not Applicable
Tax Map Key (TMK)	(1) 9-1-13-197 (portion)
Tax Map Key is expected to change because	The Project land will be assigned a new parcel number and each individual Unit will be assigned a separate CPR number
Land Area (square feet or acres)	176,459 square feet, more or less
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	Not Applicable

1.2 Buildings and Other Improvements

Number of Buildings	18
Floors Per Building	2
Number of New Building(s)	18
Number of Converted Building(s)	0
Principal Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Concrete, wood, composition siding, composition shingles

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 "C" for description of Units. See page 3a.

49	Total Number of Units
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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 (continued)

Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc.)	Total Area
Plan 1	3	3/2.5	1,508	548	lanai,entry,garage	2,056
Plan 1-R	2	3/2.5	1,508	548	lanai,entry,garage	2,056
Plan 2	3	3/2.5	1,592	483	entry,garage	2,075
Plan 2-R	1	3/2.5	1,592	483	entry,garage	2,075
Plan 3	3	3/2.5	1,582	494	entry,garage	2,076
Plan 3-R	1	3/2.5	1,582	494	entry,garage	2,076
Type 1 Plantation	2	2/2	1,020	419	entry,garage	1,439
Type 1 Craftsman	3	2/2	1,020	441	entry,garage	1,461
Type 1-R Plantation	2	2/2	1,020	419	entry,garage	1,439
Type 1-R Craftsman	3	2/2	1,020	441	entry,garage	1,461
Type 2 Plantation	2	3/2	1,080	604	lanai,entry,garage	1,733
Type 2 Craftsman	3	3/2	1,080	626	lanai,entry,garage	1,706
Type 2-R Plantation	2	3/2	1,089	755	lanai,entry,garage	1,844
Type 2-R Craftsman	3	3/2	1,089	777	lanai,entry,garage	1,866
Type 3 Plantation	2	3/2	1,195	511	lanai,entry,garage	1,706
Type 3 Craftsman	3	3/2	1,195	510	lanai,entry,garage	1,705
Type 3-R Plantation	2	3/2	1,195	511	lanai,entry,garage	1,706
Type 3-R Craftsman	3	3/2	1,195	510	lanai,entry,garage	1,705
Type 4 Plantation	1	2/2	877	748	lanai,entry,garage	1,625
Type 4 Craftsman	2	2/2	877	747	lanai,entry,garage	1,624
Type 5 Plantation	1	2/2.5	1,325	558	entry,garage	1,882
Type 5 Craftsman	2	2/2.5	1,324	584	entry,garage	1,908
See Exhibit "C" for descriptions of Unit Types.						

49

Total Number of Units

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

1.4 Parking Stalls

Total Parking Stalls in the Project:	101 (includes stalls located in garages)
Number of Guest Stalls in the Project:	3; See Exhibit "A" regarding visitor parking stalls
Number of Parking Stalls Assigned to Each Unit:	At least 2 per Residential Unit; See Exhibit "A"
Attach Exhibit ___ "A" ___ specifying the parking stall number(s) assigned to each unit and guest and the type of parking stall(s) (compact/standard/tandem, covered/open, and electric charging ready/capable).	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights.	

1.5 Boundaries of the Units

Boundaries of the unit: See Exhibit "C"
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1.6 Permitted Alterations to the Units

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

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 the Declaration, is:
Described in Exhibit "C" _____ .
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): community park

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 "D" _____.

Described as follows:

Common Element	Number
Elevators	0
Stairways	8
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 "D" _____.

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 checked="" type="checkbox"/>	Pets: see Page 19g of this Public Report; Bylaws Section 8.2; and Project Rules Article IV
<input checked="" type="checkbox"/>	Number of Occupants: not more than 2 persons per bedroom, excluding children under 5 years
<input checked="" type="checkbox"/>	Other: see Page 19f of this Public Report; and Section H of the Declaration
<input 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 "E" _____ describes the encumbrances against title contained in the title report described below.

Date of the title report: June 7, 2024

Company that issued the title report: First American Title Company, Inc.

1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning						
	Zoning/Type of Use	No. of Units	Use Permitted by Zoning		Zoning District	No. of Spatial
<input checked="" type="checkbox"/>	Residential	49	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	T-3 (HCDA)	0
<input type="checkbox"/>	ADU/Ohana		<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"/>	Commercial		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<input type="checkbox"/>	Hotel/Resort		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<input type="checkbox"/>	Timeshare		<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"/>	Preservation/Recreational		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<input type="checkbox"/>	Other (Specify):		<input type="checkbox"/> Yes	<input type="checkbox"/> No		
Is/Are this/these use(s) specifically permitted by the project's 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						

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>"Converted" or "conversion" means the submission of a structure to a condominium property regime more than twelve months after the completion of construction; provided that structures used as sales offices or models for a project and later submitted to a condominium property regime shall not be considered to be converted structures. (§514B-3, HRS)</p>	
<p>Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more. (§514B-84(a)(1), HRS)</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(s) ____ is a verified statement signed by an appropriate county official which states that either:</p>	
<p>(A)</p>	<p>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)</p>	<p>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>Verified county statement (initial applications only): (An expanded assessment and county comment statement is required if project contains more than five units (§514B-52(b), HRS)</p>	<p>Exhibit _____</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?</p>	<p><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?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.</p>	
<p>Other disclosures and information:</p>	

1.17 Project with Assisted Living Facility

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

2. PERSONS CONNECTED WITH THE PROJECT

<p>2.1 Developer(s)</p>	<p>Name: GENTRY KALAELOA, LLC</p> <p>Business Address: 733 Bishop Street, Suite 1400 Honolulu, Hawaii 96813</p> <p>Business Phone Number: 808-599-5558</p> <p>E-mail Address: www.gentryhawaii.com</p>
<p>Names of officers and directors of Developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) if member managed**</p>	<p>Gentry Homes, Ltd. is the sole member of Gentry Kalaeloa, LLC. <u>Officers and Directors of Gentry Homes, Ltd.:</u> Quentin Machida: President/CEO; Brian Maja: Vice President; Richard Hobson: Vice President; Andrew Kamikawa: Vice President; Victoria Slovak: Vice President; Doreen Takebayashi: Vice President; Crystal Rose: Director; Alton Kuioka: Director; JD Watumull: Director</p>
<p>2.2 Real Estate Broker*</p>	<p>Name: Gentry Homes, Ltd.</p> <p>Business Address: 733 Bishop Street, Suite 1400 Honolulu, Hawaii 96813</p> <p>Business Phone Number: 808-599-5558</p> <p>E-mail Address: www.gentryhawaii.com</p>
<p>2.3 Escrow Depository*</p>	<p>Name: First American Title Company, Inc.</p> <p>Business Address: 1177 Kapiolani Boulevard Honolulu, Hawaii 96814</p> <p>Business Phone Number: 808-536-3866</p> <p>E-mail Address: www.firstam.com/title/hi</p>
<p>2.4 General Contractor</p>	<p>Name: Gentry Builders, LLC</p> <p>Business Address: 733 Bishop Street, Suite 1400 Honolulu, Hawaii 96813</p> <p>Business Phone Number: 808-599-5558</p> <p>E-mail Address: www.gentryhawaii.com</p>
<p>2.5 Condominium Managing Agent</p>	<p>Name: Certified Management, Inc. (dba Associa Hawaii)</p> <p>Business Address: 737 Bishop Street, Suite 3100 Honolulu, Hawaii 96813</p> <p>Business Phone Number: 808-837-5273</p> <p>E-mail Address: www.associahawaii.com</p>
<p>2.6 Attorney for Developer</p>	<p>Name: David F. Andrew, Esq.</p> <p>Business Address: Schneider Tanaka Radovich Andrew & Tanaka, LLLC 1100 Alakea Street, Suite 2100 Honolulu, Hawaii 96813</p> <p>Business Phone Number: 808-792-4200</p> <p>E-mail Address: dandrew@stratlaw.com</p>

* If different units have different agents, attach an addendum as page 9a listing each unit's respective agents.

** Attach separate sheet if necessary

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), 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
Bureau of Conveyances	April 29, 2024	A-89350862
Amendments to Declaration of Condominium Property Regime		
Land Court or Bureau of Conveyances	Date of Document	Document Number

3.2 Bylaws of the Association of Unit Owners

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

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	April 29, 2024	A-89350863
Amendments to Bylaws of the Association of Unit Owners		
Land Court or Bureau of Conveyances	Date of Document	Document Number

3.3 Condominium Map

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

Land Court Map Number & Recording Date:	
Bureau of Conveyances Map Number & Recording Date:	6603, June 18, 2024
Dates of Recordation of Amendments to the Condominium Map:	

3.4 House Rules

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

The House Rules for this project:

Are Proposed	<input type="checkbox"/>	
Have Been Adopted and Date of Adoption	<input checked="" type="checkbox"/>	April 29, 2024
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"/>	Developer has reserved the right to change the Declaration, Bylaws, Condominium Map, and House Rules (if any) and to add to or merge the project or to develop the project in one or more phases, and such rights are summarized as follows: See Exhibit "F"

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

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 "G" contains a breakdown of the estimated annual maintenance fees and the monthly estimated maintenance fee for each unit, certified to have been based on generally accepted accounting principles, with the Developer's statement as to when a unit owner shall become obligated to start paying the unit owner's share of the common expenses. The breakdown includes the annual reserve contributions based on a reserve study (§514B-83(a)(3), HRS).

4.3 Utility Charges to be Included in the Maintenance Fee

If checked, the following utilities are included in the maintenance fee:	
<input checked="" type="checkbox"/>	Electricity for the common elements
<input checked="" type="checkbox"/>	Gas (propane) for possible common element barbecue grill(s) in community park
<input checked="" type="checkbox"/>	Water for the common elements
<input checked="" type="checkbox"/>	Sewer for the common element manager's office
<input type="checkbox"/>	TV Cable
<input checked="" type="checkbox"/>	Other (specify): telephone and internet for the common element manager's office

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 units only (billed direct to unit owner)
<input type="checkbox"/>	Gas for units only
<input checked="" type="checkbox"/>	Water for units only (* see below)
<input checked="" type="checkbox"/>	Sewer for units only (* see below)
<input checked="" type="checkbox"/>	TV Cable for units only (billed direct to unit owner after owner sets up with provider)
<input checked="" type="checkbox"/>	Other: telephone for units only (billed direct to unit owner after owner sets up with provider)
<input checked="" type="checkbox"/>	Other: internet for units only (billed direct to unit owner after owner sets up with provider)

* For Multi-Family Units, owners will be billed by the managing agent for water and sewer fees based on submetering. For Single-Family Units, owners will be billed directly by the water and sewer provider.

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit "H" 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: December 5, 2022 Name of Escrow Company: First American Title Company, Inc. Exhibit "I" 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 checked="" type="checkbox"/>	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
<input type="checkbox"/>	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit _____.
<input checked="" 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.

<u>Type of Lien</u>	<u>Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgage	The lender has priority over a Buyer's rights under the Sales Contract and has a right to terminate the Sales Contract upon foreclosure of its mortgage before a Unit sale is closed. If foreclosed, the Buyer's deposit shall be refunded (less any escrow cancellation fees) and the Sales Contract between Seller and Buyer shall be cancelled.

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:

See Exhibit "J"

Appliances:

See Exhibit "J"

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

<p>Status of Construction:</p> <p>Phase 7 (Units 121 to 128, inclusive): Construction of these Units started in April 2024. The estimated construction completion date of these Units is September 2024.</p> <p>Phase 8 (Units 191 to 198, inclusive): Construction of these Units is estimated to start in July 2024. The estimated construction completion date of these Units is November 2024.</p> <p>Phase 9 (Units 201, to 206, inclusive): Construction of these Units is estimated to start in July 2024. The estimated construction completion date of these Units is December 2024.</p> <p>Phase 10 (Units 207 to 212, inclusive): Construction of these Units is estimated to start in August 2024. The estimated construction completion date of these Units is December 2024.</p> <p>Phase 11 (Units 241 to 245, inclusive, and Units 247 and 249): Construction of these Units is estimated to start in October 2024. The estimated construction completion date of these Units is March 2025.</p> <p>Phase 12 (Units 261 to 266, inclusive): Construction of these Units is estimated to start in September 2024. The estimated construction completion date of these Units is February 2025.</p> <p>Phase 13 (Units 271 to 278, inclusive): Construction of these Units is estimated to start in August 2024. The estimated construction completion date of these Units is January 2025.</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: Subject to certain specific exceptions described in Article V, Section F.1 of the Sales Contract, the Developer agrees that completion of construction of each Unit will be on or before two years after the Buyer signs the Sales Contract for that Unit.</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

<input type="checkbox"/>	<p>Spatial Units. The Developer hereby declares by checking the box to the left that it is offering spatial units (units without any structures) for sale and will not be using purchasers' deposits to pay for any costs for project construction or to complete the project.</p>
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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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Should the Developer be using purchasers' deposits to pay for any project construction costs or to complete the project including lease payments, real property taxes, architectural, engineering, legal fees, or financing costs, or costs to cure violations of county zoning and building ordinances and codes or other incidental project expenses, the Developer has to meet certain requirements, described below in 5.6.2.

The Developer is required to deposit all monies 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 the Developer has met certain requirements, which are described below.

5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

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

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

Box A <input type="checkbox"/>	<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>
Box B <input type="checkbox"/>	<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, the Developer cannot use purchaser deposits.</p> <p>If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the <u>Important Notice Regarding Your Deposits</u> set forth immediately above will apply to all purchasers and will be restated in the amendment to this report or an amended developer's public report. When an effective date for such an amendment or an amended developer's public report is issued, <u>you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment.</u> (This, however, does not affect your right to rescind for material changes or any other right you may have to rescind or cancel the sales contract, as described in Section 5.8 below.) If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report.</p> <p>You should understand that, although the <u>Important Notice Regarding Your Deposits</u> set forth above does not currently apply to you, it might apply to you in the future, and, therefore, you should read and carefully consider it now to ensure that you understand the risk involved in deciding whether to proceed with your purchase.</p>

Material House Bond. If the Developer has submitted to the Commission a completion or performance bond issued by a material house instead of a surety as part of the information provided prior to the use of purchaser deposits prior to closing or conveyance of a unit, the Developer shall disclose the same below and disclose the impact of any restrictions on the Developer's use of purchaser deposits.

5.7 Rights Under the Sales Contract

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

1.	Developer's Public Report
2.	Declaration of Condominium Property Regime (and any amendments)
3.	Bylaws of the Association of Unit Owners (and any amendments)
4.	Condominium Map (and any amendments)
5.	House Rules, if any
6.	Escrow Agreement
7.	Hawaii's Condominium Property Act (Chapter 514B, HRS, as amended) and Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), provided that rules and regulations under Chapter 514B have not yet been adopted.

8. Other:

Joint Development Agreement, recorded as Document No. A-85380495 (See Item 9 of Exhibit "E").

Declaration of Intent to Develop and Merge; Special Power of Attorney (See Item 13 of Exhibit "E").

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: <http://cca.hawaii.gov/reb/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, 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. **Other Significant Matters.** See Pages 1 through 1c of this Public Report for information on other significant matters.

2. **Multiple Increments and Phases Anticipated.**

a. Ka'ulu By Gentry II (the "Project") is the second increment of what the Developer projects will be an approximately 30-acre residential community called Ka'ulu by Gentry ("Ka'ulu"). Developer projects that all of Ka'ulu will consist of approximately 390 residential homes, with 262 of the residential homes (each a "Multi-Family Unit") being part of attached multi-family (6-plex or 8-plex) buildings and 128 of the residential homes (each a "Single-Family Unit") being detached single-family homes. It is projected that the homes in Ka'ulu would be sold in 49 different sales phases (each a "phase") within six separate sales increments (each an "increment"). Each Ka'ulu increment may also include various parking stall units.

b. This Public Report covers Ka'ulu By Gentry II (also referred to as the Project), which is one of the increments in Ka'ulu. The Project is comprised of 49 fee simple condominium units, 13 of which are Single-Family Units and 36 of which are Multi-Family Units.

3. **Reserved Housing.** Approximately 25% of the residential units in Ka'ulu are expected to be marketed to prospective owner-occupants as reserved housing units ("Reserved Housing Units") pursuant to the Kalaeloa Community Development District Rules, Chapter 216 of Title 15, Hawaii Administrative Rules (the "Kalaeloa Reserved Housing Rules"), administered by the Hawaii Community Development Authority (the "HCDA"). (The other 75% of the residential units will be sold as market-priced homes.) The Reserved Housing Units will be priced at levels that may be considered affordable to households earning up to 140% of Oahu's median income, as allowed by the Kalaeloa Reserved Housing Rules, and will be distributed throughout Ka'ulu's various increments and phases. Pursuant to the Kalaeloa Reserved Housing Rules, Reserved Housing Units are subject to occupancy requirements, sale and transfer restrictions and equity sharing requirements. The sales contract used by the Developer to sell units in the Project (the "Sales Contract") will include a Reserved Housing Unit Addendum if the unit being sold is a Reserved Housing Unit. As set forth in the Reserved Housing Unit Addendum, Buyers of Reserved Housing Units are required to execute a Unilateral Declaration of Restrictive Covenants for Unit Designated as Reserved Housing Unit in the Ka'ulu by Gentry II Condominium Project (the "Unilateral Declaration") for their unit on a form approved by the HCDA, which will be recorded at the Bureau of Conveyances concurrently with the deed by which the unit is conveyed to the Buyer. Among other things, the Unilateral Declaration requires the Buyer to agree to the above-referenced occupancy requirements, sale and transfer restrictions and equity sharing requirements.

4. **Buyer's Occupancy Requirements.**

a. **Buyer Must Occupy the Unit for 365 Days.** If the residential unit being purchased is NOT subject to the Kalaeloa Reserved Housing Rules and if the Reserved Housing Unit Addendum is NOT part of the Sales Contract, then the Buyer must occupy and use the unit as Buyer's primary residence for at least 365 consecutive days after taking title to the unit.

b. **Restrictions on Transfer During Regulated Term/Occupancy Requirement for Reserved Housing Units.** If the unit being purchase is subject to the Kalaeloa Reserved Housing Rules and if the Reserved Housing Unit Addendum is part of the Sales Contract, then the Buyer must comply with the owner-occupancy requirements set forth in the Reserved Housing Unit Addendum of the Sale Contract.

5. **Declaration, Bylaws and Project Rules.** The unit being purchased is subject to the restrictions, covenants, conditions, easements and other matters contained in the Declaration of Condominium Property Regime of Ka'ulu by Gentry II, as amended from time to time (the "Declaration"), the Bylaws of the Association of Unit Owners of Ka'ulu by Gentry II, as amended from time to time (the "Bylaws"), and the Ka'ulu by Gentry II Association of Unit Owners Project Rules, as amended from time to time (the "Project Rules"). The Declaration, the Bylaws and the Project Rules (collectively, the "Project Documents") contain many important provisions relating to the Project and each Buyer's ownership and use of a Unit.

6. Association of Unit Owners. The affairs of the Project will be governed by the Association of Unit Owners of Ka'ulu by Gentry II (the "Association"), a Hawaii nonprofit corporation that will serve as the governing body for all unit owners in the Project, who will comprise the Association's members. The Association will be governed by its board of directors (the "Board"), which will consist of as few as three persons. The Declaration provides for the assessment of maintenance and other fees from and upon the members of the Association to pay for common expenses and other costs and expenses incurred by and relating to the Association. The Declaration also provides for lien rights upon each unit in the Project for non-payment of such assessments. The Association will be responsible for, among other things, maintaining the Project's common elements. The Association will also have the right to enforce the provisions of the Declaration, the Bylaws, the Project Rules and other associated documents.

7. Developer's Exercise of Association Rights. The Developer will appoint and remove the officers and members of the Board until the earlier of: (a) 60 days after the conveyance, to unit owners other than the Developer or an affiliate of the Developer, of units that have 75% of the Project's common interest appurtenant to them; (b) two years after the Developer has ceased to offer units for sale in the ordinary course of its business; (c) two years after any right to add new units to the Project was last exercised by the Developer; or (d) the day the Developer, after giving written notice to residential unit owners, records an instrument voluntarily surrendering all rights to control activities of the Association.

8. Use Restrictions. In addition to the restrictions, reservations and easements set forth in the Declaration and the other Project Documents, the residential units in the Project will be subject to the following restrictions, among others:

a. Generally. Residential units must at all times be occupied and used only as private, residential dwellings by the unit owners, occupants, their families, tenants and social guests, in accordance with applicable laws and the Project Documents, and for no other purposes; provided, however, that residential units may be used by the owner for Home-Based Small Businesses (defined below) if the owner also uses the unit as his or her principal residence; and provided, further, that the Project's on-site manager may use the residential unit he or she occupies and any other office, room or building within the Project in connection with his or her duties as on-site manager. Except for use as Home-Based Small Businesses and except for use by or for the Developer, the Association, the Managing Agent and/or the on-site manager, no residential unit can be used or caused, allowed, or authorized to be used in any way, directly or indirectly, for any business, commercial, manufacturing, mercantile, storing, vending, or other such non-residential purpose. The Developer may also use any residential unit owned by the Developer, or any other residential unit with the permission of the owner, for a model unit, a sales office or such other purposes as the Developer deems appropriate.

b. Home-Based Small Business. "Home-Based Small Business" means a business that: (i) is operated solely within the residential unit incidental to the use of the unit for residential purposes; (ii) is limited to arts and crafts, the rendition of professional services, or other similar activities; (iii) is operated solely by the owner of the unit whose principal residence is the unit; (iv) is permitted by, and is at all times in compliance with, all applicable laws, regulations and the Project Documents; (v) does not have clients, customers or others come onto the Project or into the unit for business purposes; and (vi) does not result in (A) the violation of any of the provisions of the Project Documents, (B) any unreasonable increase in the flow of traffic within the Project, (C) any odor, noise, or vibration outside of the unit, or (D) parking problems within the Project. Food catering and commercial food preparation are not included within the definition of Home-Based Small Business, meaning that those businesses are not allowed in any of the units.

c. Section H of the Declaration. Section H of the Declaration sets forth many other purposes and restrictions with respect to how the Project's units, common elements and limited common elements can and must be used. Buyer is strongly advised to read and understand all of such Section H, as well as the rest of the Declaration and the other Project Documents.

9. Managing Agent. The Developer has employed the initial Managing Agent and has entered into a management contract (the "Management Agreement") with the Managing Agent. The Managing Agent will have complete authority, subject to the provisions of the Declaration, the Bylaws and the Management Agreement, to assume full control and responsibility for the management, operation and

maintenance of the completed Project at the expense of the Association. It is anticipated that the Managing Agent or the Board will hire an on-site manager (the "Manager") for the Project.

10. Possible Master Declaration; Master Association; Assessments. Ka'ulu is located within and/or adjacent to lands that are part of a large-scale planned development commonly referred to as "Kalaeloa", which may include various residential, commercial, recreational and/or other components. In connection with that, there may be established and imposed (by the Developer and/or another party) upon Ka'ulu and such other lands a declaration of conditions and covenants applicable to such lands (the "Master Declaration"), which may include the creation of an association comprised of the owners of such lands or certain interests therein ("Master Association"). It is expected that the Master Association may, if and when formed, among other things, own, manage, operate, maintain, restore and/or repair roadways, landscape areas, archaeological areas, irrigation systems, drainage systems and other common areas, improvements, facilities and systems (collectively, the "Master Facilities"), for the benefit of all or portions of the Kalaeloa lands, including Ka'ulu. Under the Declaration for the Project, the Developer has reserved the right to annex the Project to the Master Declaration, and, in such event, the Buyer will become a member of the Master Association as and to the extent provided in the Master Declaration. Effective upon any such annexation, the Buyer must comply with and be bound by the Master Declaration and any bylaws, rules and regulations of the Master Association. Obligations may include assessments for, among other things, the Buyer's use of the Master Facilities and/or for the ownership, management, operation, maintenance, restoration and repair of the Master Facilities. The Master Declaration may provide for lien rights upon each unit in the Project for non-payment of these assessments. Assessments made by the Master Association would be separate and distinct from the Association's maintenance assessments for the Project and Ka'ulu. The Developer will have the right to convey common element roadways, landscape areas, archaeological areas, irrigation systems, drainage systems and other common areas, improvements, facilities and systems to the Master Association.

11. Other Reserved Rights. In addition to the reserved rights described in the Sales Contract, the Developer also has other reserved rights in its favor. The reserved rights are summarized in Exhibit F to this Public Report and are fully set forth in the Declaration. The list and description of Developer's reserved rights in Exhibit F to this Public Report are not exhaustive and Buyer should carefully review the Developer's reserved rights that are fully set forth in the Declaration.

12. Insurance Required for Multi-Family Units. As set forth in the Bylaws, each owner of a Multi-Family Unit, at its own expense, must maintain an "HO-6" insurance policy (or its equivalent) with the following minimum provisions or such other provisions as may be required by the Board from time to time: (a) liability insurance of at least \$300,000.00; (b) dwelling coverage equal to the Association's property insurance deductible and the value of any improvements to the Unit; (c) personal property coverage; (d) loss assessment coverage to the extent reasonably available equal to the Association's property insurance deductible; and (e) coverage for water overflow claims. If an owner of a Multi-Family Unit fails to obtain such insurance on the unit, then the Board is authorized to obtain any required insurance and charge the expense of the insurance to such owner, which expense will be secured by a lien on the unit and may be foreclosed in a like manner to a lien for common expenses,

13. Insurance Required for Single-Family Units. Single-Family Units will NOT be covered by the property insurance obtained by or for the Association. As set forth in the Bylaws, each owner of a Single-Family Unit, at its own expense, must maintain property insurance covering the owner's unit, the limited common elements appurtenant to the unit, the contents of the unit, the personal property of the owner, the appliances and the interior finishes of the unit (including the wall coverings and floor coverings) in a total amount of not less than the full insurable replacement cost of the insured property at time of loss, without deduction for depreciation, less deductibles, but including coverage for the increased costs of construction due to building code requirements, at the time the insurance is purchased and at each renewal date. At a minimum, the policy must insure against destruction or damage by fire and extended coverage for risk of loss by hurricane.

14. "AS IS" Condition of Unit. Buyer will be acquiring the unit in "AS IS" condition at the time of closing. Buyer cannot rely upon any representations, statements, warranties, or other information or

material furnished by the Developer or its representatives, whether oral or written, express or implied, except as may be expressly set forth in the Sales Contract.

15. Restrictions on Barbecuing/Outdoor Cooking. Open-flame cooking/barbecuing (whether by gas, coal, electric or other heating method) is NOT allowed within ten (10) feet of any portion of any of the Project's Multi-Family Units, including upstairs lanais, downstairs covered patios or building overhangs. Open-flame cooking/barbecuing (whether by gas, coal, electric or other heating method) is NOT allowed within five (5) feet of any portion of any of the Project's Single-Family Units, including upstairs lanais, downstairs covered patios or building overhangs.

16. Landscaping in Yard Areas. Any trees or shrubs planted in the vicinity of any fence or any wall or in the vicinity of a neighbor's yard area, unit or gravel strip must not have an aggressive root system and must be trimmed regularly so that neither rubbish nor branches interfere with or come into contact with the neighbor's yard area, unit or gravel strip. For aesthetic reasons and to prevent the blowing of fugitive dust, each owner of a Single-Family Unit must have their unit's private yard area fully (i.e., the entirety of it) landscaped (with approved landscaping) and/or grassed within 90 days after the owner takes title to the unit.

17. Activities and Issues Affecting Ka'ulu. Certain activities will occur on and around Ka'ulu as follows:

a. Surrounding Uses and Areas. Ka'ulu is bordered to its North by the Ronald T. Y. Moon Judiciary Complex and the Oahu Railway and Land Company Right of Way (across Franklin D. Roosevelt Avenue). To the Northwest are commercial businesses, such as Costco and the Honolulu Star-Advertiser. East of Ka'ulu is Barbers Point Elementary School, which will cause increased traffic in the area during certain times of the school day, most notably during school drop-off times in the morning and school pickup times in the midafternoon. West of Ka'ulu is a currently undeveloped lot that is anticipated to be developed as a retail/commercial center in the future. South of Ka'ulu is a photovoltaic (PV) solar farm on land leased from the State Department of Hawaiian Home Lands, as well as some vacant, undeveloped land. Adjacent to Ka'ulu (at the corner of Kamokila Boulevard and Franklin D. Roosevelt Avenue) is the VA Center (defined below). The existence of the various undeveloped lands in the vicinity of Ka'ulu may lead to increased pests, such as cockroaches, centipedes and rodents. Construction of these undeveloped areas by other owners and developers will create dust, noise, increased traffic and certain hazardous conditions. Dust is an inevitable result of the ongoing construction.

b. Use of VA Center. Located adjacent to the Project, at the corner of Kamokila Boulevard and Franklin D. Roosevelt Avenue, is the Daniel Kahikina Akaka Department of Veterans Affairs Community-Based Outpatient Clinic (also referred to as the Daniel Kahikina Akaka VA Clinic) (the "VA Center"). The VA Center is anticipated to include a nearly 90,000-square-foot facility, with 528 parking stalls, and provide specialized health care to over 87,000 veterans and their families. Use of the VA Center may create noise issues for the Project, due to, among other reasons, emergency vehicles going to and from the VA Center, cars driving to and parking at the VA Center and people using the VA Center. Lights emanating from the VA Center may also be a nuisance to people in the Project. By taking title to a unit, the Buyer will be (i) representing and warranting that the benefits of owning the unit outweigh such detriments and risks, and (ii) agreeing to release any and all nuisance claims against the Developer, or any of its members, affiliates, agents, employees arising out of any light and/or noise from the VA Center or use of the VA Center.

c. Traffic. Commuters will experience traffic delays on the major roadways in the vicinity of the Project, particularly during peak morning and evening hours. Improvements being done to these roadways may also cause delays and contribute to the increased traffic in and around Ka'ulu.

d. Grading and Drainage. If a unit has an appurtenant private yard area, then the Buyer must maintain the grade and ground cover of the private yard area so as to prevent soil erosion and excessive water run-off onto any other portion of the Project and to prevent the ponding of any water on the private yard area. Buyer is responsible for keeping all swales, ditches and drainage ways within the private yard area free of debris, open and in good operating condition, and for making sure that the private yard area satisfies the applicable requirements of the Storm Water Operation and Maintenance Plan that is

described in the Declaration and the Project Rules. Buyer is not allowed to alter the existing drainage pattern on any part of any yard areas.

e. Trash Disposal and Collection. Except from 5:00 p.m. on the day prior to a scheduled trash pickup day until 10:00 p.m. of the scheduled trash pickup day, trash and recycling bins for the unit must be located in the unit's garage or in the area provided for such bins next to the unit's driveway. The Project Rules include additional requirements, restrictions and prohibitions regarding trash disposal and collection.

f. Trash Bins for Units 121 to 128. So that they can be picked up by the County on the scheduled trash pickup day, trash and recycling bins for Units 121 to 128 will need to be wheeled down the roadway near the units to a location in the vicinity of Unit 121 and visitor parking stall V-7.

g. Trash Bins for Units 191 to 198. So that they can be picked up by the County on the scheduled trash pickup day, trash and recycling bins for Units 191 to 198 will need to be wheeled down the roadway near the units to a location near Unit 176 of Phase 1 of Increment I of Ka`ulu.

h. Trash Bins for Units 271 to 278. So that they can be picked up by the County on the scheduled trash pickup day, trash and recycling bins for Units 271 to 278 will need to be wheeled down the roadway near the units to a location within Phase 14 of future Increment III of Ka`ulu.

i. Lanais/Patios. Lanais and patios must be used only for passive outdoor activities and only contain appropriate patio furniture and other similar outdoor furnishings that comply with the Project Rules and any other standards governing the appearance of such items as determined by the Board. The Project Documents contain other restrictions regarding the painting, decorating, altering, enclosing and covering of lanais and patios, as well as what is allowed to be kept and done on lanais and patios.

j. Yard Areas; Irrigation Lines. If a unit has an appurtenant private yard area, then such yard area may be planted with plants and ground cover that do not have aggressive roots. There are also restrictions on the installation of in-ground irrigation in the private yard areas of attached multi-family units by or on behalf of the unit owner.

k. Aircraft. Ka'ulu is located in the vicinity of the Daniel K. Inouye International Airport (formerly known as Honolulu International Airport) and Kalaeloa Airport (formerly known as Barber's Point Naval Air Station), both of which are owned and operated by the State of Hawaii. There will be noise and vibration from planes passing over or in the vicinity of Ka'ulu.

l. Drainage Swales. Buyers may not alter the drainage pattern of any yard area that may be appurtenant to a unit. Buyers must keep all swales, ditches and drainageways within any such private yard area free of debris, open and in good operating condition.

m. Mold. Molds, mold spores, mildews, toxins and fungi are present throughout the environment and the process of constructing dwellings is not, and cannot be, designed to exclude them. All mold is not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. If the growing conditions are favorable, then molds, mold spores, mildews, toxins and fungi can grow in the Unit. Moisture is the primary mold growth factor that can be controlled in a residential setting. Buyer agrees to assume responsibility for taking appropriate steps to reduce or eliminate the occurrence of moisture and mold growth in and around the Unit and is required to release, discharge, indemnify and defend the Developer and other entities from and against any and all claims, demands, damages, causes of action, liabilities, losses, and expenses, that Buyer or any occupant of the unit had, has, or may have in the future, that are in any way connected with indoor air quality, moisture, or the presence of any mold, mold spores, mildews, toxins, fungi or chemicals on, in, or about the unit, whether or not caused by, in whole or in part, any act or omission of Developer or the other entities.

n. Pesticide-Impacted Soils. The land of the Project (including the land under each Unit) is within an approximately 50-acre portion of Kalaeloa (called "Parcel 1") that was analyzed for the presence of pesticide-impacted soils ("PIS") around and beneath concrete slabs for military housing that

existed in the area. To protect the health of the contractors and others who are developing Parcel 1 (including the Project), a Construction Environmental Hazard Management Plan (or C-EHMP) was completed in May 2021 to identify and remediate potential environmental and health hazards associated with organochlorine pesticides, such as chlordane, which was widely used as a ground termite pesticide until its use was banned in 1986. The C-EHMP was approved by the Department of Health of the State of Hawaii on June 17, 2021. Based on the guidance of the C-EHMP, the PIS was removed from the land under the Project and buried under at least two feet of clean soil in another portion of Parcel 1 that is outside of (and not adjacent to) the Project site (the "Bury Pit"). With the contaminated soil having been removed from the land under the Project, a Long-Term Environmental Hazard Management Plan (or EHMP) was completed in August 2022 (and revised in May 2023) to provide a framework for the long-term management of the PIS that remains buried in the Bury Pit. According to the EHMP, as long as required engineering and institutional controls are maintained, there are no specific health and safety requirements for residents to adhere to and residents are protected from potential exposure to the contaminated soil.

o. Community Park. The Project Rules contain rules, regulations, restrictions and prohibitions relating to use of the Project's Community Park, all of which must be adhered to by Buyer and Buyer's family and guests.

18. Ongoing Construction and Sales Activities. It is important to note that: (a) construction activity by the Developer and others may continue at Ka'ulu after the Buyer has occupied the unit and that this activity may result in noise, dust, traffic congestion, vibration and other nuisances, hazards or annoyances to the Buyer for an extended period, and may temporarily limit the Buyer's access to portions of the Project; (b) until the Project is completed, Buyer may be required to pay a share of the common expenses of the Project, along with the owners of the other units as to which occupancy is permitted by applicable governmental authorities; (c) the Developer's sales activities, including the use of model units, signs and extensive sales displays and activities, may continue at Ka'ulu until 90 days after the closing of the sale of the last unit in all phases of Ka'ulu; (d) the Developer reserves the right, for itself, its contractors, sales representatives and prospective purchasers, to utilize parking spaces for the Project until 90 days after the closing of the sale of the last unit in all phases of Ka'ulu; and (e) the Developer also reserves the right, for itself, its contractors, sales representatives and prospective purchasers, to utilize the common elements of the Project in connection with the development and sale of Ka'ulu for ingress and egress to such parking spaces and to model units, and also in order to show the common elements to prospective purchasers of units in Ka'ulu. Each Buyer accepts the foregoing conditions, as well as any inconvenience or annoyance that the Buyer may experience as a result of such conditions and waives any rights, claims or actions that he or she might otherwise have against the Developer, its agents, employees, contractors or subcontractors as a result of such circumstances.

19. Dispute Resolution. Except as permitted in Section U of the Declaration or elsewhere in the Declaration, no judicial or administrative (inclusive of arbitration) proceeding is allowed to be commenced or maintained by the Buyer (as a unit owner or otherwise), nor is any lis pendens or notice of pendency of action allowed to be filed or recorded. As set forth in Section U of the Declaration, in the event of a "Dispute" (as defined in the Declaration), the parties must first attempt to resolve the Dispute by negotiation and then by mediation. If the parties are unable to resolve the Dispute by negotiation and mediation, then (a) any unresolved Dispute must be resolved by arbitration before a single arbitrator administered by Dispute Prevention and Resolution, Inc., or another dispute resolution group acceptable to all parties, (b) the parties voluntarily, knowingly and intelligently waive their right to a jury trial, and (c) judgment upon the arbitrator's award may be entered in any court having jurisdiction thereof. See Section U of the Declaration for more information on requirements for resolving disputes.

20. Hawaii Contractor Repair Act. Notwithstanding what is in Section U of the Declaration to the contrary, any claims relating to a construction defect will be governed by the provisions of the Home Builder's Limited Warranty, administered by Professional Warranty Service Corporation and the Hawaii Contractor Repair Act (Hawaii Revised Statutes Chapter 672E) ("Chapter 672E" or the "Law"). The provisions of the arbitration agreement contained in the Home Builder's Limited Warranty are incorporated by reference into the Sales Contract.

Chapter 672E contains important requirements that the Buyer must follow before the Buyer may file an action for defective construction against the contractor who designed, repaired or constructed the Buyer's unit or the common elements of the Project. Ninety days before the Buyer files an action, including an arbitration claim, the Buyer must serve on the contractor a written notice of any construction conditions the Buyer alleges are defective. Under the law, a contractor has the opportunity to make an offer to repair and/or pay for the defects. The Buyer is not obligated to accept any offer made by a contractor. There are strict deadlines and procedures under the law, and failure to follow them may negatively affect the Buyer's ability to file an action.

21. No Representation as to Exact Size of Unit. The areas of the units listed in the Sales Contract and in this Public Report are approximate. The areas of the residential units, as reflected on the Condominium Map, are expressed as "net living area" square footage. This measurement represents the architect's best estimate of the square footage of the unit measured from the interior of the unit's perimeter walls. The Developer makes no representation as to the exact square footage of the units. Square footage figures quoted in the brochures for the Project are approximate only. Sales prices are not based solely on square footage figures.

22. Condominium Map. The sizes and configurations of the limited common element areas and the common element areas reflected on the Condominium Map are approximations only. Actual sizes and configurations may vary due to the placement and location of utilities and due to varying terrain surrounding each building.

23. Sea Level Rise Exposure. To the Developer's knowledge, the Project does not lie within the sea level rise exposure area designated by the Hawaii Climate Change Mitigation and Adaptation Commission.

24. Flood Hazard Area. To the Developer's knowledge, the Project is located within the Zone D geographical area, as shown on a Flood Insurance Rate Map (FIRM), which reflects the severity or type of flooding in the area. According to the official website of the Federal Emergency Management Area ("FEMA"), (a) Zone D is defined as "areas with possible but undetermined flood hazards. No flood hazard analysis has been conducted. Flood insurance rates are commensurate with the uncertainty of the flood risk.", and (b) Zone D is not among the "Special Flood Hazard Areas", as officially designated on flood maps promulgated by FEMA's National Flood Insurance Program for purposes of determining eligibility for emergency flood insurance programs. Nevertheless, Buyer should (y) consult Buyer's lender as to any requirements regarding flood insurance that may or may not result from the flood risk to the Unit and, (z) aside from any lender requirements, consider whether flood insurance should be obtained for the unit and/or Buyer's personal property and what the premiums and deductibles for such insurance might be.

25. Tsunami Evacuation Zone. To the Developer's knowledge, the Project is not located in a tsunami evacuation zone.

26. Use Restrictions. Section H of the Declaration contains provisions on use restrictions. Among those provisions is the requirement that all units can only be used for such purposes as are authorized under the project documents, subject to compliance with all applicable laws, and that every owner and occupant must keep their unit and the limited common elements appurtenant only to that unit in a neat, well- and continuously maintained, safe and sanitary condition in accordance with the purposes and specifications of the project documents, and must observe and perform all applicable laws.

27. No Holes in Shared Walls or Fire-Rated Walls. A unit's shared walls and its fire-rated walls cannot be tampered with at all, which means no holes (even for the hanging of frames) can be made within such walls. Shared walls include walls between adjacent units and walls that are adjacent to an external stairway. In addition to the standard shared walls (all of which are fire-rated walls), the following units also have atypical fire-rated walls within them: 196; 203; 204; 205; 206; 207; 264; and 273. The locations of the fire-rated walls within such Units are identified on the plot plan for each such unit or on an exhibit to the unit's plot plan.

28. Pets. Section IV of the Project Rules contains provisions on pets. Among those provisions are the following:

a. No livestock, live poultry or other live animals are allowed to be kept in any part of the Project; provided, however, that fish and up to a total of two (2) dogs, cats, guinea pigs, rabbits and birds can be kept by residents inside their residential unit and/or the unit's private yard area that is enclosed by an approximately 6-foot high fence. Animals, even if authorized, may not be left unattended and unleashed in the yard areas that are only enclosed by the approximately 3-foot high picket fences.

b. All pets must be accompanied by a person and carried or maintained on a leash when outside of the unit or the unit's private yard area that is enclosed by an approximately 6-foot high fence. No animals are allowed on any part of the Community Park or other recreation areas, even if carried or on a leash, provided that pets may be walked between the unit where the pet resides to a designated pet area that may be located within the Project.

EXHIBIT "A"

PARKING

Limited Parking:

Proper and efficient use of the space in Ka'ulu By Gentry II requires that Ka'ulu By Gentry II residents park their vehicle(s) only in their garage and, if applicable, the tandem parking stall directly in front of their garage. There are no other options for Ka'ulu By Gentry II residents to park their vehicles, because all of the on-street common element parking stalls in Ka'ulu By Gentry II are reserved for visitor use only. If all of the vehicles of a Buyer and other residents of the unit will not fit in the unit's garage or tandem parking stall, then such Buyer should not purchase a unit in Ka'ulu By Gentry II. Ka'ulu by Gentry only works if all owners and residents park their vehicles in the unit's garage or tandem parking stall.

EACH BUYER (ESPECIALLY BUYERS WHO HAVE AN OVERSIZED VEHICLE (A VAN, A TRUCK) OR WHO HAVE MORE THAN ONE FULL-SIZED VEHICLE) SHOULD THOROUGHLY INSPECT THE UNIT'S GARAGE AND, IF APPLICABLE, TANDEM PARKING STALL IN FRONT OF THE GARAGE TO ENSURE THAT THE GARAGE AND TANDEM STALL CAN ADEQUATELY ACCOMMODATE THE BUYER'S VEHICLE(S).

Garages must be used for parking operational vehicles only and for incidental storage.

Visitor Parking Stalls: There are 3 visitor parking stalls in Ka'ulu by Gentry II, identified on the Condominium Map as V-7, V-8 and V-9.

NO STREET PARKING/NO EXTENDING INTO THE STREET:

There is no street or shared driveway parking in Ka'ulu by Gentry. Vehicles parking in the driveways must **not extend into** any roadway within Ka'ulu by Gentry.

END OF EXHIBIT "A"

EXHIBIT "B"

PERMITTED ALTERATIONS TO UNITS

Section M.2 of the Declaration and Section VIII of the Project Rules set forth the restrictions and requirements with respect to alterations to the residential units. Buyer is strongly advised to read and understand such provisions in those documents in their entirety, but relevant portions of each read as follows.

From Section M.2 of the Declaration:

2. **Alterations to Units.** The provisions of this Section M.2 apply to Alterations made to the Residential Units and to limited common elements appurtenant to the Residential Units.

(a) Generally. Except as otherwise provided for in this Declaration, the Bylaws or the Project Rules, neither the Association nor any individual Unit Owner is allowed to make an alteration to the original design of a Unit that would be visible from the exterior of the Unit, to construct any additional structure or make any structural alterations or structural additions to an existing structure without first (i) obtaining the consent of the Board and (ii) Recording an amendment to this Declaration and the Condominium Map to reflect such change. This provision does not apply to Declarant during the Development Period, when Declarant is exercising Declarant's Reserved Rights. This provision will also not apply to the extent it conflicts with any provision of the federal Fair Housing Act (42 U.S.C. Sec 3601, et seq), as the same has been amended and may be further amended from time to time.

(b) Alterations Permitted. Except as otherwise provided by Applicable Laws, each Residential Unit Owner has the following rights:

(i) Additions or Alterations Solely Within a Unit Not Requiring Board Approval. Each Residential Unit Owner will have the right, at any time and from time to time, at such Unit Owner's sole cost and expense, and without the consent of any other Person (unless governmental agencies require such consent), except Declarant, if Declarant owns a Unit in the Project, to make any of the following Alterations solely affecting and solely within the Owner's Residential Unit: (A) to finish, change, alter, or substitute any plumbing, electrical, or other fixtures attached to the ceilings, floors, or walls as appropriate for the utilization of such Unit by such Owner or the Occupants thereof, provided there is no adverse effect on other Units or limited common elements; (B) to paint, paper, panel, plaster, tile, finish, carpet, re-carpet, and otherwise change the appearance of any walls, floors, or ceilings of the Unit not readily visible from outside of the Unit, subject to limitations on installation and replacement of hard floor surfaces in certain Units set forth in the Project Documents; (C) to install, remove, rearrange, paint, finish, change, alter or substitute counters and cabinets within such Unit as long as not readily visible from outside of the Unit; and (D) to make Alterations to the Unit that are not readily visible from outside of the Unit or the limited common element to facilitate handicapped accessibility within the Unit or limited common element.

(ii) Alterations to a Unit or Limited Common Element Requiring Board Approval. Each Residential Unit Owner, only with the prior written consent of the Board of Directors, Declarant (if Declarant owns a Unit in the Project), appropriate governmental agencies (if such agencies so require), and all other Owners directly affected (as determined by the Board), has the right, at any time and from time to time, at such Unit Owner's sole cost and expense, to make Alterations to the Residential Unit or limited common elements over which such Owner has sole control that are not covered under subsection (i) above or that are not "nonmaterial additions and alterations" (as defined in §514B-140 of the Act), including, without limitation, (A) Alterations adversely affecting other Units or limited common elements and (B) Alterations that are readily visible from outside of the Unit or the limited common element.

(iii) No Combining or Division of Units. Other than Declarant and Units owned by Declarant, no Residential Unit Owner is allowed to combine Residential Units or divide a Residential Unit into two or more Units without the prior written consent of the Board, Declarant, if

Declarant owns a Unit in the Project, and appropriate governmental agencies (if such agencies so require).

(iv) Alterations to a Unit or Limited Common Element Requiring Board Approval. Each Residential Unit Owner, with the prior written consent of the Board of Directors, Declarant (if Declarant owns a Unit in the Project), appropriate governmental agencies (if such agencies so require), and all other Owners directly affected (as determined by the Board), will have the right, at any time and from time to time, at such Unit Owner's sole cost and expense, to make Alterations to the Residential Unit or limited common elements over which such Owner has sole control that are not covered under subsection (i) above or that are not "nonmaterial additions and alterations" (as defined in §514B-140 of the Act), including, without limitation, (A) Alterations adversely affecting other Units or limited common elements and (B) Alterations that are readily visible from outside of the Unit or the limited common element.

(v) No Combining or Division of Units. Other than Declarant and Units owned by Declarant, no Residential Unit Owner is allowed to combine Residential Units or divide a Residential Unit into two or more Units without the prior written consent of the Board (which consent will not be unreasonably withheld), Declarant, if Declarant owns a Unit in the Project, and appropriate governmental agencies (if such agencies so require).

(c) Prohibited Alterations. Nothing contained in this Section 2 authorizes any Alteration that would: (i) jeopardize the soundness, safety, or structural integrity of any part of the Project; (ii) reduce the value of the Project or any Residential Unit (unless authorized by the Owner of the affected Unit(s)); (iii) unreasonably interfere with or disturb the rights of other Owners (other than temporary inconveniences during the Alteration); (iv) materially increase the transfer of sounds, air, odors, or smoke to other Residential Units or the common elements or limited common elements; (v) significantly increase the rate of fire insurance on the applicable building or the contents of the applicable building to an extent that Owners of all Units in such building would be materially affected; (vi) affect or impair any easement or rights of any of the other Residential Unit Owners; or (vii) interfere with or deprive any non-consenting Residential Unit Owner of the use or enjoyment of those common elements or limited common elements used or available for use by such non-consenting Owner, subject, however, to the exclusive use of the limited common elements. Further, nothing in this Section prohibits the Board from effecting such changes within a Unit or limited common element, or to require the same, in order that the applicable building may continue to comply with Applicable Laws, including any fire code requirements.

(d) Board Approval Required. Any other provision in this Declaration, the Bylaws or the Project Rules to the contrary notwithstanding, none of the following actions can be taken by Persons other than Declarant without the prior written consent of the Board and Declarant (if Declarant owns a Unit in the Project) and without being in compliance with the Project Documents: (i) Alterations that affect (or may affect) a structural component of any part of the Project; (ii) Alterations to the common elements; (iii) any penetration by more than two inches of an exterior common element wall, an area separation common element wall, a common element floor, a common element roof or a common element ceiling; and, (iv) unless such consent by the Board violates Applicable Laws, installation of any wiring for electrical installations, television antenna, machines or air conditioning units, or other equipment or appurtenances whatsoever on the exterior of any Unit or protruding through the walls, windows or roof thereof that are visible from the exterior of the Unit.

(e) Optional Floor Plans Shown on the Condominium Map. Notwithstanding the foregoing, the Owner of a Detached Single-Family Unit may add any optional floor plan that may be shown on the Condominium Map for that Unit's particular floor plan without amending the Condominium Map, provided the Unit Owner first obtains written approval from the Board and any necessary governmental permits and approvals.

(f) Limited Approval for Certain Floor Plans. Notwithstanding any other provision in this Declaration to the contrary, the Owner of a Detached Single-Family Unit need only obtain the consent of the Board and any necessary governmental permits and approvals for changes to the layout

of a Detached Single-Family Unit that do not increase or decrease the total area of the original Unit's "building footprint" by more than one hundred square feet (100 sq. ft.). As used in this section, the original Unit means the Unit as originally constructed by Declarant. Upon obtaining the necessary approvals and completing the construction of the changes or alterations, the Owner of the Detached Single-Family Unit must Record an amendment to this Declaration and to the Condominium Map that includes a revised set of floor plans describing and showing the changes and/or alterations to the Unit. The amendment need only be signed by the Owner of the Detached Single-Family and an officer of the Board.

(g) Solar Energy Devices. The installation of any "solar energy device" (as defined in the Act) on or within any Attached Multi-Family Unit must be pre-approved in writing by the Board. The installation, maintenance and repair of any solar energy device within any portion of the Project must comply with the Act, Hawaii Revised Statutes Section 196-7, as may be amended from time to time ("**Section 196-7**"), this Declaration and any additional rules relating to solar energy devices that may be adopted by the Board. The installation of any solar energy device must be performed by a duly licensed Hawaii contractor, and the solar energy device must be registered with the Managing Agent within 30 days after installation. The Board has the right to adopt additional rules relating to the installation, maintenance and repair of solar energy devices within the Project, provided such rules comply with the Act and Section 196-7.

(h) Lanais/Covered Entries.

(i) If a Detached Single-Family Unit includes a lanai and/or a covered entry, then such lanai and covered entry cannot be painted, decorated, partially or fully enclosed or covered or otherwise permanently improved or altered without first obtaining written approval of such painting, decorating, enclosure, covering, improvement or alteration from the Board, as well as any necessary governmental permits and approvals.

(ii) If an Attached Multi-Family Unit includes a lanai and/or a covered entry (whether as part of the Unit or as a limited common element), then such lanai and covered entry (A) cannot be painted, decorated or altered without first obtaining written approval of such painting, decorating or alteration from the Board, as well as any necessary governmental permits and approvals, and (B) cannot be partially or fully enclosed or covered or otherwise permanently improved.

(iii) Lanais must be used only as outdoor living areas containing appropriate patio furniture and other similar outdoor furnishings that comply with the Project Rules and any other standards governing the appearance of such items as determined by the Board.

(i) General Requirements for Alterations.

(i) Approval Procedures. With respect to Alterations that require approval of the Board, the Board has the right and authority to establish such requirements and procedures that it deems appropriate for Owners to follow before any such Alteration to a Unit, to the Unit's limited common elements or to the common elements can commence, provided that the Board will not unreasonably withhold or delay its consent to a request for approval. Any such request will be deemed to be granted if not denied in writing within forty-five (45) days after the Boards' receipt of the request, or within forty-five (45) days after the Boards' receipt of additional information reasonably required by the Board in order to consider such request, whichever occurs later. Other requirements and procedures for the Board to follow in response to requests for Alterations may be set forth in the Project Rules. The Board also has the right to form an architectural review committee to process any Alteration request and to specially assess applicable Owners for costs incurred by the Association in connection with any Alteration. Further, the Board has the right to effect such changes within a Unit or limited common element, or to require the same, in order that a building may continue to comply with Applicable Laws, including any fire code requirements.

(ii) Performance and Labor and Materials Payment Bond. With respect to Alterations that require approval of the Board, if the Alterations have an estimated cost of more than \$100,000 (C.P.I. Adjusted), then the Owner of the Unit must obtain a performance and labor and materials payment bond (or other form of security acceptable to the Board), naming as obligees the Board, the Association and collectively all Unit Owners and their respective Mortgagees, as their interests may appear, for a penal sum of not less than 100% of the estimated cost of such construction.

(iii) Plans and Specifications. With respect to Alterations that require approval of the Board, all plans and specifications for any such Alterations must be prepared by a Hawaii-licensed architect or professional engineer and conform with all Applicable Laws and ordinances, and all Alterations, the cost of which is expected to exceed \$100,000 (C.P.I. Adjusted), must be undertaken by a building contractor licensed in the State of Hawaii.

(iv) Insurance. During the entire course of any physical Alteration that requires approval of the Board, the Owner making such Alteration will cause to be maintained at such Owner's expense builder's all-risk insurance in an amount not less than the estimated cost of construction. The Association and the other Unit Owner(s) must be named as additional insureds.

(v) Certain Alterations Must be Completed Within a Reasonable Time. All construction activity relating to any Alterations affecting the exterior of a building or otherwise readily visible from outside the Unit or limited common element being altered must be completed within a reasonable period of time after the commencement thereof, subject to extension for delays beyond the control of the Owner or its contractors, in which case any such construction activity must be completed in such additional time as may be reasonably necessary in the exercise of due diligence (as determined by the Board).

(e) Withholding of Board or Declarant Approval. Where applicable, the Board may withhold its approval to any request for an Alteration based upon: the terms of this Declaration, the Bylaws or the Project Rules; the potential or perceived effect such proposed Alteration may have on the appearance, safety or integrity of any part of the Project; considerations of applicable zoning and other requirements; the terms of any permits, agreements or authorizations pursuant to which the Project has been designed and constructed; or costs incurred, or to be incurred, by the Association. Declarant may withhold its approval to any request for an Alteration for any reason within its sole discretion.

From Section VIII of the Project Rules:

VIII. ALTERATIONS. This Article relates to alterations (e.g., repairs, alterations, modifications, reconstructions, restorations, improvements, additions, replacements and removals) to the Residential Units and appurtenant limited common elements. As with all other provisions in these Project Rules, the provisions of this Article are meant to supplement and be consistent with the Declaration and the Bylaws, but are subject to the Declaration and the Bylaws. In the event of any conflict or inconsistency between the provisions of this Article and those of the Act, the Declaration or the Bylaws, the provisions of the Act, the Declaration or the Bylaws, as the case may be, will govern and control, and the Board of Directors will make such changes to this Article from time to time to comply with the Act, the Declaration and the Bylaws.

A. All Residential Units. The following applies to all Residential Units.

(1) Compliance with Project Documents and Applicable Laws. All alterations done in or on a Unit or the Unit's limited common element areas must be done to industry standards and performed in accordance with (a) all applicable provisions of the Declaration, the Bylaws and these Project Rules, and (b) all Applicable Laws. More specifically, all alterations are subject to and must comply with Section M.2 of the Declaration, which applies to alterations to the Residential Units and to limited common elements appurtenant to the Residential Units. No building modification can be made or

allowed that would or could cause an increase in the number of dwellings in Ka'ulu by Gentry that is not consistent with the Developer's plans for Ka'ulu by Gentry.

(2) No Overloading. Nothing will be allowed, done, or kept in any Unit, limited common elements or common elements that will (a) overload or impair the floors, walls, or roofs of the building in which the Unit is located, or (b) cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance maintained by or for the Association.

(3) Landscaping/Plants. No plantings can be made in the fenced yard area that may damage the common elements of the Project. Nor can any plantings interfere with the use and enjoyment of the common areas by any other Resident. All trees and plants in the fenced yard area are the Unit Owner's responsibility and must be maintained properly. No trees or plants in a yard area are allowed to grow higher than the top of the first level of the nearest building. For maintenance reasons, no vines will be allowed to grow on or near the fences or buildings. Plants should be planted in a pot/container attached with catch basins so they can easily be moved when maintenance is required. Residents are allowed to grow fruit and vegetables as long as Residents (a) do not plant them in the common elements and (b) keep the area clean from fallen fruit and vegetables. No Resident may plant anything in, or modify, any common element areas, other than the limited common elements within the fenced yard area appurtenant to their Unit. Potted plants, chimes and other hanging items are not allowed to be hung up by hooks, nails, screws, or to be placed on top the fence lines.

(4) Window Treatment. The portion of any drapes, blinds or other window treatment that is visible from outside of the Unit must not be of a bright or conspicuous color, but, instead, must be white, off-white, beige or other inconspicuous shade, as determined by the Board of Directors. Any other color must be pre-approved in writing by the Board of Directors.

(5) Window Tinting. Except for window tinting that has been pre-approved by the Board for use throughout the Project (as evidenced by a list held by the Managing Agent or the Manger), window tinting must be pre-approved in writing by the Board, and no glass tinting, window guards, awnings, shades, жалousies, windbreaks or any other device that is visible from the exterior of a Unit and that differs from what existed when the Unit was originally conveyed by Developer can be installed or erected without the prior written consent of the Board. Unit Owners are responsible for correcting any damage or peeling to the tinting on their Unit windows.

(6) No Penetrations into Concrete Slabs. No holes or other penetrations can be made in or to any concrete slab.

B. Attached Multi-Family Units. The following applies only to Attached Multi-Family Units.

(1) No Alterations. Without the prior consent of the Board, no alteration may be made to an Attached Multi-Family Unit or to any of its limited common elements that is visible from another Unit or from any of the common areas.

(2) Structural Alterations. No additional structure can be added, and no structural alterations or structural additions can be made, to an Attached Multi-Family Unit. The addition of air conditioning units, the installation of wiring for electrical installations and of television antenna that protrude through the walls, windows or roof of an Attached Multi-Family Unit are considered alterations for these purposes.

(3) Exterior Appearance. Without the prior written consent of the Board, no object, garments, or materials of any kind may be placed on, attached to, or hung or projected from any roof, exterior walls, windows, or doors of the Attached Multi-Family Units. Except for window coverings, window tinting, drapes and blinds that have been pre-approved by the Board for use throughout the Project (as evidenced by a list held by the Managing Agent or the Manger), without the prior written consent of the Board, no other matter or decoration can be placed within or outside of an Attached Multi-Family Unit if it is visible from the exterior of the Unit, including window coverings and window tinting,

drapes or blinds that are not in compliance with the buildings' color scheme, and which differs from when the Attached Multi-Family Unit was conveyed by Developer, all as determined by the Board. Whether or not the windows are part of the Unit, no Attached Multi-Family Unit Owner is allowed to change or alter any of the exterior glass windows, in any way, or change the exterior appearance of the Project in any manner, without the prior written consent of the Board and, during the Development Period, Developer.

(4) Exterior Paint. The Association, as a limited common expense assessed against the Owners of the benefitted Attached Multi-Family Units, is responsible for repainting the exteriors of Attached Multi-Family Units.

(5) Penetrations into Walls. No nails, screws, staples, or other instrument can be utilized to place decorations, signs, lights, or other items to the external surface of the building, fences, or structures. No holes or other penetrations greater than two inches can be made in or to common element or limited common element walls, floors or ceilings unless in compliance with the Declaration and the Bylaws. When nailing or screwing into an internal wall is done to hang pictures and other items from the wall, acoustical sealant must be packed around the point of penetration. Before making any penetrations into internal, non-concrete partition walls, persons must familiarize themselves with the location of electrical or other wiring, plumbing and drain lines in order to avoid personal injury or damage to the wiring, plumbing, lines, walls of other Units.

(6) Repairs. Every Attached Multi-Family Unit Owner must promptly perform all repairs, maintenance, and alteration work on their Units as necessary. If the Owner is negligent in performing the required work, then they will be held responsible for all damages caused by their failure to do so. All repairs, maintenance and alteration work within an Attached Multi-Family Unit is to be performed at the Owner's expense. All debris from such work must be properly disposed of.

(7) Sound Attenuation. The sound attenuation requirements set forth in the Declaration must be adhered to. For example, subject to the sentence after this one, all Attached Multi-Family Units located above another Attached Multi-Family Unit must adhere to the following: pianos must have at least one-half inch neoprene pads under the supports to minimize vibration transmission into the structure; all furniture must contain rubber castors or felt pads; hardwood, Luxury Vinyl Plank (LVP) or other hard surface floor covering must be preceded by the installation of subfloor padding and/or acoustical insulation of at least the same quality and sound barrier rating as installed initially by the Developer; prior written approval from the Manager or the Managing Agent is required before any portion of the flooring in the Unit can be removed and replaced; and tile flooring is prohibited. The foregoing to the contrary notwithstanding, Type 2 and Type 2-R Attached Multi-Family Units are allowed to have hardwood, Luxury Vinyl Plank (LVP) or other hard surface floor covering only in the entry area, kitchen, and bathrooms; and carpet, with pad dimensions determined by the Manager or the Managing Agent, must be installed in all other living areas, hallways, and bedrooms of the Type 2 and Type 2-R Attached Multi-Family Units.

(8) Antennae/Satellite Dishes. The requirements set forth in the Declaration relating to exterior radio antenna, "C.B." antenna, television antenna, receiving station, satellite dish and or other antenna of any type must be adhered to.

(9) Solar Energy Devices. The installation of any "solar energy device" (as defined in the Act) must be pre-approved in writing by the Board.

(10) Lanais/patios. Lanais and patios must be used only for passive outdoor activities and only contain appropriate patio furniture and other similar outdoor furnishings that comply with these Project Rules and any other standards governing the appearance of such items as determined by the Board. If an Attached Multi-Family Unit includes a lanai or patio (whether as part of the Unit or as a limited common element), then such lanai or patio (a) cannot be painted, decorated or altered without first obtaining written approval of such painting, decorating or alteration from the Board, as well as any necessary governmental permits and approvals, (b) cannot be partially or fully enclosed or covered or otherwise permanently improved, (c) must be kept clean and clear, with no more than two 5-gallon-sized

potted plants, and (d) cannot have storage units or shelving. No open flame cooking or barbecues are allowed in or on lanais or patios. Periodic maintenance of lanais and patios will be required. If, after written demand from the Developer, the Board, the Managing Agent or the Manager, the Owner fails to have its lanai or patio properly maintained, then the Developer, the Board, the Managing Agent or the Manager may have the maintenance performed and the costs incurred to perform the work will be specially assessed against the Owner. Further, if the Owner fails to have its lanai or patio properly maintained, then the Owner will be held responsible for all damages to other Units and other parts of the Project caused by such failure.

(11) No Irrigation Lines in Yard Areas. Private Yard Areas can only be planted with plants and ground cover that do not have aggressive roots. No in-ground irrigation may be installed in a Private Yard Area by or on behalf of a Unit's Owner or Residents, and all watering of vegetation in a Private Yard Area must be by hand or surface irrigation; provided, however, that in-ground irrigation lines may, with prior Board approval, be installed in Private Yard Areas by or on behalf of the Owners or Residents of Type 1, Type 1-R or Type 5 attached Multi-Family Units to allow for irrigation by such lines.

(12) Air Condition System. Owners of Attached Multi-Family Units are responsible for seeing to the proper maintenance of the air condition system serving their respective Units. If there is a warranty on the air condition system, then the terms of the warranty may require that the system be maintained by an authorized air condition maintenance professional at least every six months. Failure to meet the maintenance obligations of the warranty may invalidate the warranty. Because air condition systems serving Attached Multi-Family Units may affect other Units in the applicable building, to make sure that all such systems are being properly maintained, the Developer, the Board, the Managing Agent and the Manager each have the right to (a) inspect the air condition systems serving the Attached Multi-Family Units and (b) require the Owner to produce documentation evidencing such proper maintenance. If, after written demand from the Developer, the Board, the Managing Agent or the Manager, the Owner fails to have its air condition system properly maintained, then the Developer, the Board, the Managing Agent or the Manager may have the maintenance performed and the costs incurred to perform the work will be specially assessed against the Owner. Further, if the Owner fails to have its air condition system properly maintained, then the Owner will be held responsible for all damages to other Units and other parts of the Project caused by such failure.

C. Detached Single-Family Units. The following applies only to Detached Single-Family Units.

(1) Exterior Changes or Additions. Residents must first obtain written approval from the Board of Directors before any of the following can occur with respect to their Detached Single-Family Unit or its limited common elements:

(a) altering the original design of a Detached Single-Family Unit that would be visible from the exterior of the Unit.

(b) adding structures, or performing structural changes, to the Detached Single-Family Unit or its limited common elements.

(c) installing wiring for electrical installations that protrude through the roof or the exterior walls or windows of a Detached Single-Family Unit.

(d) installing an antenna on the exterior of the Detached Single-Family Unit or within the Unit's Private Yard Area, unless the antenna is allowed under the Federal Communications Commission's Over-the-Air Reception Devices (or OTARD) Rule, Telecommunications Act of 1996 (the "FCC Rule"). The following types of antennae are not covered by the FCC Rule and, thus, require written approval from the Board of Directors: a "dish" antenna larger than one meter (39.97") in diameter; an AM/FM radio antenna; a "HAM" radio antenna; a "CB" radio antenna; and a Digital Audio Radio Services antenna. ALL antennae must be installed wholly on or within the Detached Single-Family Unit or the Unit's Private Yard Area.

- (e) installing awnings.
- (f) replacing a garage door with a garage door of a different style or color than was originally installed for the Detached Single-Family Unit.
- (g) using a tarp or tent that is visible from outside of the Detached Single-Family Unit for longer than three days.
- (h) installing a pre-fabricated shed or other pre-fabricated structure anywhere within the limited common element yard area appurtenant to a Detached Single-Family Unit.
- (i) installing air conditioning units or other equipment outside, or on the exterior, of the Detached Single-Family Unit or protruding through the exterior walls, windows or roof of the Unit.
- (j) installing exterior lighting, including landscape lighting. Exterior lighting must be subdued or shielded to prevent glare and light spillage onto other Units, the Private Yard Areas of other Units, nearby lots, and public rights-of-way. Spotlights that light up other Units, the Private Yard Areas of other Units, nearby lots, and public rights-of-way are prohibited unless first approved in writing by the Board of Directors. The Board of Directors may require the use of full cutoff fixtures or cutoff shields. Mercury vapor and low/high pressure sodium lamps are not permitted. Driveway lights serving individual Units must not exceed sixteen feet (16 ft.) in height.

(2) Exterior Paint. Detached Single-Family Unit Owners, at their own expense, may repaint the exterior of their Unit using their Unit's original color scheme without getting approval from the Board of Directors. The Developer will provide a color scheme matrix to the Managing Agent for reference. If an Owner wants to repaint the exterior of their Unit (or any portion thereof) using a color that differs from their Unit's original color scheme, then such color must be pre-approved in writing by the Board of Directors.

(3) Air Condition System. Except with respect to air conditioning units installed by Developer, before any air conditioning unit can be installed for or within a Detached Single-Family Unit, the Board must pre-approve, in writing, (a) the type and model of the air conditioning unit and (b) the installer of the air conditioning unit, who must be licensed to install air conditioning units. Owners of Detached Single-Family Units are responsible for seeing to the proper maintenance of the air condition system serving their respective Units. If there is a warranty on the air condition system, then the terms of the warranty may require that the system be maintained by an authorized air condition maintenance professional at least every six months. Failure to meet the maintenance obligations of the warranty may invalidate the warranty.

(4) Solar Energy Devices. The installation, maintenance and repair of any solar energy device must comply with the Act, Hawaii Revised Statutes Section 196-7, as may be amended from time to time ("**Section 196-7**"), the Declaration and any additional rules relating to solar energy devices that may be adopted by the Board. The installation of any solar energy device must be performed by a duly licensed Hawaii contractor, and the solar energy device must be registered with the Managing Agent within 30 days after installation. The Board has the right to adopt additional rules relating to the installation, maintenance and repair of solar energy devices within the Project, provided such rules comply with the Act and Section 196-7.

(5) Lanais/patios. Lanais and patios must be used only for passive outdoor activities and only contain appropriate patio furniture and other similar outdoor furnishings that comply with these Project Rules and any other standards governing the appearance of such items as determined by the Board. If a Detached Single-Family Unit includes a lanai or patio, then such lanai or patio (a) cannot be painted, decorated or altered without first obtaining written approval of such painting,

decorating or alteration from the Board, as well as any necessary governmental permits and approvals, (b) cannot be partially or fully enclosed or covered or otherwise permanently improved without first obtaining written approval of such enclosure, covering, improvement or alteration from the Board, as well as any necessary governmental permits and approvals, (c) must be kept clean and clear, with no more than two 5-gallon-sized potted plants, and (d) cannot have storage units or shelving. No open flame cooking or barbeques are allowed in or on lanais or patios. Periodic maintenance of lanais and patios will be required. If, after written demand from the Developer, the Board, the Managing Agent or the Manager, the Owner fails to have its lanai or patio properly maintained, then the Developer, the Board, the Managing Agent or the Manager may have the maintenance performed and the costs incurred to perform the work will be specially assessed against the Owner. Further, if the Owner fails to have its lanai or patio properly maintained, then the Owner will be held responsible for all damages to other Units and other parts of the Project caused by such failure.

(6) Yard Areas. Private Yard Areas can only be planted with plants and ground cover that do not have aggressive roots.

END OF EXHIBIT "B"

EXHIBIT "C"

UNIT DESCRIPTION AND COMMON INTEREST:

Unit No.	Single-Family ("SF") or Multi-Family ("MF")#	Plan/Type	Approximate Net Living Area (sq. ft.)	Approximate Net Lanai (sq. ft.)	Approximate Net Covered Entry / Lanai (sq. ft.)**	Approximate Net Garage Area (sq. ft.)	Common Interest* (%)
121	MF(C8)	Type 3-R	1,195	147	10	353	2.00%
122	MF(C8)	Type 1-R	1,020	0	99	342	1.71%
123	MF(C8)	Type 2-R	1,089	92	379	306	1.82%
124	MF(C8)	Type 5	1,324	0	95	489	2.21%
125	MF(C8)	Type 4	877	164	228	355	1.47%
126	MF(C8)	Type 2	1,080	92	228	306	1.81%
127	MF(C8)	Type 1	1,020	0	99	342	1.71%
128	MF(C8)	Type 3	1,195	147	10	353	2.00%
191	MF(C8)	Type 3-R	1,195	147	10	353	2.00%
192	MF(C8)	Type 1-R	1,020	0	99	342	1.71%
193	MF(C8)	Type 2-R	1,089	92	379	306	1.82%
194	MF(C8)	Type 5	1,324	0	95	489	2.21%
195	MF(C8)	Type 4	877	164	228	355	1.47%
196	MF(C8)	Type 2	1,080	92	228	306	1.81%
197	MF(C8)	Type 1	1,020	0	99	342	1.71%
198	MF(C8)	Type 3	1,195	147	10	353	2.00%
201	MF(C6)	Type 3-R	1,195	147	16	353	2.00%
202	MF(C6)	Type 1-R	1,020	0	99	330	1.71%
203	MF(C6)	Type 2-R	1,080	92	224	317	1.81%
204	MF(C6)	Type 2	1,080	92	224	317	1.81%
205	MF(C6)	Type 1	1,020	0	99	330	1.71%
206	MF(C6)	Type 3	1,195	147	16	353	2.00%
207	SF	Plan 2	1,592	0	47	436	2.65%
208	SF	Plan 3	1,582	0	58	436	2.63%
209	SF	Plan 1	1,508	61	47	440	2.52%
210	SF	Plan 2	1,592	0	47	436	2.65%
211	SF	Plan 3	1,582	0	58	436	2.63%
212	SF	Plan 1	1,508	61	47	440	2.52%
241	SF	Plan 1-R	1,508	61	47	440	2.52%
242	SF	Plan 2-R	1,592	0	47	436	2.65%
243	SF	Plan 1-R	1,508	61	47	440	2.52%
244	SF	Plan 3-R	1,582	0	58	436	2.63%
245	SF	Plan 2	1,592	0	47	436	2.65%
247	SF	Plan 1	1,508	61	47	440	2.52%
249	SF	Plan 3	1,582	0	58	436	2.63%
261	MF(P6)	Type 3-R	1,195	148	17	353	2.00%
262	MF(P6)	Type 1-R	1,020	0	77	330	1.71%
263	MF(P6)	Type 2-R	1,080	70	224	317	1.81%
264	MF(P6)	Type 2	1,080	70	224	317	1.81%
265	MF(P6)	Type 1	1,020	0	77	330	1.71%
266	MF(P6)	Type 3	1,195	148	17	353	2.00%
271	MF(P8)	Type 3-R	1,195	148	10	353	2.00%
272	MF(P8)	Type 1-R	1,020	0	77	342	1.71%

Unit No.	Single-Family ("SF") or Multi-Family ("MF")#	Plan/Type	Approximate Net Living Area (sq. ft.)	Approximate Net Lanai (sq. ft.)	Approximate Net Covered Entry / Lanai (sq. ft.)**	Approximate Net Garage Area (sq. ft.)	Common Interest* (%)
273	MF(P8)	Type 2-R	1,089	70	379	306	1.82%
274	MF(P8)	Type 5	1,325	0	69	489	2.22%
275	MF(P8)	Type 4	877	165	228	355	1.47%
276	MF(P8)	Type 2	1,080	70	228	306	1.81%
277	MF(P8)	Type 1	1,020	0	77	342	1.71%
278	MF(P8)	Type 3	1,195	148	10	353	2.00%

* Declarant has the reserved right to make adjustments to the common interests of individual Units as may be necessary so that the total of all the common interests equals exactly one hundred percent (100.00%).

** Because the Craftsman Type 2 Units and Type 4 Units share a covered entry, one half of the area of that covered entry is allocated to the Type 2 Units and the other half of the area of that covered entry is allocated to the Type 4 Units.

"(C6)" designates a Craftsman-style Attached Multi-Family Unit in a building with six Units. "(C8)" designates a Craftsman-style Attached Multi-Family Unit in a building with eight Units. "(P6)" designates a Plantation-style Attached Multi-Family Unit in a building with six Units. "(P8)" designates a Plantation-style Attached Multi-Family Unit in a building with eight Units.

NOTE: If applicable, an "-R" next to the plan or type number above designates a reverse floor plan for that particular Unit plan or Unit type.

NOTE: Calculation of Living Areas: The approximate net living area of each Residential Unit, as set forth above, is measured in square feet from the interior surface of the Unit's perimeter walls and such measurement includes all of the walls, columns, shafts and partitions within its perimeter walls, whether load-bearing or non-load-bearing and whether among the common elements or not.

NOTE: The areas shown are approximate only. Declarant makes no representations or warranties whatsoever as to the area of any particular Unit.

NOTE: Section D.1 of this Developer's Public Report provides the building number for each Attached Multi-Family Unit.

BOUNDARIES OF UNITS:

Attached Multi-Family Units. Each Attached Multi-Family Unit will be deemed to include (i) all walls and partitions that are not load-bearing within its perimeter or party walls, including the decorated or finished surfaces thereof, (ii) all pipes, shafts, vents, ducts, pumps, conduits, cables, wiring and other utility or service lines, running through such Attached Multi-Family Unit or other utility meters that are utilized for and serve only that Unit, (iii) the decorated or finished interior surfaces of all perimeter and party walls, load-bearing walls and partitions, floors and ceilings of each Attached Multi-Family Unit, and the air space within the perimeter of the described space, (iv) any doors (including garage doors), door frames or panels along the perimeter walls of the described space and the decorated or finished exterior surfaces of such doors, door frames and panels, (v) all windows and window frames and the decorated or finished exterior surfaces of such windows and window frames, (vi) all cranks, rollers and other window or sliding door hardware, (vii) all appliances, built-in cabinets and countertops, interior hardware and fixtures installed in each Attached Multi-Family Unit, and replacements therefor, (viii) the garage of the Attached Multi-Family Unit, including the decorated or finished interior surfaces of the garage and the decorated or finished exterior surfaces of the garage door (but excluding all other decorated or finished exterior surfaces), (ix) any interior stairway connecting the first and second floors

of an Attached Multi-Family Unit (as applicable), and (x) any air conditioning equipment or apparatus serving only the Unit that is located within the interior of the Unit, including, without limitation, the air handler, thermostat and other controls, registers, valves, vents, ducts, fan, condensing units, refrigerant coil and piping, condensate drain pan and piping and filters. (To be clear, the air conditioning equipment serving only the Unit that is located outside the interior of the Unit, including the compressor, as well as the piping that runs along the outside of the Unit and into the Unit, are not part of the Unit, but are limited common elements appurtenant to the Unit.)

Detached Single-Family Units. Each Detached Single-Family Unit will be deemed to include the entire structure of the building comprising the Unit, as depicted on the Condominium Map, including (i) the perimeter and interior load-bearing walls, foundations, columns, girders, beams, floors, slabs, footings, supports, stairways, skylights (if any), ceilings of the building comprising the Unit, (ii) the walls and partitions within the building comprising the Unit, the decorated or finished surfaces thereof, and all of the space within the walls, floors and ceilings of such building, (iii) the windows, window frames, louvers, shutters (if any), doors and door frames along the perimeter of and within the building comprising the Unit, (iv) the garage, as shown on the Condominium Map, and the garage door, (v) the entry and lanai (if any), as shown on the Condominium Map, (vi) the roof, including the decorated or finished surfaces thereof, (vii) all mechanical and electrical equipment originally installed and utilized for or serving only that one Unit, (viii) any pipes, wires, vents, shafts, ducts, pumps, cables, conduits or other utility or service lines or enclosed spaces for wiring, pipes or air exhaust or utility meters running under, through or otherwise located within the Unit or running within, under or upon the limited common element Private Yard Area appurtenant to the Unit that are utilized for or only serve the Unit, and (ix) all fixtures and appliances installed in the Detached Single-Family Unit, and replacements therefor.

DESCRIPTIONS OF FLOOR PLANS

Attached Multi-Family Units

Unit Type 1 and Type 1-R (2 Bedrooms, 2 Baths)

Each is a one-story, ground-level Unit, containing 2 bedrooms, 2 bathrooms, a great room, a kitchen and a one-car garage that includes a washer and dryer. The Condominium Map shows the floor plan, layout, location, boundaries, unit numbers and dimensions of the Type 1 Units. (Note that the Condominium Map sometimes refers to Type 1 and Type 1-R Units as "Unit 1" and "Unit 1(R)", respectively.) The Type 1 and Type 1-R Units in Buildings 12 and 19 are part of a Craftsman-style 8-Plex building, the Type 1 and Type 1-R Units in Building 20 are part of a Craftsman-style 6-Plex building, the Type 1 and Type 1-R Units in Building 26 are part of a Plantation-style 6-Plex building, and the Type 1 and Type 1-R Units in Building 27 are part of a Plantation-style 8-Plex building. For Type 1 and Type 1-R Units, the primary difference between the two styles is the entry lanai is larger for the Units in the Craftsman-style buildings. All Type 1 and Type 1-R Units have a fenced limited common element Private Yard Area. The Craftsman 6-Plex Type 1 and Type 1-R Units have a net living area of approximately 1,020 square feet, an entry lanai area of approximately 99 square feet and a garage area of approximately 330 square feet. The Craftsman 8-Plex Type 1 and Type 1-R Units have a net living area of approximately 1,020 square feet, an entry lanai area of approximately 99 square feet and a garage area of approximately 342 square feet. The Plantation 6-Plex Type 1 and Type 1-R Units have a net living area of approximately 1,020 square feet, an entry lanai area of approximately 77 square feet and a garage area of approximately 330 square feet. The Plantation 8-Plex Type 1 and Type 1-R Units have a net living area of approximately 1,020 square feet, an entry lanai area of approximately 77 square feet and a garage area of approximately 342 square feet.

Unit Type 2 and Type 2-R (3 Bedrooms, 2 Baths)

Each is a one-story, second-level Unit, containing 3 bedrooms, 2 bathrooms, a great room, a kitchen and a one-car garage on the ground floor, which includes a washer and dryer and is accessible by an exterior staircase that is not part of the Unit. The Condominium Map shows the floor plan, layout, location, boundaries, unit numbers and dimensions of the Type 2 Units. (Note that the Condominium Map sometimes refers to Type 2 and Type 2-R Units as "Unit 2" and "Unit 2(R)", respectively.) The Type 2 and

Type 2-R Units in Buildings 12 and 19 are part of a Craftsman-style 8-Plex building, the Type 2 and Type 2-R Units in Building 20 are part of a Craftsman-style 6-Plex building, the Type 2 and Type 2-R Units in Building 26 are part of a Plantation-style 6-Plex building, and the Type 2 and Type 2-R Units in Building 27 are part of a Plantation-style 8-Plex building. For Type 2 and Type 2-R Units of 8-Plex buildings, the primary difference between the two styles is the lanai is approximately 22 square feet larger for the Units in the Craftsman-style buildings. The Craftsman 6-Plex Type 2 and Type 2-R Units have a net living area of approximately 1,080 square feet, a lanai area of approximately 92 square feet, a covered entry of approximately 224 square feet, and a garage area of approximately 317 square feet. The Craftsman 8-Plex Type 2 and Type 2-R Units have a net living area of approximately 1,080 to 1,089 square feet, a lanai area of approximately 92 square feet, and a garage area of approximately 306 square feet. The Plantation and Craftsman 8-Plex Type 2 Units and Type 4 Units share a covered entry of approximately 456 square feet. The Plantation 6-Plex Type 2 and Type 2-R Units have a net living area of approximately 1,080 square feet, a lanai area of approximately 70 square feet, a covered entry of approximately 224 square feet and a garage of approximately 317 square feet. The Plantation 8-Plex Type 2 and Type 2-R Units have a net living area of approximately 1,080 to 1,089 square feet, a lanai area of approximately 70 square feet, and a garage area of approximately 306 square feet. (As these figures reflect, the Craftsman and Plantation 8-Plex Type 2-R Units' net living area is approximately 9 square feet larger than that of the Type 2 Units.) The Plantation 8-Plex and Craftsman 8-Plex Type 2-R Units have a covered entry of approximately 379 square feet.

Unit Type 3 and Type 3-R (3 Bedrooms, 2 Baths)

Each is a one-story, second-level Unit, containing 3 bedrooms, 2 bathrooms, a living room, a kitchen and a one-car garage on the ground floor, which includes a washer and dryer and is accessible by an internal staircase that is part of the Unit. The Condominium Map shows the floor plan, layout, location, boundaries, unit numbers and dimensions of the Type 3 Units. (Note that the Condominium Map sometimes refers to Type 3 and Type 3-R Units as "Unit 3" and "Unit 3(R)", respectively.) The Type 3 and Type 3-R Units in Buildings 12 and 19 are part of a Craftsman-style 8-Plex building, the Type 3 and Type 3-R Units in Building 20 are part of a Craftsman-style 6-Plex building, the Type 3 and Type 3-R Units in Building 26 are part of a Plantation-style 6-Plex building, and the Type 3 and Type 3-R Units in Building 27 are part of a Plantation-style 8-Plex building. The Craftsman 6-Plex Type 3 and Type 3-R Units have a net living area of approximately 1,195 square feet, a lanai area of approximately 147 square feet, a covered entry of approximately 16 square feet, and a garage area of approximately 353 square feet. The Craftsman 8-Plex Type 3 and Type 3-R Units have a net living area of approximately 1,195 square feet, a lanai area of approximately 147 square feet, a covered entry of approximately 10 square feet, and a garage area of approximately 353 square feet. The Plantation 6-Plex Type 3 and Type 3-R Units have a net living area of approximately 1,195 square feet, a lanai area of approximately 148 square feet, a covered entry of approximately 17 square feet, and a garage area of approximately 353 square feet. The Plantation 8-Plex Type 3 and Type 3-R Units have a net living area of approximately 1,195 square feet, a lanai area of approximately 148 square feet, a covered entry of approximately 10 square feet, and a garage area of approximately 353 square feet.

Unit Type 4 (2 Bedrooms, 2 Baths)

Each is a one-story, second-level Unit, containing 2 bedrooms, 2 bathrooms, a living room, a kitchen and a one-car garage on the ground floor, which includes a washer and dryer and is accessible by an exterior staircase that is not part of the Unit. The Condominium Map shows the floor plan, layout, location, boundaries, unit numbers and dimensions of the Type 4 Units. (Note that the Condominium Map sometimes refers to Type 4 Units as "Unit 4".) The Type 4 Unit in Building 27 are part of a Plantation-style building, and the Type 4 Units in Buildings 12 and 19 are part of a Craftsman-style building. All of the Type 4 Units (whether in a Plantation-style building or a Craftsman-style building) have a net living area of approximately 877 square feet, an entry lanai area of approximately 164 square feet, a garage area of approximately 355 square feet, and share a covered entry of approximately 456 square feet with a Type 2 Unit.

Unit Type 5 (2 Bedrooms, 2 ½ Baths)

Each is a two-story Unit, containing 2 bedrooms, 2 ½ bathrooms, a great room, a dining room, a kitchen and a two-car garage on the ground floor, which contains one standard and one compact parking stall, includes a washer and dryer and is accessible by an internal staircase that is part of the Unit. The Condominium Map shows the floor plan, layout, location, boundaries, unit numbers and dimensions of the Type 5 Units. (Note that the Condominium Map sometimes refers to Type 5 Units as "Unit 5".) The Type 5 Unit in Building 27 is part of a Plantation-style building, and the Type 5 Units in Buildings 12 and 19 are part of a Craftsman-style building. All Type 5 Units have a fenced limited common element Private Yard Area. The Plantation Type 5 Units have a net living area of approximately 1,325 square feet, an entry lanai area of approximately 69 square feet and a garage area of approximately 489 square feet. The Craftsman Type 5 Units have a net living area of approximately 1,324 square feet, an entry lanai area of approximately 95 square feet and a garage area of approximately 489 square feet.

Detached Single-Family Units

Plan 1 and Plan 1-R (3 Bedrooms, 2 ½ Baths)

Each is a two-story Unit, containing 3 bedrooms, 2 ½ bathrooms, with a kitchen, living room, a lanai built off of the living room and half bathroom on the ground floor, connected by an interior stairway to the second floor, which has a master bedroom, master bathroom, two other bedrooms, an additional bathroom and a laundry room. The Unit also includes a two-car garage containing one standard and one compact parking stall. The Condominium Map shows the floor plan, layout, location, boundaries, unit numbers and dimensions of the Plan 1 Units. All Plan 1 and Plan 1-R Units have a fenced limited common element Private Yard Area. This type of Unit has a net living area of approximately 1,508 square feet, a covered entry area of approximately 47 square feet, a lanai area of approximately 61 square feet, and a garage area of approximately 440 square feet.

Plan 2 and Plan 2-R (3 Bedrooms, 2 ½ Baths)

Each is a two-story Unit, containing 3 bedrooms, 2 ½ bathrooms, with a kitchen, living room and half bathroom on the ground floor, connected by an interior stairway to the second floor, which has a master bedroom, master bathroom, two other bedrooms, an additional bathroom, a family room and a laundry room. The Unit also includes a two-car garage containing one standard and one compact parking stall. The Condominium Map shows the floor plan, layout, location, boundaries, unit numbers and dimensions of the Plan 2 Units. All Plan 2 and Plan 2-R Units have a fenced limited common element Private Yard Area. This type of Unit has a net living area of approximately 1,592 square feet, a covered entry area of approximately 47 square feet and a garage area of approximately 436 square feet.

Plan 3 and Plan 3-R (3 Bedrooms, 2 ½ Baths)

Each is a two-story Unit, containing 3 bedrooms, 2 ½ bathrooms, with a kitchen, living room, dining room and half bathroom on the ground floor, connected by an interior stairway to the second floor, which has a master bedroom, master bathroom, two other bedrooms, an additional bathroom, a family room and a laundry room. The Unit also includes a two-car garage containing one standard and one compact parking stall. The Condominium Map shows the floor plan, layout, location, boundaries, unit numbers and dimensions of the Plan 3 Units. All Plan 3 and Plan 3-R Units have a fenced limited common element Private Yard Area. This type of Unit has a net living area of approximately 1,582 square feet, a covered entry area of approximately 58 square feet and a garage area of approximately 436 square feet.

NOTE: The sizes and configurations of the fenced Private Yard Areas reflected on the Condominium Map are approximations only. Actual sizes and configurations may vary due to the placement and location of utilities and due to varying terrain surrounding each building.

NOTE: The sizes and configurations of the fenced Private Yard Areas reflected on the Condominium Map are approximations only. Actual sizes and configurations may vary due to the placement and location of utilities and due to varying terrain surrounding each building.

END OF EXHIBIT "C"

EXHIBIT "D"

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

COMMON ELEMENTS:

The common elements of the Project specifically include, but are not limited to, the following, some of which are also limited common elements:

1. The land described in **Exhibit "A"** to the Declaration (as may be amended) in fee simple.
2. The limited common elements.
3. The Community Park.
4. All trees, grounds, planting areas, gardens, planters, plants and landscaping not located within a Unit or within the Private Yard Area of one or more Units.
5. The Common Element Fence.
6. Walls (including retaining walls), fences, entry gates, entry monuments and sign monuments installed by Developer.
7. Trash collection areas serving the Project.
8. Roads, curbs, sidewalks, walkways, pathways, street lights, walkway lights, park lights, access aisles, crosswalks, walkway railings, service corridors, fire hydrants and parking areas not located within Private Yard Areas.
9. The visitor parking stalls, including those numbered V-7, V-8 and V-9, as shown on the Condominium Map. (In the event that the Project has more visitor parking stalls than is required by applicable laws, ordinances, rules and regulations now or hereafter made by any governmental authority, Developer has the reserved right to record an amendment to the Declaration to redesignate a particular common element visitor parking stall as a limited common element appurtenant to a particular Unit.)
10. Any large parking stalls that are identified as "Load" on the Condominium Map.
11. All ducts, electrical equipment, vents, shafts, lines, conduits, cables, transformers, transformer pads, switch pads, wiring, pipes and other central and appurtenant transmissions facilities and installations over, under and across the Project to the point of their respective connections to improvements comprising a part of the Units or the limited common elements appurtenant thereto, that are utilized by or serve more than one Unit for services such as, but not limited to, those providing power, light, water, irrigation, gas, sewer, refuse, drainage, telephone and radio and television signal distribution, if any, not owned by a governmental agency, utility company or other service entity providing a service.
12. Any meter or other measuring device that is not part of a Unit that is utilized by or serves more than one Unit and that is not owned by a governmental agency, utility company or other service entity providing a service.
13. Any and all apparatus and installations existing for common use by more than one Unit, such as tanks, pumps, irrigation lines, motors, fans, compressors, ducts, vents and other such installations and apparatus.
14. All the benefits, if any, inuring to the Land or to the Project from all easements, if any, shown on the Condominium Map, described in the Declaration, listed in **Exhibit "A"** to the Declaration or that are otherwise appurtenant to the Land.

15. All other parts of the Project not included in the definition of a Unit.

LIMITED COMMON ELEMENTS:

Subject to easements, rights, reservations and other exceptions set forth in the Project Documents, certain common elements, called "limited common elements", are designated and set aside for the exclusive use of certain Units, with such Units having appurtenant thereto easements for the exclusive use of such limited common elements as follows:

Limited common elements appurtenant to certain Detached Single-Family Units:

1. Subject to the right of the Owner of a Benefitted Unit to have limited access to the Private Yard Area appurtenant to an Adjacent Unit, the Private Yard Area adjoining a Detached Single-Family Unit (as well as the two gated Privacy Fences enclosing that portion of the Private Yard Area), as shown on the Condominium Map, are limited common elements appurtenant to such Detached Single-Family Unit; provided, however, that (A) the enclosed portion of a Private Yard Area located between two adjacent Detached Single-Family Units (as well as the two gated Privacy Fences enclosing that portion of the Private Yard Area), where there is no fence between the two Units that runs most of the length of the Private Yard Area, is limited common element appurtenant only to the Unit closest to the gates leading into the enclosed portion of the Private Yard Area ("Scenario (A)"), and (B) where there is a Privacy Fence between two adjacent Detached Single-Family Units that runs most of the length of the Private Yard Area, the enclosed portion of the Private Yard Area located closest to the Unit, as well as the relevant portions (roughly 50%) of the two gated Privacy Fences, are limited common elements appurtenant only to such Unit ("Scenario (B)").

- a. An example of Scenario (A) is shown on Sheet S-04 of the Condominium Map, where there is Private Yard Area between Units 210 and 211. Because there is no fence between the two Units that runs most of the length of the Private Yard Area, and because the two gates leading into the fenced portion of the Private Yard Area are closest to Unit 210, the enclosed portion of the Private Yard Area, as well as the two gated Privacy Fences enclosing that portion of the Private Yard Area, are limited common elements appurtenant only to Unit 210.

- b. An example of Scenario (B) would be if there is a Privacy Fence between the two Units that runs most of the length of the Private Yard Area, then the enclosed portion of the Private Yard Area located closest to one of the Units, as well as the portions of the two gated Privacy Fences located closest to that Unit, are limited common elements appurtenant only to that Unit, and the enclosed portion of the Private Yard Area located closest to the other Unit, as well as the portions of the two gated Privacy Fences located closest to that other Unit, are limited common elements appurtenant only to that other Unit.

2. Where applicable, the gravel strip that runs along the outside edge of certain portions of a Detached Single-Family Unit (the "**Gravel Strip**") is a limited common element appurtenant to such Detached Single-Family Unit.

3. The driveway that adjoins the garage of a Detached Single-Family Unit, as shown on the Condominium Map, is a limited common element appurtenant to such Detached Single-Family Unit.

4. The Detached Single-Family Unit's covered entry and the walkway that leads to the covered entry to the Unit, as shown on the Condominium Map, are limited common elements appurtenant to such Detached Single-Family Unit.

5. The Solar Hot Water Heating System located on the exterior of a Detached Single-Family Unit serving that Detached Single-Family Unit is a limited common element appurtenant to such Detached Single-Family Unit.

6. The lanai (if any), concrete pad (if any), concrete stoop (if any) and A/C pad (if any) adjoining a Detached Single-Family Unit are limited common elements appurtenant to such Detached Single-Family Unit.

Limited common elements appurtenant to certain Attached Multi-Family Units:

1. The Private Yard Area adjoining a ground-level Attached Multi-Family Unit is a limited common element appurtenant to such Attached Multi-Family Unit.

2. The driveway that adjoins the garage of an Attached Multi-Family Unit, as shown on the Condominium Map, is a limited common element appurtenant to such Attached Multi-Family Unit.

3. The areas (usually, but not always, landscaped) on the sides of the driveways that adjoin the garages of the Attached Multi-Family Units, as shown on the Condominium Map, are limited common elements appurtenant to all of the Attached Multi-Family Units.

4. All structural components of each building containing Attached Multi-Family Units, such as the foundation, girders, columns, beams, floor slabs, supports, main walls, load-bearing walls and partitions, floors, ceilings (except the inner, decorated or finished surfaces, if any, of such girders, columns, beams, walls, floors and ceilings), the roof of each such building, exterior stairs and stairways, landings, railings and other building appurtenances, are limited common elements appurtenant to all of the Attached Multi-Family Units.

5. The perimeter or party walls of an Attached Multi-Family Unit, the undecorated or unfinished interior surfaces thereof, and the decorated or finished exterior surfaces of any perimeter wall thereof are limited common elements appurtenant to all Attached Multi-Family Units.

6. The undecorated or unfinished surfaces of the floors and ceilings of each Attached Multi-Family Unit, and the roof of the building in which the Attached Multi-Family Unit is located are limited common elements appurtenant to all Attached Multi-Family Units.

7. The interior load-bearing walls, girders, beams and columns (if any) of an Attached Multi-Family Unit and the undecorated or unfinished surfaces thereof are limited common elements appurtenant to all Attached Multi-Family Units.

8. Any meter boxes, measuring devices, pipes, shafts, vents, ducts, pumps, conduits, cables, wiring, electrical equipment, valves, controls, transformers, plumbing (including sewer cleanouts and manholes), drip controls and other central and appurtenant transmission facilities, utility and service lines, facilities and installations or other utility or service lines running through, or other utility meters within, a Attached Multi-Family Unit that are utilized for or serve more than one Unit are limited common elements appurtenant to all Attached Multi-Family Units.

9. If an Attached Multi-Family Unit has appurtenant lanai, then the lanai and the lanai's flooring and railing are limited common elements appurtenant to such Attached Multi-Family Unit.

10. The entry area outside the entry door of an Attached Multi-Family Unit is a limited common element appurtenant to such Attached Multi-Family Unit, except that, because the Type 2 Units and the Type 4 Units share a covered entry, that shared covered entry is a limited common element appurtenant to both the Type 2 Unit and the Type 4 Unit.

11. External stairs and walkways that serve or provide access to more than one Attached Multi-Family Unit are limited common elements appurtenant to all Attached Multi-Family Units.

12. Privacy Fences (including their gates) that provide access to Private Yard Areas for one or more Attached Multi-Family Units are limited common elements appurtenant to all Attached Multi-Family Units.

Limited common elements appurtenant to certain Residential Units:

1. All other common elements of the Project that serve less than all of the Residential Units in the Project and that are not among the limited common elements listed above are limited common elements appurtenant to the Residential Units that are served by such common elements.
2. The air conditioning equipment serving only the Residential Unit located outside the interior of the Residential Unit, including the compressor and the piping that runs along the outside of the Residential Unit and into the Residential Unit, are not part of the Unit, but are limited common elements appurtenant to the Residential Unit served by such equipment.
3. Each mailbox or mail slot located at the Mail Pavilion in Increment I of Ka`ulu, which bears the same identification as (or is otherwise assigned to) a Residential Unit, is a limited common element appurtenant to that Unit.

END OF EXHIBIT "D"

EXHIBIT "E"
ENCUMBRANCES AGAINST TITLE

- 1 Real property tax assessments for the fiscal year 2023-2024. For real property taxes due and payable, refer to Director of Finance, City and County of Honolulu.
- 2 Terms, provisions, reservations, covenants, conditions and restrictions contained in Quitclaim Deed recorded as Land Court Document No. T-10160277.
- 3 Unrecorded Design Guidelines as disclosed by the Memorandum of Design Guidelines recorded December 17, 2021 as Regular System Document No. A-80210250.
- 4 Mineral and water rights of any nature, as set forth or disclosed by the Limited Warranty Deed and Reservation of Rights recorded December 29, 2021 as Regular System Document No. A-80330557.
- 5 Terms, provisions, reservations, covenants, conditions and restrictions contained in the Limited Warranty Deed and Reservation of Rights recorded December 29, 2021 as Regular System Document No. A-80330557.
- 6 Terms, provisions, reservations, covenants, conditions and restrictions contained in the Grant of Drainage Easements recorded December 29, 2021 as Regular System Document No. A-80330558.
- 7 Terms, provisions, reservations, covenants, conditions and restrictions contained in the Grant of Drainage Easement Area (Easement D-5) and Reservation of Rights recorded December 29, 2021 as Regular System Document No. A-80330559.
- 8 Terms, provisions, reservations, covenants, conditions and restrictions contained in the Memorandum of Decision and Order RE: Application No. KAL 21-005 recorded August 1, 2022 as Regular System Document No. A-82480348-49 (2).
- 9 The terms and provisions contained in the Joint Development Agreement recorded May 18, 2023 as Regular System Document No. A-85380495.
- 10 Mortgage dated August 1, 2023 in favor of Bank of Hawaii under an unrecorded Agency Agreement dated August 24, 1995, as amended, among Bank of Hawaii, as Agent, and Bank of Hawaii and First Hawaiian Bank, as Lenders, recorded August 1, 2023 as Regular System Document No. A-86130710.
- 11 Assignment of Sales Contracts and Sales Proceeds, as additional security for the payment of the indebtedness in the amount of \$40,000,000.00, which was recorded August 01, 2023 as Regular System Document No. A-86130711.
- 12 Financing Statement secured by Bank of Hawaii, as Agent, recorded August 1, 20223 as Regular System Document No. A-86130712.
- 13 The terms and provisions contained in Declaration of Intent to Develop and Merge; Special Power of Attorney; and Reservation of Rights and Easements, dated July 21, 2023, recorded as Document No. A-86550903 thru A-86550905.
- 14 The terms, provisions, reservations, covenants, conditions and restrictions contained in the Declaration of Condominium Property Regime of Ka'ulu by Gentry II, dated April 29, 2024 and recorded in the Bureau as Document No. A-89350862, as may be amended and/or supplemented from time to time.

- 15 Condominium Map No. 6603, as amended from time to time.
- 16 The terms, provisions, reservations, covenants, conditions and restrictions contained in the Bylaws of the Association of Unit Owners of Ka'ulu by Gentry II, dated April 29, 2024, and recorded in the Bureau as Document No. A-89350863, as may be amended from time to time.
- 17 As to Lot 7:
- a. Easement AU-9, area 14,002 square feet, more or less, for access and utility purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Document No. A-87480287.
 - b. Easement E-17, area 167 square feet, more or less, for electrical purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Document No. A-87480287.
- 18 As to Lot 8:
- a. Easement AU-10, area 2,514 square feet, more or less, for access and utility purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Document No. A-87480287.
 - b. Easement E-12, area 122 square feet, more or less, for electrical purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Document No. A-87480287.
- 19 As to Lot 9:
- a. Easement AU-11, area 1,683 square feet, more or less, for access and utility purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Document No. A-87480287.
- 20 As to Lot 10:
- a. Easement AU-12, area 3,509 square feet, more or less, for access and utility purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Document No. A-87480287.
- 21 As to Lot 11:
- a. Easement AU-13, area 3,109 square feet, more or less, for access and utility purposes, as described in or disclosed by the Instrument recorded December 14, 2023 Document No. A-87480287.
 - b. Easement AU-14, area 6,526 square feet, more or less, for access and utility purposes, as described in or disclosed by the Instrument recorded December 14, 2023 Document No. A-87480287.
 - c. Easement E-13, area 1,297 square feet, more or less, for electrical purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Document No. A- 87480287.

- 22 As to Lot 12:
- a. Easement AU-15, area 3,095 square feet, more or less, for access and utility purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Document No. A-87480287.
 - b. Easement E-14, area 90 square feet, more or less, for electrical purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Regular System Document No. A-87480287.
- 23 As to Lot 13:
- a. Easement AU-16, area 3,922 square feet, more or less, for access and utility purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Document No. A-87480287.
 - b. Easement E-15, area 128 square feet, more or less, for electrical purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Document No. A-87480287.
 - c. Easement E-16, area 118 square feet, more or less, for electrical purposes, as described in or disclosed by the Instrument recorded December 14, 2023 as Regular System Document No. A-87480287.
- 24 The terms, provisions, reservations, covenants, conditions and restrictions contained in Grant of Easement for utility and incidental purposes, in favor of Hawaiian Electric Company, Inc., a Hawaii corporation, recorded on April 9, 2024 as Document No. A-88650312 and A-88650313.
- 25 The terms and provisions set forth in the Deed by which the Unit will be conveyed to the Buyer.
- 26 Such other encumbrances referenced in the title report covering the Unit.

END OF EXHIBIT "E"

EXHIBIT "F"

DEVELOPER'S RESERVED RIGHTS TO CHANGE THE PROJECT AND THE DOCUMENTS

The following summary is not intended to be a complete and exhaustive explanation of all the rights reserved to the Developer under the documents governing the Project (the "Project Documents") and otherwise. It is intended to be a general summary. If any conflict or difference exists between this summary and any of the Project Documents, then the Project Documents shall control.

Among other reserved rights of the Developer set forth in the Declaration (including, but not limited to, in Section E) with respect to the Project, the Developer will have the following reserved rights (defined in the Declaration and in this Public Report as the "Developer's Reserved Rights"):

1. Developer's Reserved Right to Alter, Subdivide, and Consolidate Units. The Developer reserves the right to: (a) alter the floor plan of any Unit that Developer owns at any time and in any manner that Developer deems appropriate, in its absolute discretion; (ii) cause the subdivision of any Unit that Developer or an affiliate of Developer owns at any time to create two or more Units from such original Unit; (iii) cause the consolidation of any Units that Developer or an affiliate of Developer owns at any time; (iv) convert certain portions of any existing Unit owned by Developer or an affiliate of Developer to limited common element status to facilitate any subdivision of a Unit or consolidation of Units; and, (v) upon any such alteration, subdivision or consolidation of Unit(s), reallocate the common interests appurtenant to each affected Unit, provided that the total common interest appurtenant to the altered Unit or newly created Unit(s) equals the common interest appurtenant to the original Unit(s). (See Section E.1 of the Declaration.)

2. Rights Relating to Development and Sale. The Developer reserves the right to: (a) the right to complete improvements to the Project and to correct defects and other "punch list" items in the Project, at such times and in such sequence as Developer determines in its sole discretion; (b) the right to create and cause noise, dust, vibration, odors and other nuisances or annoyances created by and resulting from any work connected with or incidental to the development, construction, and sale of any Unit or other Improvements in the Joint Development Area; (c) the right to conduct extensive sales, leasing, rental, marketing, management and other commercial activities at the Joint Development Area, including on any of the Project's common elements, any Unit that Developer owns and any limited common elements appurtenant thereto for model units, sales, leasing, rental, marketing, construction management and other commercial activities, management offices, parking, extensive sales displays and activities, and the posting and maintenance of banners, signs, and other advertisements and sales displays relating to such sales, leasing, rental, marketing and other commercial activities; (d) the right to install, maintain, locate, relocate, and reconfigure such structures, displays, advertising signs, billboards, flags, sales desks, kiosks, sales, leasing, rental, management and/or construction offices, model units, interior design and decorator centers, and parking areas for employees, agents, and prospective buyers, as may be necessary or convenient for the proper development, marketing and disposition of Units by sale, resale, lease, rental or otherwise; (e) the right, but not the obligation, to provide ongoing maintenance, operation, service, construction, and repairs to individual Units; and (f) the right to inspect, evaluate, repair, replace, and/or otherwise cure defects in the planning, design, engineering, grading, construction, installation, management, or other development of a Unit, the common elements, and/or any other Improvements constructed on the Land. (See Section E.2 of the Declaration.)

3. Developer's Reserved Right To Add and/or Withdraw Land. The Developer reserves the right to add and/or withdraw real property from the Project by amending the Declaration, the Bylaws, the Condominium Map and/or any other documents that the Developer deems necessary or convenient to effect such addition and/or withdrawal of real property to Ka'ulu By Gentry II. A withdrawal of real property from the Project may, but need not necessarily, be related to a governmental agency's street or road widening of Franklin D. Roosevelt Avenue. (See Section E.3 of the Declaration.)

4. Developer's Reserved Right To Subdivide and/or Consolidate Land. The Developer reserves the right to subdivide the Project land and/or consolidate the Project land with other real property in order to effect the addition and/or withdrawal of land as described above by amending the Declaration, the Bylaws, the Condominium Map and/or any other document that the Developer deems necessary or convenient to effect such subdivision and/or consolidation. (See Section E.4 of the Declaration.)

5. Developer's Additional Easements. Developer has the right to designate, grant, convey, transfer, cancel, relocate, and otherwise deal with any easements over, under, across or through the common elements as necessary or convenient for any reasonable purpose, which may include, but is not limited to, the repair, care or upkeep of any Unit or common elements, any utility easements or infrastructure to serve the Project or any portion thereof, or to comply with any government agreements or permits, private covenants or other easements or access requirements. Developer also has the right to negotiate, accept, transfer, cancel, relocate, and otherwise deal with any easement or license over adjoining properties in favor of the Land or the Project for any reasonable purpose, which may include, but is not limited to, the repair, care, or upkeep of any Unit or common elements, any utility easements or infrastructure to serve the Project, or to comply with any government agreement or permits, private covenants or other easements or access requirements, or for the reason that any owner of property that is subject to an easement in favor of the Land or the Project uses any right it has to require a change in the location of that easement. (See Section E.5 of the Declaration.)

6. Easements for Governmental Agencies and the Master Association. Developer has the right to grant to the County, the State of Hawaii, any governmental agency or the Master Association (defined in the Declaration) easements and rights-of-way over, under, across and through the common elements, including roadways, parking areas, parking stalls and walkways in the Project, so that Developer can comply with applicable laws, regulations, orders, or permits in respect of Developer's ownership and development of the Joint Development Area. (See Section E.6 of the Declaration.)

7. Reserved Rights Relating to Developer's Units. Developer has the right to: (a) transfer the exclusive use rights associated with a limited common element appurtenant to any Unit owned by Developer to another Unit or Units or to the Association; (b) redesignate all or a portion of certain limited common elements as may be appurtenant to any Unit owned by Developer to another Unit or Units; (c) redesignate and/or convert limited common elements appurtenant to any Unit owned by Developer to common element status, and, upon such redesignation and/or conversion, the Association and/or the other Owners will accept any such redesignation and/or conversion to common element status and will not have any right to refuse or reject any such redesignation and/or conversion to common element status; and (d) alter, maintain, repair, replace, sell, transfer and/or convey any limited common element appurtenant to Units owned by Developer. (See Section E.7 of the Declaration.)

8. Rights Regarding Operation, Maintenance, Etc. Developer has the right to designate, delete, grant, use, convey, transfer, cancel, accept, relocate, and otherwise deal with any easements and/or rights-of-way over, under, across or through those portions of the Project that are subject to County-required setbacks and the common elements (including the limited common elements) of the Project for any reasonable purpose, which may include those purposes that are necessary for the operation, care, upkeep, maintenance, or repair of any Unit, the common elements, any land owned by Developer (or an affiliate of Developer) in the vicinity of the Project, or any easements for utilities or for any public or private purpose. (See Section E.8 of the Declaration.)

9. Reserved Right and Easement Regarding Utilities, Access, Etc. Developer has the right to designate, delete, grant, convey, transfer, assign, cancel, accept, relocate, realign, reserve, and otherwise deal with any and all easements and rights of way at any time (perpetual or otherwise) for utilities (including, without limitation, water, gas, sewer, electric power, and telecommunications, electromagnetic, and optical transmission facilities), sanitary and storm sewers, drainage, flowage, cable television transmission facilities, refuse disposal, landscape development and maintenance, any public-type facility (e.g., for mail delivery), fire lane access, driveways, retention ponds, parking areas, access roadways, sidewalks and other purposes, whether or not for purposes of developing or servicing other lands owned by Developer (or an affiliate of Developer) in the vicinity of the Project, including a right of

entry to construct, reconstruct, operate, maintain, repair, and relocate such lines, facilities, and appurtenances and to grant, assign, and/or transfer any such easements or rights of way to governmental or quasi-governmental authorities, utility or service companies, owners associations, or other entities and the right to grant, dedicate, designate, use, and enjoy easements and/or rights of way for access purposes appurtenant to any portion of the Property, the Joint Development Area and any portion of other lands owned by Developer (or an affiliate of Developer) in the vicinity of the Project, provided that Developer has the right to negotiate and agree to such terms with respect to such easements and rights of way as Developer deems appropriate in its sole discretion. (See Section E.9 of the Declaration.)

10. Reserved Right to Modify the Project. Developer has the right: (a) to effect such modifications to Units and common elements and/or to execute, Record, and deliver any amendments to the Declaration and/or the Condominium Map, as well as the Bylaws and/or the Project Rules, as may be necessary or required by Developer, in its sole and absolute discretion or as may be required by the Real Estate Commission, by any title insurance company issuing title insurance on the Project or any of the Units, by any institutional lender lending funds on the security of the Project or any of the Units, or by any governmental agency, provided that the net interior area of the Residential Units that have been conveyed to Persons other than Developer are not materially and adversely changed; and (b) to effect compliance by the Project, the Association, or Developer with applicable laws. (See Section E.10 of the Declaration.)

11. Reserved.

12. Reserved Rights Regarding Permits. To satisfy the requirements of any land use or other permits pertaining to the Project, whether issued by the County, the State or any other governmental agency, as the same may be amended or modified, Developer has the right to (a) amend the Project Documents, (b) enter into any agreements, including declaring and subjecting the Land and Improvements to restrictive covenants, (c) designate and grant easements, (d) secure any other governmental permits, (e) do all things necessary and convenient and (f) execute, Record, and deliver any and all documents necessary to effect the same, including amendments to the Project Documents. (See Section E.12 of the Declaration.)

13. Reserved Rights to Amend Project Documents. Developer has the right to execute, acknowledge, deliver and record any and all instruments, including amendments to the Project Documents, any easement instrument, any deed, any amendment to a Unit Deed, assignment of rights or interest, or such other document or instrument that may be necessary or appropriate to permit Developer to carry out and exercise Developer's Reserved Rights and all other rights, powers, and privileges granted or reserved to Developer under the Declaration. (See Section E.13 of the Declaration.)

14. Improvements. Developer has the right to construct any improvements that are shown on the Condominium Map. (See Section E.14 of the Declaration.)

15. Reserved Rights Relating to Master Association. Developer has the right, either unilaterally or jointly with one or more other land owners or developers of land in Kalaeloa, to form and establish the Master Association described in Section O of the Declaration, to impose the Master Declaration (as defined in such Section O) upon Ka'ulu, to annex the Project, including all of the Units, to the Master Declaration, and to convey common element roadways, landscape areas, archaeological areas, irrigation systems, drainage systems and other common areas, improvements, facilities and systems in the Project to the Master Association. (See Section E.15 of the Declaration.)

16. Reserved Right to Maintain and Repair Certain Common Elements. Developer has the right to continue to maintain and repair certain common elements (including limited common elements) that Developer identifies in writing to the Board and the Managing Agent. (Examples of such common elements might be the Community Park.) Developer has the right, and intends, to charge (invoice) the Association for the direct costs and expenses (i.e., without markup) reasonably incurred by Developer to maintain and repair such identified common elements, and the Association will be required

to reimburse Developer for such costs and expenses within 45 days after the invoice is delivered to the Managing Agent. (See Section E.16 of the Declaration.)

17. Developer's Reserved Right To Effect Merger. The Developer reserves the right to effect an administrative merger of all or a portion of the condominium communities developed in the Joint Development Area with Ka'ulu By Gentry II pursuant to the terms of the Declaration of Intent to Develop and Merge. The allocations of maintenance fees and votes among the units will be as described in the Declaration of Intent to Develop and Merge. (See Section E.17 of the Declaration.)

18. Right to Review and Approve Project Documents. Pursuant to the terms of the Declaration of Intent to Develop and Merge, Developer reserves the right to review and approve, using its reasonable discretion, any and all amendments to any or all of the Project Documents to ensure that, subject to the exceptions allowed by and authorized in the Declaration of Intent to Develop and Merge, the Project Documents are generally similar, in form and substance, to the condominium documents of any other condominium project created within the Joint Development Area so that Developer is able to effect an administrative merger of the various condominium projects. (See Section E.18 of the Declaration.)

19. Community Park. Developer reserves the right to design and construct the Community Park on portions of the Project's land. (See Section E.19 of the Declaration.)

20. Reserved Right to Convey Property to the Association. Developer has the right to convey to the Association, and the Association must accept, title to any Unit or other property owned by Developer within the Joint Development Area, together with the responsibility to perform any and all duties associated therewith. Upon conveyance or dedication of such property to the Association, the Association must maintain such property at its expense for the benefit of the Owners, and the cost of maintaining such areas will be assessed to all Owners as a common expense or, if appropriate, a limited common expense (as defined in the Declaration). (See Section E.20 of the Declaration.)

21. Changes in HRS 514B. Developer has the right to make amendments to the Declaration, the Condominium Map and the Bylaws to comply with changes in HRS 514B and to take advantage, to the fullest extent permitted by applicable law, of changes in HRS 514B that give Developer more rights than currently permitted under HRS 514B. (See Section E.21 of the Declaration.)

22. Design Guidelines. Developer has the right and authority to adopt initial design guidelines for the Project, provided they are consistent with the Kalaeloa Design Guidelines. (See Section E.22 of the Declaration.)

23. Right to Amend Condominium Map. Developer has the right to amend the Condominium Map (in part via an amendment to the Declaration) to insert applicable and appropriate metes and bounds descriptions of the boundaries between the various Phases and Increments of Ka'ulu. (See Section E.23 of the Declaration.)

The Developer's Reserved Rights are necessary and/or helpful to developing Ka'ulu By Gentry II. The Developer may exercise the Developer's Reserved Rights separately or in one or more combinations and at one or more times, at the Developer's sole discretion. The Developer has no duty or obligation to exercise any of the Developer's Reserved Rights. The Developer may exercise the Developer's Reserved Rights until the expiration of the Development Period (as defined in the Declaration), unless otherwise specifically stated.

The Developer may exercise any of the Developer's Reserved Rights without being required to obtain the approval, consent, or joinder of anyone else and without the knowledge of anyone else. This includes, but is not limited to, the Association of Unit Owners of Ka'ulu By Gentry II, any lender, any other Unit owner or any other person acquiring an interest in Ka'ulu By Gentry II. When a person or entity acquires an interest in a Unit or any other interest in Ka'ulu By Gentry II, such person or entity automatically:

A. Takes such person's or entity's interest subject to the Developer's Reserved Rights and each and every exercise and/or assignment of them.

B. Acknowledges, approves, consents to, agrees to and accepts (i) the Developer's Reserved Rights and the exercise of them from time to time; (ii) that such exercise may change the Project; (iii) that such exercise may result in the recalculation of the common interest of some or all Units in some cases; (iv) that the Developer can file and/or record any and all documents that the Developer deems necessary or convenient to the exercise of its rights, including but not limited to any amendment to the Project Documents.

C. Agrees, promptly after being asked to do so, to join in, consent to, sign, have notarized, deliver and record all documents and do all other things that the Developer in its sole discretion determines to be necessary or convenient to the exercise of the Developer's Reserved Rights or to accomplish the purpose for which those rights were reserved (as determined by the Developer).

D. Appoints the Developer as such person's or entity's attorney-in-fact with full power of substitution to execute such documents and do such other things on such person's or entity's behalf, which grant of such power, being coupled with an interest, is irrevocable and shall not be affected by the disability of any such party. The Developer cannot use its power of attorney to waive or release any right an owner or other interested person might have under Chapter 514B, HRS, to cancel the purchase of a Unit, or to mortgage an owner's Unit.

NOTE: As noted, the above summary is not intended to be a thorough and exhaustive explanation of all the rights reserved under the Project Documents and otherwise. While a Buyer can use this summary as a general summary of such reserved rights, Buyer must refer to the Sales Contract, the Declaration (including, but not limited to, Section E), the Bylaws and the Project Rules to determine the actual rights reserved. If any conflict or difference exists between this summary and the Sales Contract, the Declaration, the Bylaws or the Project Rules, then the Sales Contract, the Declaration, the Bylaws or the Project Rules, as applicable, will control.

SPECIAL NOTICE REGARDING CHANGES UNDER THIS PUBLIC REPORT

Changes to the Project and the Project Documents made in accordance with the Developer's exercise of the Developer's Reserved Rights and/or of other rights reserved to the Developer in the Declaration **will not** be deemed to be changes that render this Public Report misleading as to Buyers in any material respect and will not give any Buyer who has waived or is deemed to have waived the right to cancel such Buyer's Sales Contract any additional rights to cancel such Buyer's Sales Contract.

The Developer will have the right (if desired or deemed necessary by Developer) to apply for and obtain from the Real Estate Commission effective dates for one or more amended public reports describing changes made to the Project pursuant to the rights described above or otherwise set forth in the Declaration.

END OF EXHIBIT "F"

EXHIBIT "G"**Ka'ulu by Gentry II****Estimated Budget and Initial Maintenance Fee Schedule for 49 Residential Units**

	Common Expenses for all Residential Units		Limited Common Expenses for Multi-Family Units		Total	
	Monthly	Annual	Monthly	Annual	Monthly	Annual
Utilities						
Electricity - Common elements	415	4,980	175	2,100	590	7,080
Water - Common elements	900	10,800	-	-	900	10,800
Submetering Costs	30	360	-	-	30	360
	1,345	16,140	175	2,100	1,520	18,240
Contract Services						
Landscaping	5,400	64,800	-	-	5,400	64,800
Tree Trimming	167	2,000	-	-	167	2,000
Drainage Maintenance	83	1,000	-	-	83	1,000
Pest/Termite Control	-	-	367	4,400	367	4,400
Site Management **	-	-	-	-	-	-
	5,650	67,800	367	4,400	6,017	72,200
Maintenance, Repair & Services						
Landscaping - Supplies & Repairs	125	1,500	-	-	125	1,500
Electrical / Lighting	167	2,000	83	1,000	250	3,000
Fire Systems	-	-	387	4,640	387	4,640
Common Equipment & Mail Pavilion Maintenance	333	4,000	-	-	333	4,000
Miscellaneous Repairs & Services	333	4,000	83	1,000	417	5,000
	958	11,500	553	6,640	1,512	18,140
Professional Services						
Management Office Expenses	83	1,000	-	-	83	1,000
Education Expense	42	500	-	-	42	500
Management Fees	513	6,157	-	-	513	6,157
Audit/Tax Fees	167	2,000	-	-	167	2,000
Legal Fees	83	1,000	-	-	83	1,000
	888	10,657	-	-	888	10,657
Other						
Insurance - Property, GL, D&O, Fidelity Bond & Umbrella	467	5,600	7,858	94,300	8,325	99,900
Condo Registration Fees	28	332	-	-	28	332
HCDA Fees	117	1,400	-	-	117	1,400
	611	7,332	7,858	94,300	8,469	101,632
Reserves@						
	1,813	21,754	3,743	44,911	5,555	66,665
	1,813	21,754	3,743	44,911	5,555	66,665
Subsidy*						
	(5,782)	(69,387)	-	-	(5,782)	(69,387)
Total						
	5,483	65,796	12,696	152,351	19,081	218,148

* The estimated maintenance fees for each Residential Unit reflect the Developer's agreement to subsidize a certain level of expenses of the Project until March 31, 2025. Payment of this subsidy will begin upon the closing of the first Residential Unit in the Project. The Developer anticipates, but does not guarantee, that, by the time its subsidy payments ends, there will be enough Residential Units paying maintenance fees that the per-Unit effect of ending the subsidy payments will be negligible.

**The Site Management amount is nil because the full amount for that item is in the budget for the Ka'ulu by Gentry I condominium project. This is the case even though site management services will be provided for all of Ka'ulu, including this Project, Ka'ulu by Gentry II. Once Ka'ulu by Gentry II is merged with Ka'ulu by Gentry I, the budget for the merged project will include a line item for Site Management and all unit owners in the merged project will pay for such site management services as part of their monthly maintenance fees.

@ Reserves are based on a Reserve Study, dated July 24, 2023, issued to Gentry Kalaeloa, LLC by Trinity ERD.

Estimated Initial Maintenance Fee Schedule for Each Residential Unit

Plan/ Type*	Single-Family ("SF") or Multi-Family ("MF")	Estimated Monthly Maintenance Fee	Estimated Annual Maintenance Fee
Plan 1 and 1-R	SF	\$245.00	\$2,940.00
Plan 2 and 2-R	SF	\$259.00	\$3,108.00
Plan 3 and 3-R	SF	\$258.00	\$3,096.00
Type 1 and 1-R	MF	\$384.00	\$4,608.00
Type 2	MF	\$406.00	\$4,872.00
Type 2-R (6-Plex)	MF	\$406.00	\$4,872.00
Type 2-R (8-Plex)	MF	\$410.00	\$4,920.00
Type 3 and 3-R	MF	\$449.00	\$5,388.00
Type 4	MF	\$330.00	\$3,960.00
Type 5	MF	\$498.00	\$5,976.00

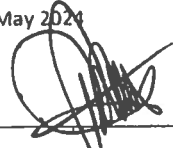
* See Exhibit "C" of this Public Report for each Residential Unit's Single-Family Unit Plan number or Multi-Family Unit Type number.

CERTIFICATE

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

1. I am the President for Associa Hawaii, a Hawaii corporation, designated by the Developer of the Ka'ulu by Gentry II condominium project (the "Project") to act as the Managing Agent for the management and administration of the Project.
2. Attached hereto is a true and correct copy of the projected budget for the Project. The estimates contained herein, including the maintenance fee assessments and disbursements, are based upon and in reliance on the assumptions, expense and income data and reserve study provided by the Developer. The estimated figures do not account for inflation, market adjustments, future utility rate changes, future insurance premium rate changes or other unanticipated expense changes, including but not limited to acts of government, acts of God, terrorism or war.
3. I hereby certify that the breakdown of the annual maintenance charges which includes the annual reserve contribution based on a reserve study, and the monthly estimated cost for each unit in the Project, as attached hereto and hereby incorporated herein by reference, were determined in accordance with Section 514B-148 of the Hawaii Revised Statutes and Chapter 107 of the Hawaii Administrative Rules, and that the Managing Agent made a good faith effort to calculate such estimates for the one-year period commencing May 1, 2024, based on generally accepted accounting principles; provided that in calculating the annual maintenance charges and the monthly estimated maintenance cost for each unit in the Project, there may be some instances where dollars and cents amounts may not be exact due to rounding.
4. Attached hereto is a true and correct copy of the reserve study, dated July 24, 2023, issued to Gentry Kalaeloa, LLC by Trinity ERD. While the reserve study is based on good faith efforts to reasonably project Inflation, interest income, component inventory, component life and replacement costs, since a reserve study deals with future events, there is no assurance that the estimates contained within the study will occur as and when described. The predictable life and replacement cost of some of the components may be difficult to estimate due to unforeseen factors and wide variance in the anticipated useful life. A reserve study assumes that all assets have been designed and constructed properly and that each estimated useful life of a component will be in accordance with the industry standard of manufacturer's specifications.
5. The budget has been prepared using the accrual method of accounting.

DATED: Honolulu, Hawaii, this first day of May 2024



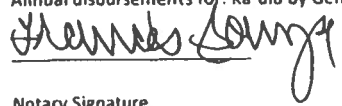
Name: Pauli Wong
Title: PRESIDENT

Subscribed and sworn to before me
this 1st day of May, 2024

State of Hawaii
City & County of Honolulu

Date: 5/1/2024 # of Pages: 40

Doc. Description: Certificate of Managing Agent & Estimated
Annual disbursements for: Ka'ulu by Gentry II



Notary Signature
Name: Frances Souza

Frances Souza
No & Expiration: My Commission expires: 11/20/2024

First Circuit, State of Hawaii

NOTARY CERTIFICATION



Notary Signature

MAY 01 2024
Date

Name: Frances Souza

Doc. Description: Certificate of Managing Agent & Estimated Annual
disbursements for: Ka'ulu by Gentry II

of Pages: 40 14/15 Doc Date: 5/1/2024

Notary Public, State of Hawaii, First Circuit

My Commission Expires: Frances Souza
My Commission expires: 11/20/2024



DEVELOPER'S STATEMENT ON MAINTENANCE FEES

Developer advises that the costs and expenses of maintenance and operation of a condominium project are very difficult to estimate initially and, even if such maintenance charges have been accurately estimated, such charges will tend to increase in an inflationary economy and as the improvements age. Maintenance charges can vary depending on services desired by unit owners and may increase significantly depending on the level of services eventually selected by the Unit owners and/or the Association's Board of Directors. Buyer should also be aware that the estimates provided are as of the date reflected in the estimate and do not reflect the actual charges that may be incurred by Buyer once maintenance fees commence.

Developer will provide the owners in Ka'ulu By Gentry II with written notice at least thirty (30) days prior to the maintenance fee commencement date.

KA'ULU BY GENTRY RESERVE STUDY

ISSUED TO:

Gentry Kalaeloa LLC
Attn: Andrew Kamikawa

DATE ISSUED:

July 24, 2023



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Introduction

The following Pre-Construction Capital Reserve Study was generated for the use of Gentry Kalaeloa LLC. Calculations and projections are based on the projected occupancy of the 390 units represented in the design documents. This Reserve Study has been completed as an Initial Reserve Study using basis of design products for warranty, life-cycle and pricing metrics. The purpose of the Reserve Study is to calculate anticipated monthly contributions to the Owners' Association reserve account to address maintenance needs and in anticipation of replacement of the common and limited common elements as required by the Hawaii Condominium Property Act, HRS. 514B.

Costs are based on new components that meet current building codes and on cost estimates generated by local contractors, suppliers and national publications, including RS Means, specifically weighted for construction in Honolulu, Hawaii.

This study includes a list of common and limited common building elements which will require maintenance on a recurring basis prior to full replacement. The study also provides estimates of service life and replacement costs based on current data. The Reserve Study must reflect costs in anticipation of replacement years ahead; therefore, costs must incorporate a provision for inflation and other currency factors to ensure adequate funds have been collected to provide for periodic inspections, design the replacement elements, and meet the anticipated construction costs. Costing of future work is assisted by indices maintained by the government as well as private firms that track construction-related costs over time. Thus, the Reserve Study may require adjustment to account for actual inflation, changes in interest rates and construction cost changes. These critical elements of the Reserve Study should be reviewed on an annual basis.

As stated above, this Pre-Construction Reserve Study is based on design documents and basis of design materials. After construction is completed, the Reserve Study should be updated to include installed materials as during the course of construction material selections will likely change due to production availability, value engineering, or design changes for various reasons.

A primary goal of the Reserve Study is to decrease the financial burden of the replacement of costly components of the building by spreading the cost out over the years of service of each element to ensure the funds are available at the time the replacement is needed. By creating and maintaining a reserve fund, the eventual ownership of Ka'ulu can avoid substantial assessments when each of the common and limited common elements reaches the end of its service life. A properly funded, regularly updated Reserve must be adjusted to account for unforeseen events, such as weather damage to a building component that reduces its service life, as well as changes in interest rates and inflation. After construction is complete and the condominium complex is fully functional, inspections are necessary, and should be accounted for in the Reserve, to confirm

the maintenance of each element is sustained to maximize service life, as well as to re-adjust the estimated service life should events mandate such a change.

Code changes can also impact costs that should trigger reassessment of the Capital Reserve. For example, changes to the Energy Code could require higher R-value insulation, a full energy assessment, and provisions for solar panel mounting on a roof structure. These changes could significantly alter the cost of a replacement roof or the type of windows that could replace the original elements. A Code review every five years may minimize surprises, allowing for cost adjustment well before replacement funding is needed.

Maintenance

A critical aspect of an accurate Reserve Study is the Ka'ulu Owners' Association of Apartment Owners ('AOAO') adherence to prescribed maintenance schedules. To maximize the service life of building elements, it is crucial that recommended periodic maintenance and inspections be completed. Failure to follow a regular schedule of maintenance will reduce the service life of building elements and undermine the purpose of the Reserve Study; components will require replacement before the Reserve is fully funded, making costly individual assessments necessary.

The AOAO, through property management and ownership documents provided at the time of initial sale, must be aware of all warranties that relate to the elements including all contact information should repairs or replacement be required. Warranties may be voided if unauthorized work is carried out and proper notification is not provided. Much of the warranty information is contained in the Operation and Maintenance ('O & M') Manuals that are provided by the contractor and developer as part of the construction close-out documentation and sale agreement. This information should also be broken out into a separate Warranty Manual with contact information for the material supplier and initial installers. Contact should be made with each entity to confirm the warranties are in full force and all the provisions of the warranty are understood. Many warranties have a period of contractor participation. Contact information for both entities should be on file. Where possible, emergency contact information should also be maintained. Material manufacturers have limited personnel on Island, relying heavily on third parties to execute warranty obligations.

Another aspect of the maintenance process is identifying qualified contractors to complete the work. The AOAO must decide between using the same contractor for all maintenance work, creating consistency over time, or putting each maintenance project out for bids to a number of contractors, thus increasing the likelihood of a competitive price for the work. The choice between consistency and value is a judgment call; the Owners' Association must decide which is more important. Again, warranty provisions should be fully understood and reviewed with the warrantor prior to commencement of any maintenance work. Any design professionals retained to design

maintenance or replacement should be provided with 'as-built' drawings, warranty documents, repair records, and related Reserve Study data.

Inspections are necessary, and should be accounted for in the Reserve funds, to confirm the maintenance of each element is sustained to maximize the service life as well as to re-adjust the estimated service life should events mandate such a change.

Building Elements

The specifics of each element of the building exterior have been identified as accurately as possible through a review of preliminary design plans and specifications provided by Gentry Kalaeloa LLC in May 2022. Construction of Ka'ulu by Gentry Kalaeloa LLC is projected to commence construction in the fall of 2022.

The expected service life for each exterior building element has been determined by review of product literature, manufacturers' warranties, and projected date of installation.

It should be noted the expected service life for most elements is greater than the period of the typical manufacturer's warranty. Maintenance funds must be reserved to pay the costs of maintenance in order to maximize service life.

If circumstances arise in which an element requires replacement within the warranty period, proper adherence to the guidelines of the warranty can prevent unnecessary expenditures from the Reserve Fund. Importantly, a warranty replacement may require some owner contribution. Some warranties are prorated with a decreasing warranty obligation each year. Others may have full cost replacement through, for example, the tenth year, with a decreasing value each successive year.

Reserve Study Limitations & Assumptions

Financial Analysis

Initial Reserve Fund Status and Funding Goal Assuming Year One is 2023:

The initial reserve fund balance was reported by Gentry Kalaeloa LLC and has not been audited by Trinity | ERD. The projected initial balance of the Gentry Kalaeloa LLC reserve fund, as reported by Andrew Kamikawa, is **\$138,000.00**. The funding goal of this Reserve Study is to provide a **100% funded** reserve account using a cash flow funding plan.

This Reserve Study assumes all funds will be deposited monthly in an interest-bearing account. Rates have been assumed at 0.50% per annum and are compounded annually. This rate is based on current long-term commercial savings rate provided by Bank of Hawaii. While this is an appropriate starting point, the interest rate should be reviewed annually. The historical 30-year average single-family construction increase according to the Department of Business, Economic Development and Tourism (DBEDT) is 4%. However, due to current economic conditions, the annual inflation rate has been initially established at 5%. The tax rate has been established at 15.0%, also based on current state and local tax laws. It is assumed that the Ka'ulu AOA is a not-for-profit association and therefore tax exempt.

All component replacement costs are calculated based on the 2022 new purchase costs plus inflation calculated for the year of replacement.

The allocated cost of reserve contribution will vary between the single family and multifamily homes. It is the requirement of the developer and Association to determine the percentages the single family homeowners will pay, and the multifamily unit owners. For the purpose of this Reserve Study, all common area costs for both Single Family and Multifamily Units have been combined.

Projected Initial Reserve Balance	\$138,000.00
Projected Reserve Expenditures Over 30 Years	\$26,321,494.00
Projected Ending Reserve Balance	\$289,793.46

Year	Contribution (Annual)	Monthly	Monthly Per Unit
2023-2026	\$500,000.00	\$41,667.00	\$107.00
2027-2031	\$620,000.00	\$51,667.00	\$132.00
2032-2036	\$720,000.00	\$60,000.00	\$154.00
2037-2041	\$864,000.00	\$72,000.00	\$185.00
2042-2046	\$1,036,800.00	\$86,400.00	\$222.00
2047-2051	\$1,244,160.00	\$103,680.00	\$266.00
2052	\$1,492,992.00	\$124,416.00	\$319.00

Ka'ulu Pre-Construction Capital Reserve and Funding Study							
Updated 7/7/2023							
Assumptions				Years	Monthly Contribution	Monthly Contribution (Per Unit)	
Inflation Rate	5.00%			2023-2026	\$41,667	\$107	128
Return on Investments	0.50%			2027-2031	\$51,667	\$132	Single Family Units
Tax Rate	15%			2032-2036	\$60,000	\$154	
				2037-2041	\$72,000	\$222	
				2042-2046	\$86,400	\$266	262
				2047-2051	\$103,680	\$266	Multi Family Units
				2052	\$124,416	\$319	

Year	Year	Starting Balance	Reserve Contribution	Reserve Expense	Interest Income	Tax	Ending Balance
1	2023	\$138,000.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$638,000.00
2	2024	\$638,000.00	\$500,000.00	\$0.00	\$3,190.00	\$478.50	\$1,140,711.50
3	2025	\$1,140,711.50	\$500,000.00	\$0.00	\$5,703.56	\$855.53	\$1,645,559.52
4	2026	\$1,645,559.52	\$500,000.00	\$0.00	\$8,227.80	\$1,234.17	\$2,152,553.15
5	2027	\$2,152,553.15	\$620,000.00	(\$118,248.00)	\$10,762.77	\$1,614.41	\$2,663,453.50
6	2028	\$2,663,453.50	\$620,000.00	\$0.00	\$13,317.27	\$1,997.59	\$3,294,773.18
7	2029	\$3,294,773.18	\$620,000.00	(\$23,921.00)	\$16,473.87	\$2,471.08	\$3,904,854.97
8	2030	\$3,904,854.97	\$620,000.00	\$0.00	\$19,524.27	\$2,928.64	\$4,541,450.60
9	2031	\$4,541,450.60	\$620,000.00	\$0.00	\$22,707.25	\$3,406.09	\$5,180,751.76
10	2032	\$5,180,751.76	\$720,000.00	(\$2,232,427.00)	\$25,903.76	\$3,885.56	\$3,690,342.96
11	2033	\$3,690,342.96	\$720,000.00	(\$90,648.00)	\$18,451.71	\$2,767.76	\$4,335,378.92
12	2034	\$4,335,378.92	\$720,000.00	(\$77,222.00)	\$21,676.89	\$3,251.53	\$4,996,582.28
13	2035	\$4,996,582.28	\$720,000.00	\$0.00	\$24,982.91	\$3,747.44	\$5,737,817.75
14	2036	\$5,737,817.75	\$720,000.00	(\$113,767.00)	\$28,689.09	\$4,303.36	\$6,368,436.48
15	2037	\$6,368,436.48	\$864,000.00	(\$1,931,797.00)	\$31,842.18	\$4,776.33	\$5,327,705.33
16	2038	\$5,327,705.33	\$864,000.00	\$0.00	\$26,638.53	\$3,995.78	\$6,214,348.08
17	2039	\$6,214,348.08	\$864,000.00	\$0.00	\$31,071.74	\$4,660.76	\$7,104,759.06
18	2040	\$7,104,759.06	\$864,000.00	\$0.00	\$35,523.80	\$5,328.57	\$7,998,954.29
19	2041	\$7,998,954.29	\$864,000.00	\$0.00	\$39,994.77	\$5,999.22	\$8,896,949.84
20	2042	\$8,896,949.84	\$1,036,800.00	(\$5,563,247.00)	\$44,484.75	\$6,672.71	\$4,408,314.88
21	2043	\$4,408,314.88	\$1,036,800.00	(\$4,524,404.00)	\$22,041.57	\$3,306.24	\$939,446.22
22	2044	\$939,446.22	\$1,036,800.00	\$0.00	\$4,697.23	\$704.58	\$1,980,238.86
23	2045	\$1,980,238.86	\$1,036,800.00	\$0.00	\$9,901.19	\$1,485.18	\$3,025,454.88
24	2046	\$3,025,454.88	\$1,036,800.00	(\$138,679.00)	\$15,127.27	\$2,269.09	\$3,936,434.06
25	2047	\$3,936,434.06	\$1,244,160.00	(\$1,584,063.00)	\$19,682.17	\$2,952.33	\$3,613,260.91
26	2048	\$3,613,260.91	\$1,244,160.00	\$0.00	\$18,066.30	\$2,709.95	\$4,872,777.27
27	2049	\$4,872,777.27	\$1,244,160.00	\$0.00	\$24,363.89	\$3,654.58	\$6,137,646.57
28	2050	\$6,137,646.57	\$1,244,160.00	(\$66,643.00)	\$30,688.23	\$4,603.23	\$7,341,248.57
29	2051	\$7,341,248.57	\$1,244,160.00	\$0.00	\$36,706.24	\$5,505.94	\$8,616,608.87
30	2052	\$8,616,608.87	\$1,492,992.00	(\$9,856,428.00)	\$43,083.04	\$6,462.46	\$289,793.46

Figure 1: Reserve Contributions and Expenses

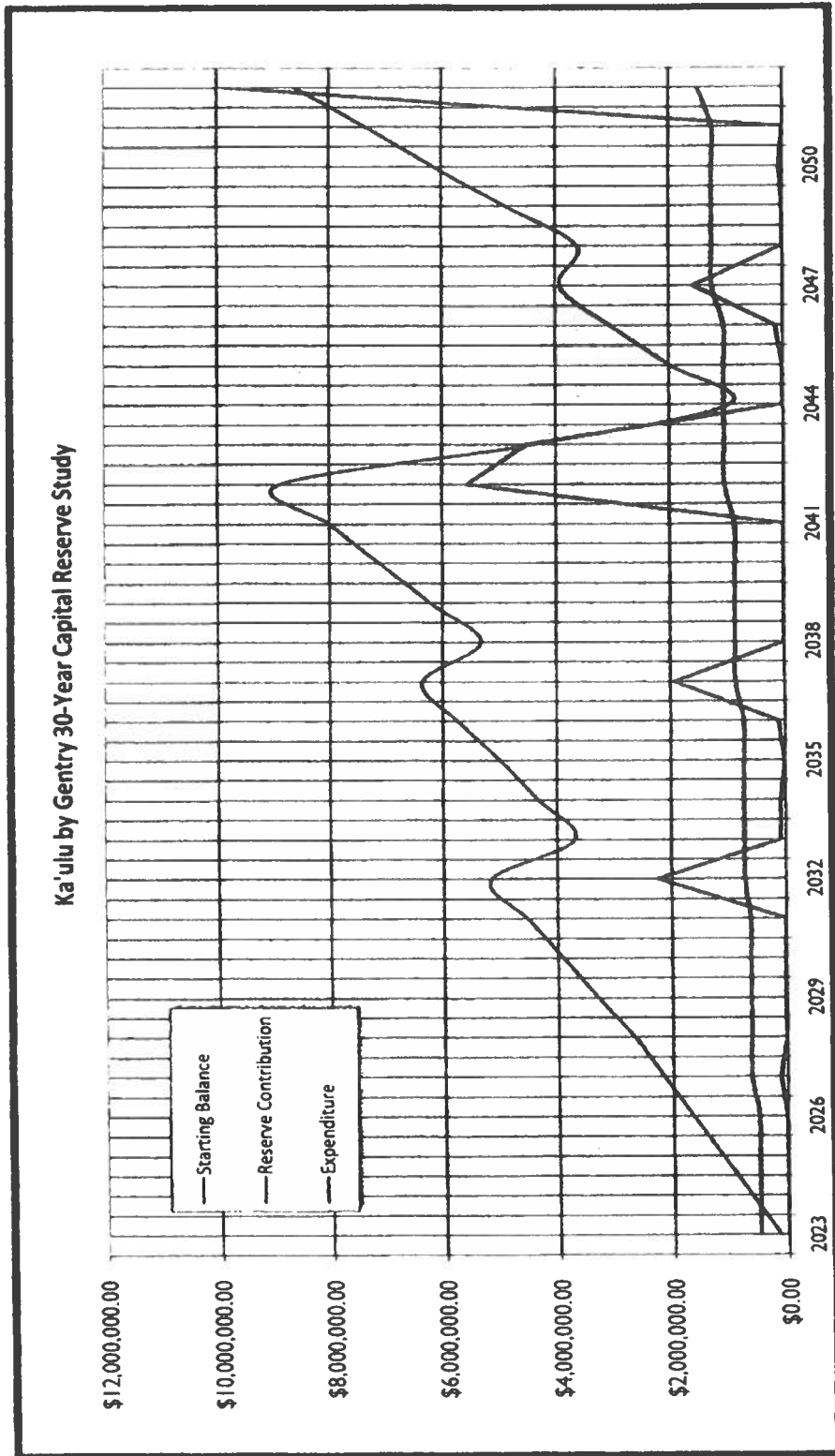


Figure 2: 30-Year Capital Reserve Outlook

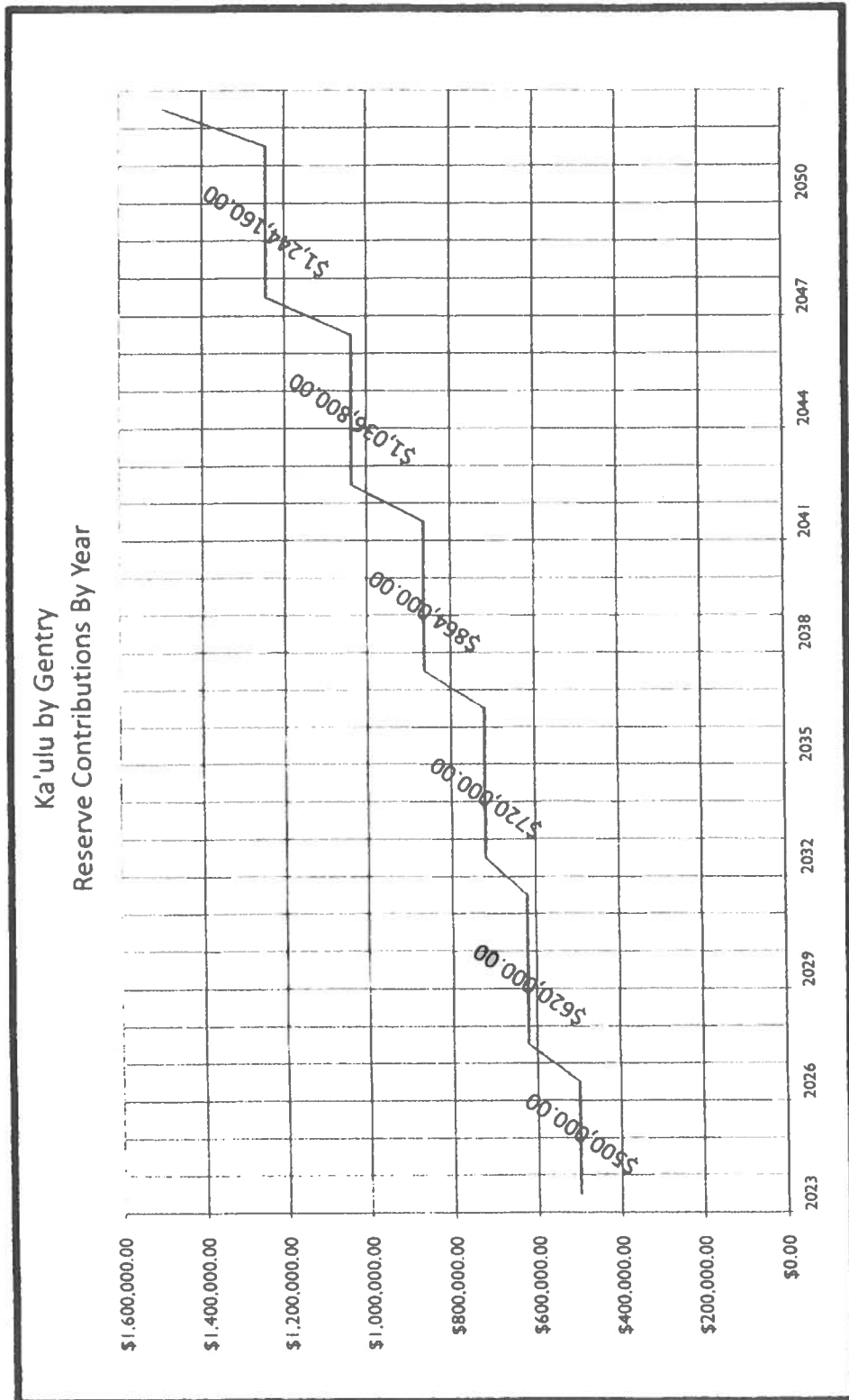


Figure 3: Reserve Contributions by Year

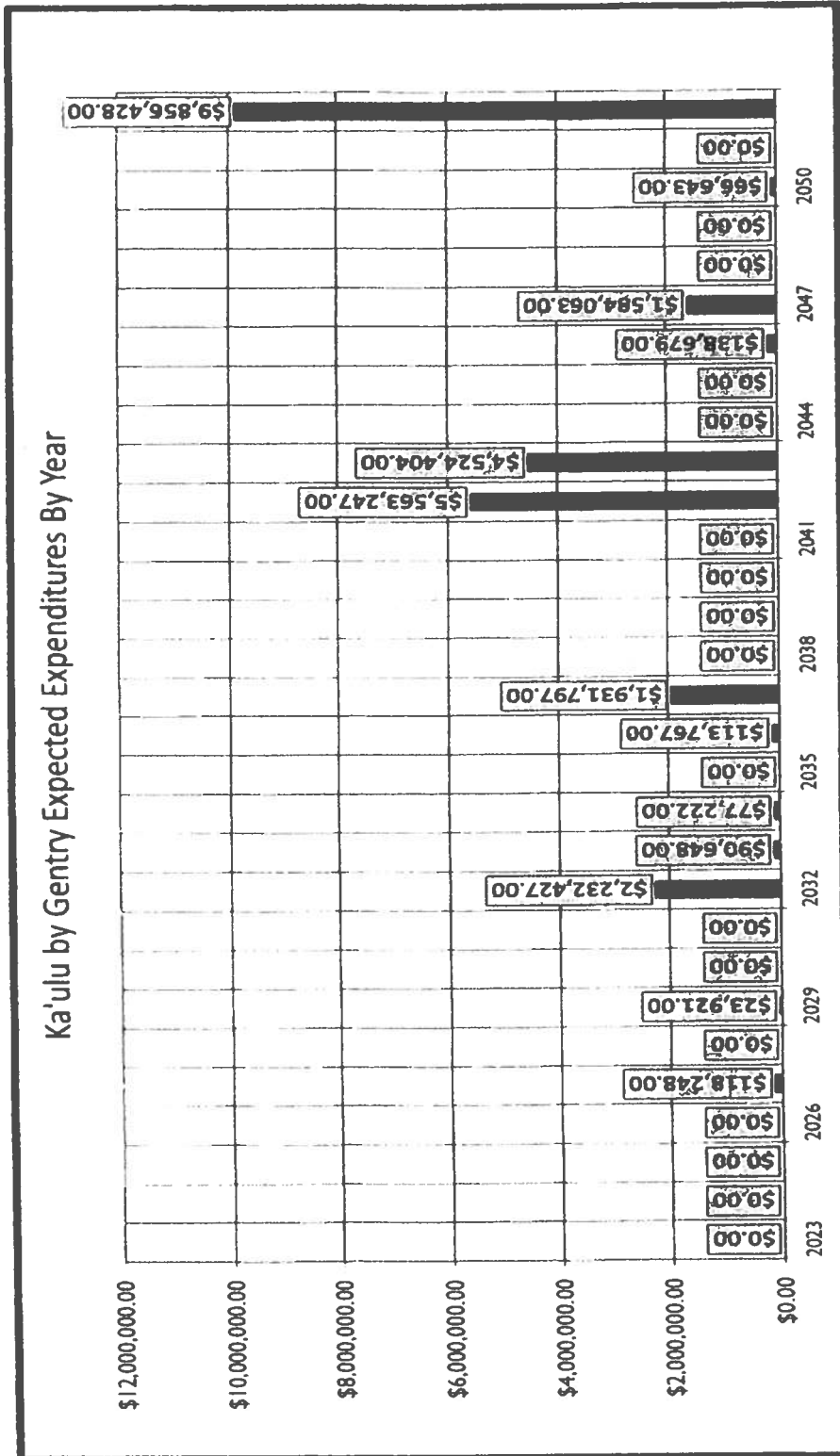


Figure 4: Expected Expenditures by Year

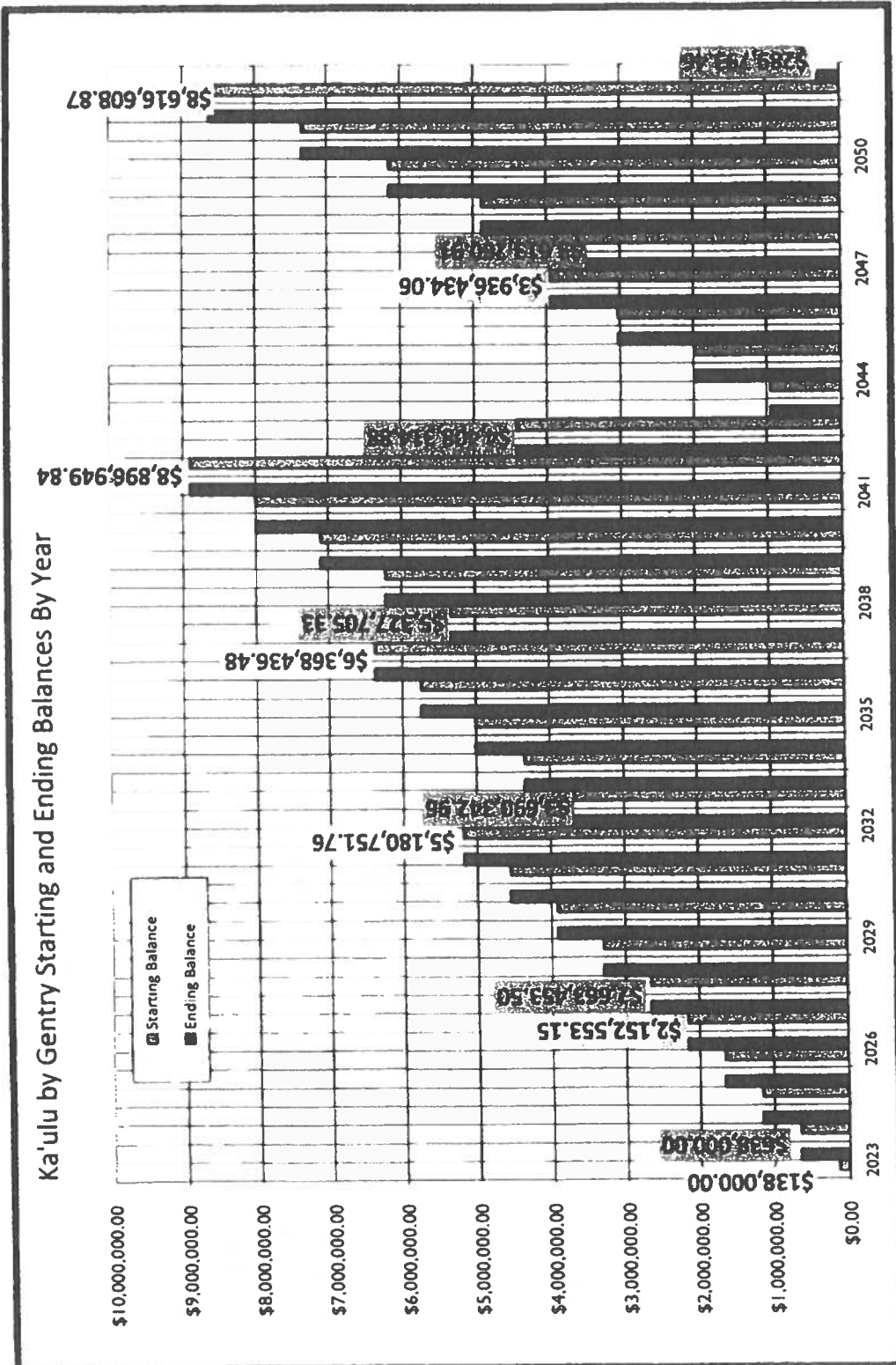


Figure 5: Starting and Ending Balances by Year

Property Overview

The Ka'ulu Community includes a total of 390 units located at the corner of Roosevelt Ave and Kamokila Boulevard at Barber's Point, Oahu. There are 128 single family homes, (17) 6-plex multi-family buildings, and (20) 8-plex multi-family buildings. Each unit includes a private lanai and garage. Construction is projected to begin in the fall of 2022. The buildings are designed as wood-framed construction on both concrete foundations and slabs on grade.

Component Inventory and Assessment

Steep Slope Roofing

The CertainTeed Landmark Solaris is a wood-shake inspired, solar-reflective asphalt shingle roof cover. Roof inspections should be carried out every three to five years and maintenance completed on an annual basis. Roof inspections should include inspection of gutters, flashings, sealants, and ventilation equipment. Costs should be carried by the AOA in the maintenance reserves for the inspections and minor repairs that may be needed. A roof of this type, when maintained, has an expected service life up to forty years. Replacement costs and duration will start with the 2023 Reserve Study.

The roof shingles of the single-family homes are not a common element and are the responsibility of the owner to maintain or replace. The roof shingles of the multi-family structures are considered a common element and the responsibility of the AOA.

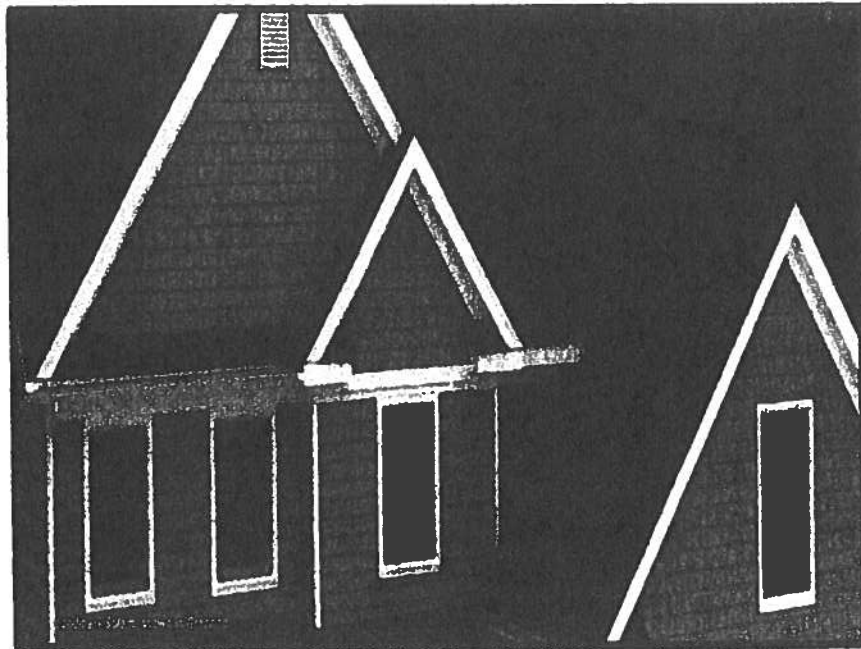


Figure 6: CertainTeed Landmark Solaris Asphalt Roof Shingles - Catalog Sample

MAINTENANCE

These shingles do not require maintenance when installed according to manufacturer's application instructions. However, to protect the investment, any roof should be routinely inspected at least once a year. Older roofs should be looked at more frequently.

WARRANTY

Landmark Solaris shingles carry a Lifetime Limited Warranty and 10-year SureStart™ protection when applied to stated CertainTeed application instructions for this product. Landmark Solaris AR shingles carry a 10-year algae resistance warranty. For specific warranty details and limitations, refer to the warranty itself (available from the local supplier, roofing contractor or on-line at www.certainteed.com).

Figure 7: CertainTeed Landmark Solaris Data Sheet Excerpt

Gutters

Gutters and downspouts, when maintained, have an expected service life of twenty years. The gutters should be cleaned on a regular basis and more frequently in areas where trees are close or hang over the roofs. It is recommended that no vegetation be allowed to overhang roofs as this will cause damage to the roof and gutter systems over time, reducing the useful service life.

Special attention should be given to avoid wood rot at the fascia boards where the gutters are mounted.

The gutters of the single-family homes are not a common element and are the responsibility of the owner to maintain or replace. The gutters of the multi-family structures are considered a common element and the responsibility of the AOA.

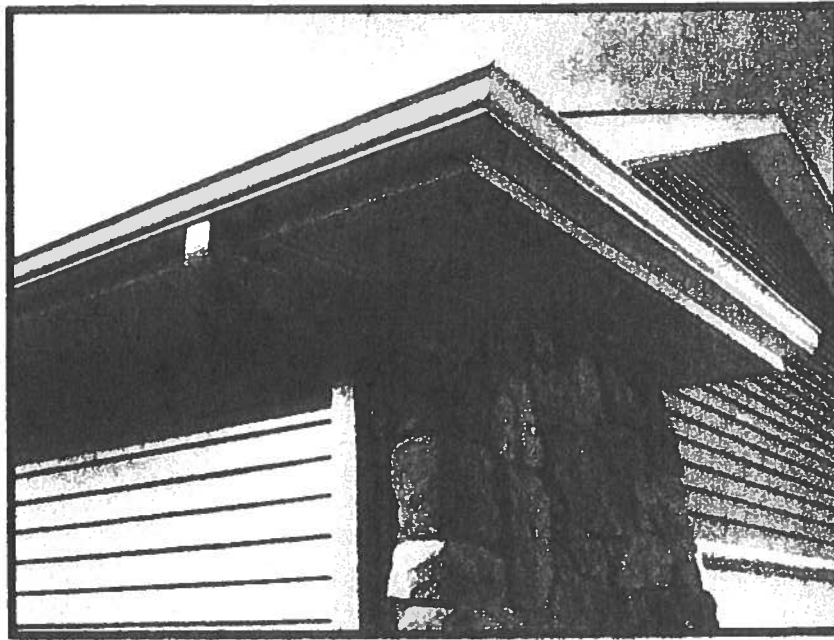


Figure 8: Example of Residential Gutter

Exterior Cladding

The exterior cladding is currently specified as a combination of fiber cement panel and lap siding with solid wood trim and decorative features. The assumed fiber cement cladding for this study is manufactured by James Hardie Siding Company.

Typical exterior fiber cement cladding systems have an expected service life of 30 to 50 years when properly maintained. The large variation in service life is due to exposure and maintenance. To ensure a longer service life, the AOA must protect and maintain the exterior cladding by performing limited repairs as needed as a part of the maintenance program.

Maintenance and replacement of damaged cladding can be addressed on an as-needed basis during scheduled and phased painting work, which should take place every seven to ten years. Full cladding replacement should be considered at the buildings when the siding is no longer viable and in poor condition. Comprehensive siding replacement projects requiring full exterior siding replacement should include updated cost estimates. Proposals from design professionals and licensed contractors should be obtained to determine the actual project costs.

Cladding replacement at single family homes has not been included in this Reserve Study as it has not been defined as being a common element for the AOA. Although the service life of building cladding exceeds the thirty-year duration of the reserve study, estimated initial costs for cladding replacement at the multi-family homes have been provided as a common element line item for convenience.

Exterior painting has an expected service life of seven (7) to ten (10) years when properly maintained. Repainting of the buildings should be based on an established painting schedule and can be phased, addressing repainting of the buildings during the useful service life of the existing

paint. Costs and scheduling for recoating of only multi-family homes have been included in the Reserve Study and the recoating of single-family units will be the responsibility of the unit owner.



Figure 9: Siding Sample from Provided Exhibit 17-1

Unit Signs

Unit signs are primarily to designate building numbers. The signs are typically wood or plastic and mounted either to cement post bases set in grade or mechanically fastened to walls of the buildings. Signage, when maintained properly, has an expected service life of fifteen (15) years. Sign repair costs are factored into monthly maintenance fees, as well as complete replacement when they have reached the end of their useful service life.

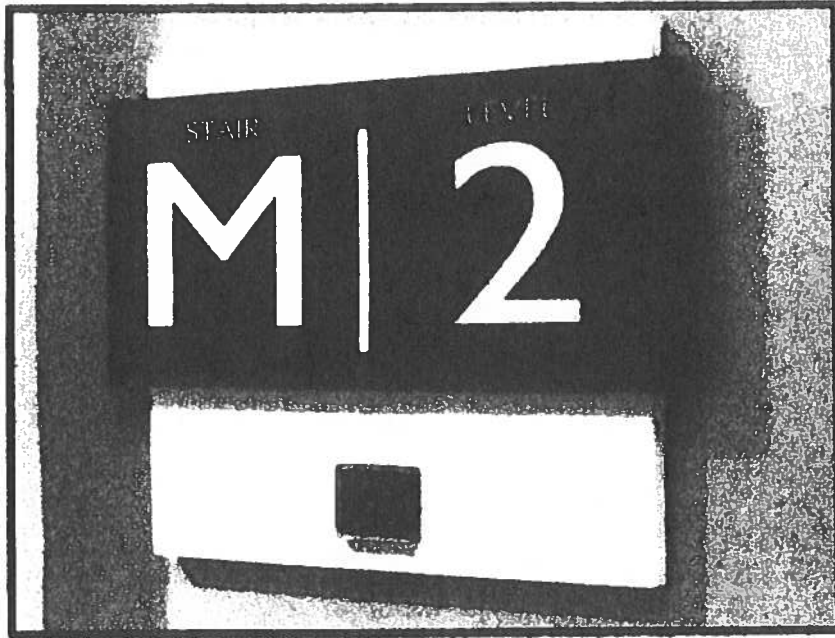


Figure 10: Examples of a Unit Sign

Asphalt and Concrete Surfaces

Sidewalks, walkways, asphalt drive lanes (multi-family) and carport parking on the site are the responsibility of the AOA. Concrete walkways will require maintenance annually and full replacement every forty (40) years.

Asphalt resealing should occur every five (5) years with a full replacement of the asphalt overlay every twenty (20) years. The cost of minor repairs to the asphalt should be factored into the monthly maintenance budget once established by the AOA.

Parking space striping located within the guest parking areas and carports has an expected service life of ten (10) years. Restriping the parking stalls should be phased when the asphalt is resealed or replaced.

The single-family private concrete driveways from the street to the garage are not considered a common element. Maintenance of the single-family driveways will be the responsibility of the unit owners and are not included in this report.

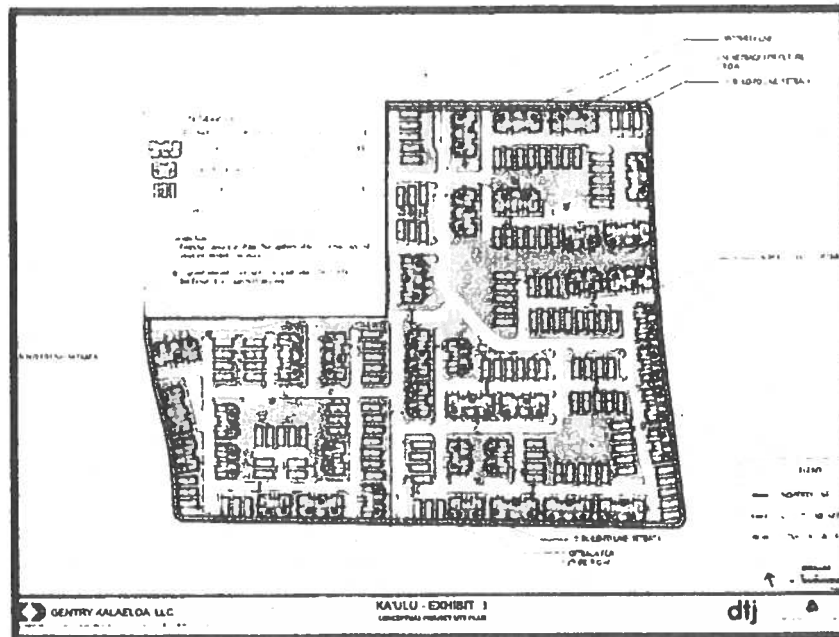


Figure 11: Conceptual Site Plan

Common Railing and Fencing Systems

Powder-coated aluminum railing/fencing with a height of three (3) feet will be installed at front yards of the multi-family buildings. Single-family buildings will have fencing with a height of three (3) feet at the front yard, and privacy fencing with the height of six (6) feet at the side and rear of the building. Single family fencing is the responsibility of the homeowner and is not a common element. Newly installed powder-coated fencing when properly maintained, has a service life of fifteen (15) years. Presuming the railing systems maintain their structural integrity, the service life can be extended by recoating which can be done during painting projects as an option to reduce reserve expenses for railing system replacements. Conditions should be assessed on site by a professional when Reserve Studies are routinely updated.

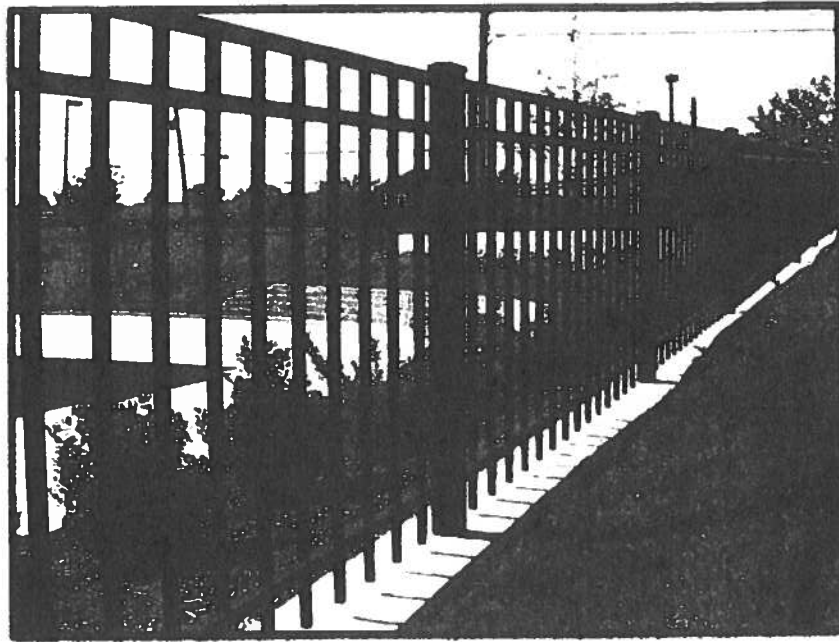


Figure 12: AmeriStar Echelon Majestic Fencing Example

Trash and Recycling

The site has been designed so the City and County will collect trash and recycling. For both single and multi-family homes, the trash areas will be the responsibility of the unit owner to maintain. Trash receptacles will be the property of City and County for both single-family and multi-family buildings and are not factored into this report.

Electrical

All units for both single and multi-family will have their own individual meters managed by HECO and will be the responsibility of the unit owners. The costs of maintaining the electrical meters have not been included within this reserve study.

Electrical control panel cabinets for the common area lighting and irrigation systems will be the responsibility of the AOAO. With proper maintenance and inspections electrical control cabinets have a service life of fifty (50) years before replacement is needed. Although the replacement service life exceeds the duration of this capital reserve study however 2022 installation costs have been. Replacement costs are based on the assumption that there will one electrical cabinet located at each mail kiosk, three cabinets in total. Note: The cabinets are also going to house water submetering for irrigation and internet, as reported by Gentry Kalaeloa LLC

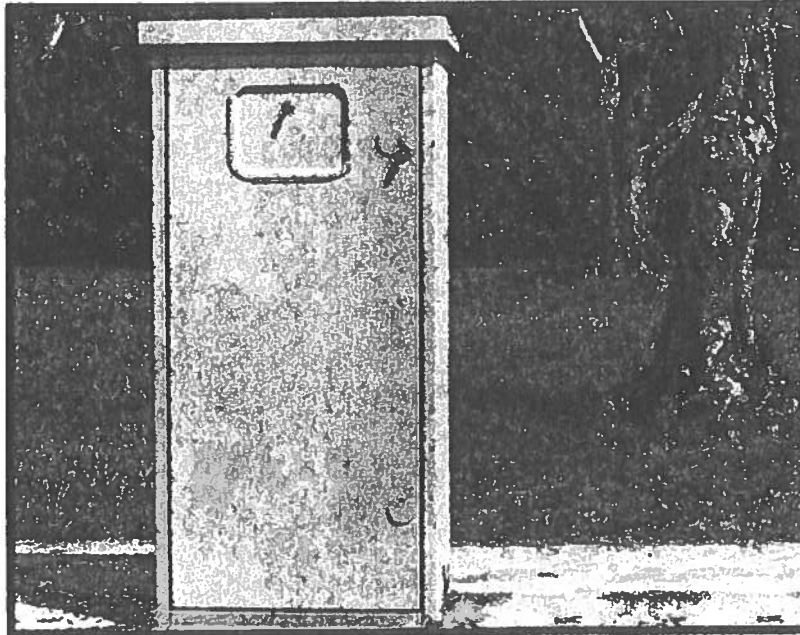


Figure 13: Example of an Outdoor Electrical Control Panel

Common Area Lighting

The common area lighting systems will cover streetlights and lighting at certain walkways (exact locations not determined at the time of this report), as well as garages and rear areas of the residential buildings. It was reported the lighting will be post lighting through the entire property. Generally, pole fixtures with energy-efficient LED lightbulbs have a service life of twenty (20) years, if properly maintained.

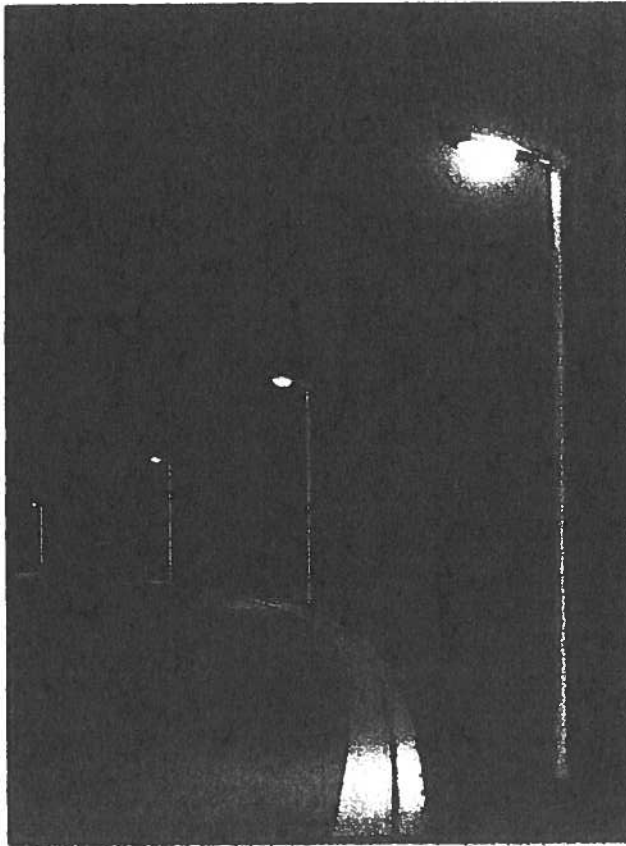


Figure 14: Common Area Lighting Pole Example

Recreation Areas

The site design includes four recreation areas throughout the property. Park benches and picnic tables have a service life of seven (7) years. The shade structures and open space trellises have a service life of twelve (12) years.

Two recreation areas have been designated as a playground and outdoor fitness area. The playground equipment and outdoor fitness equipment each have a service life of ten (10) years. The rubberized surface for both the playground and outdoor fitness has a service life of twelve (12) years if properly maintained.

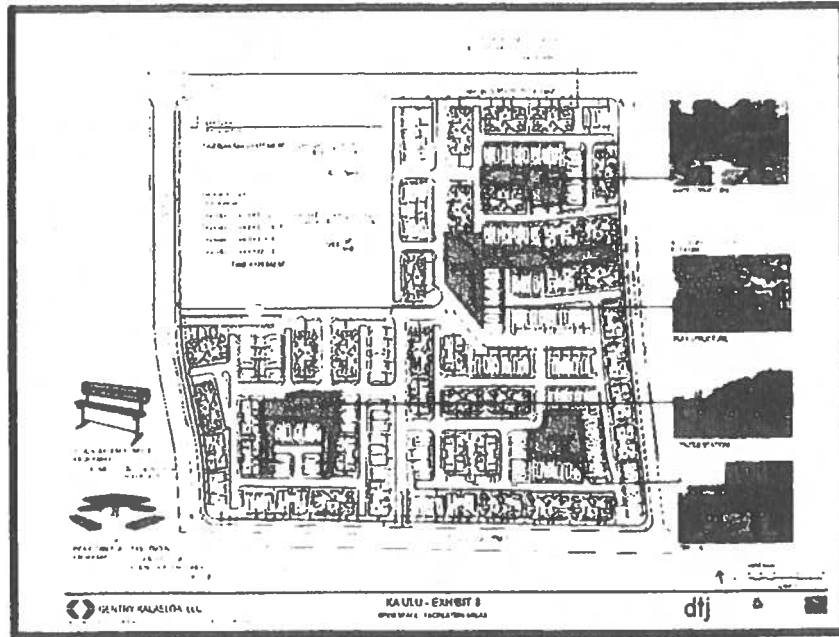


Figure 15: Conceptual Open Space / Recreation Areas



Figure 16: Example of Outdoor Fitness Area

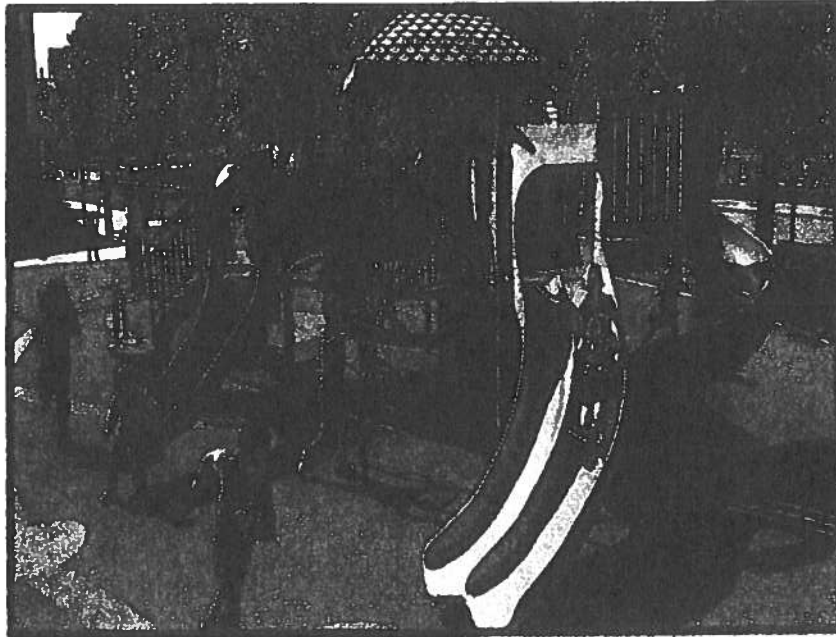


Figure 17: Example of Outdoor Playground

Mail Kiosk

The site is designed to have three cluster mail kiosks serving all 390 units. The type of cluster mailboxes and possible kiosk structures are undetermined at the time of this report. Cost estimates for the mailboxes is based on USPS-approved freestanding cluster mailboxes. Cluster mailboxes typically have a service life of fifteen (15) years.

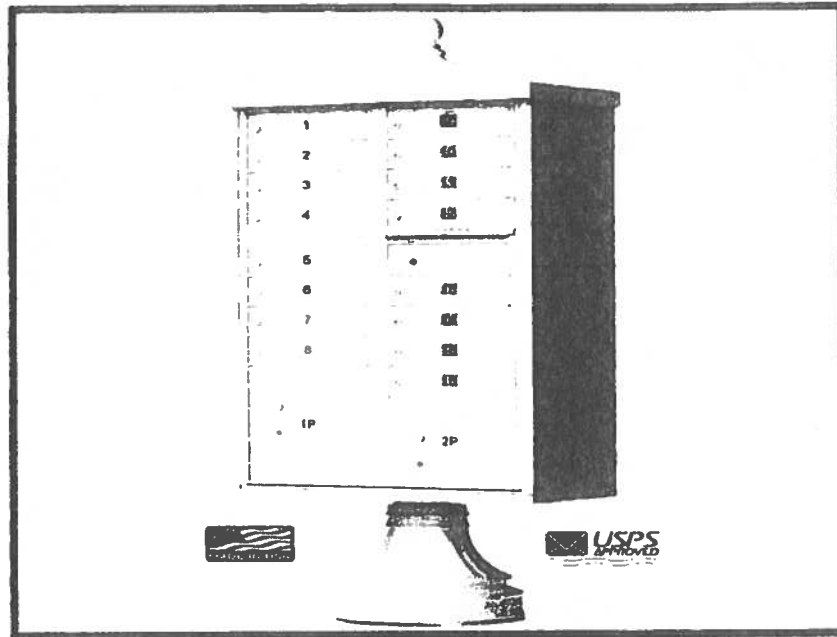


Figure 18: Example of USPS-Approved Cluster Mailbox

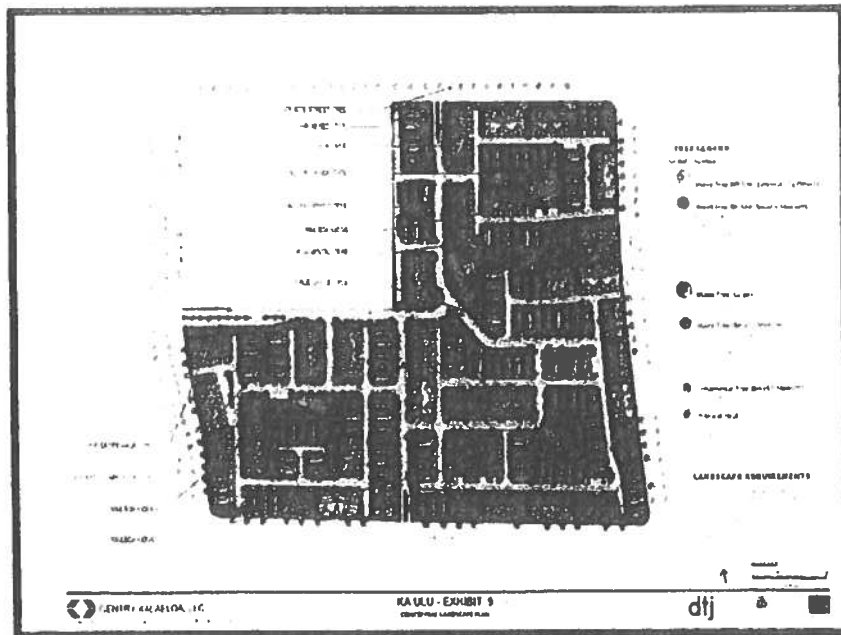


Figure 19: Conceptual Landscape Plan with Mail Kiosks

Bike Racks

The site is designed to include bicycle parking with racks holding 4 to 12 bicycles. Such racks have a typical service life of five (5) years before replacement.

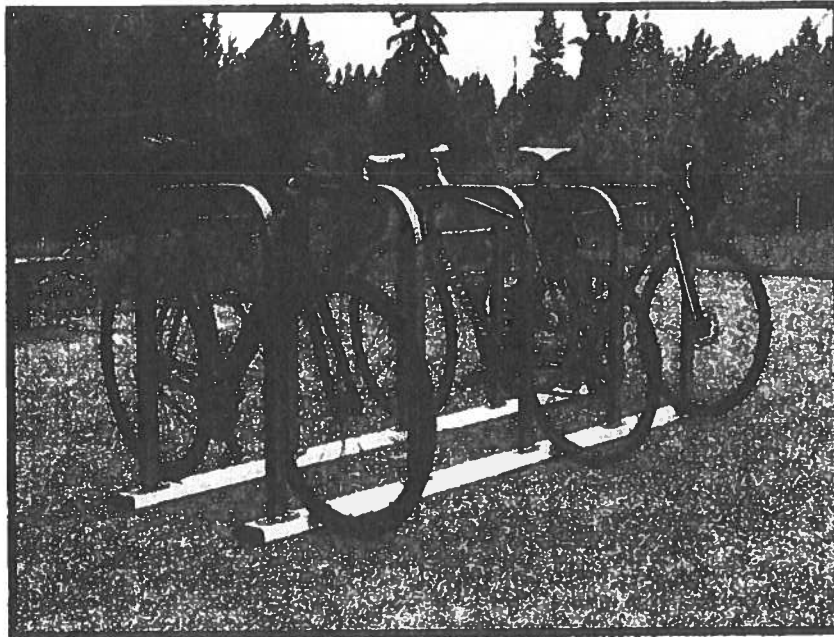


Figure 20: Example of Bicycle Rack

Fire Extinguisher Cabinets

Exterior fire extinguishers are required to be housed in approved fire extinguisher cabinets. OSHA requirements are to have one extinguisher cabinet accessible every 75 feet along the perimeter of each multi-family building. According to the National Fire Protection Association (NFPA) fact sheet, "fire extinguishers are not required for one or two-family homes". Based on preliminary drawings provided by the association, it is assumed 225 fire extinguisher cabinets will be required for the property in order to meet fire code. Fire extinguisher cabinets have a service life of ten (10) years with annual inspections required annually. The cost for annual inspections has been factored into the annual maintenance costs for the property.

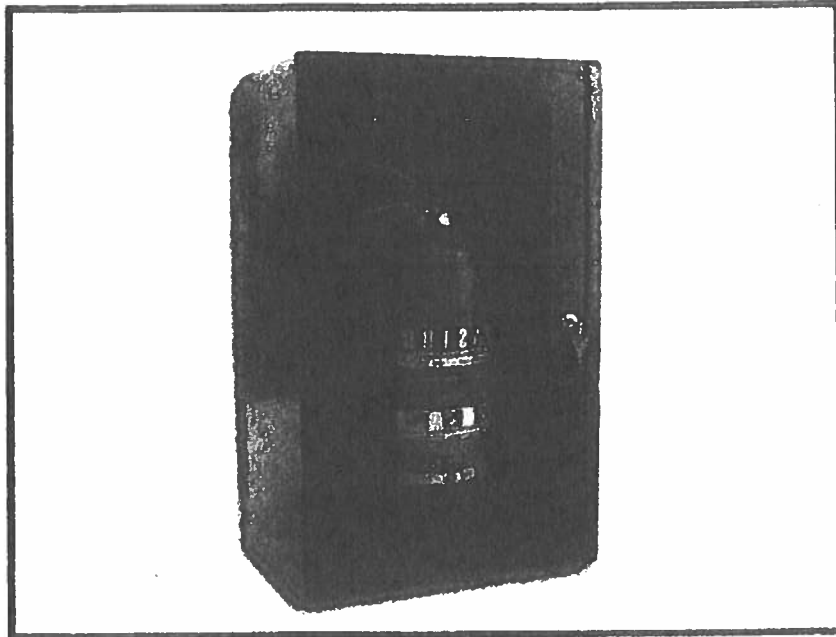


Figure 21: Example of Exterior Fire Extinguisher Cabinet

Fire Sprinkler and Alarm System

Fire sprinkler and alarm systems are to be installed within all multi-family units. Single-family units are not mandated to have fire alarms or fire sprinkler systems, hardwired smoke detectors with a battery backup are required within every bedroom at every level of the dwelling and at the immediate vicinity outside each bedroom. The smoke alarms are not a common element, are the responsibility of the unit owner and are not included within this reserve study. The system and manufacturer and locations within the units are unknown at this time however, according to HRS 123-3, in the multifamily units the sprinkler and alarm panel shall be located in an emergency command center which shall be accessible from the exterior of the building, permanently identified as to its function and provide alarm supervisory and trouble signals by means of an audio and visual indicator. Fire sprinkler systems, specifically the pumps and the control panels, typically have a service life of fifteen (15) years. Routine service, software updates and maintenance by qualified service providers are required. Annual inspections will be required under current fire code requirements for life safety and have been factored into general maintenance costs.

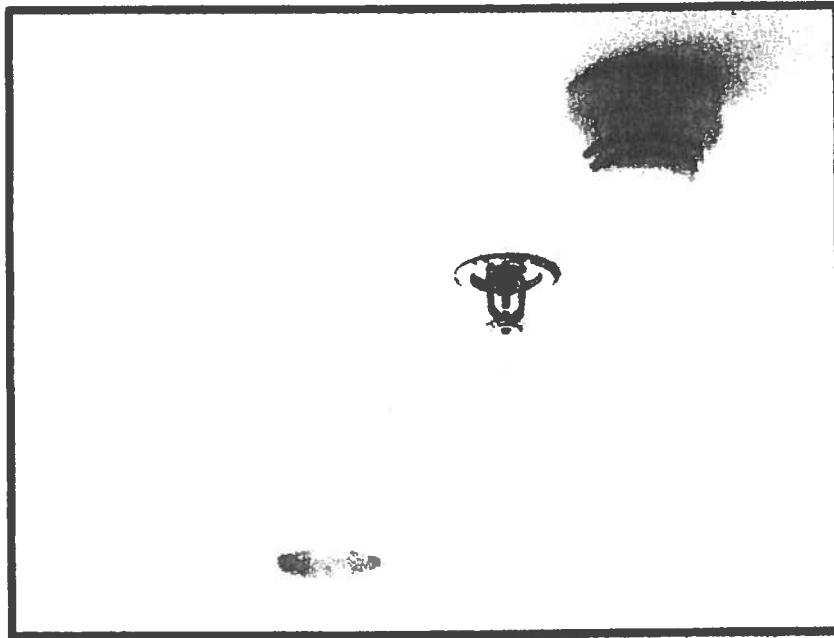


Figure 22: Example of Interior Fire Sprinkler and Alarm System

Common Area Landscaping

The on-site landscaping areas of trees, shrubbery and lawns will include an automatic irrigation system with a rain or moisture sensor, or with a system that eliminates water waste. Generally, landscaping typically has a service life of fifteen (15) years before major renovations, such as tree removal, plan replacement and excavation of growing medium, are necessary. These costs are included in this Reserve Study. The cost of annual landscaping maintenance has also been factored within the Reserve Study.

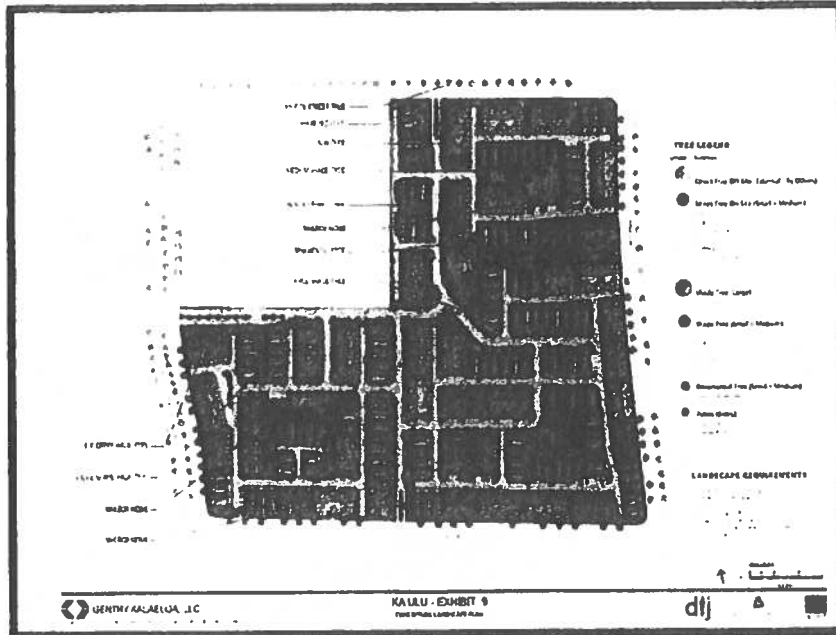


Figure 23: Conceptual Landscape Plan

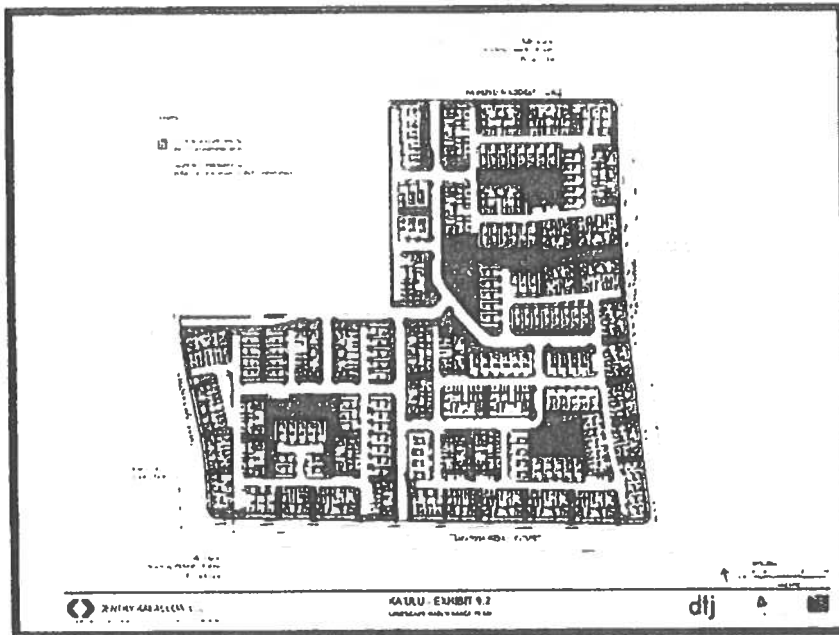


Figure 24: Landscape Maintenance Plan

Entry Monument

The site is designed to have two (2) entry monuments. The size and design of the entry monuments have not been selected at this time. Entry monuments typically have a service life of thirty-five (35) years before needing replacement. An estimated cost for the new monuments has

been included in this report. Once design is finalized and components are defined, the Reserve Study should be updated to reflect the actual costs of designed/installed materials.



Figure 25: Example of Entry Monument

Irrigation Systems

The irrigation systems will be automatic with a rain or moisture sensor, or with a system that eliminates water waste. The manufacturer is unknown at this time. Sprinkler heads should have directional control and should not be located close to buildings and walkway edges to avoid overspray at the bases of buildings and along walkway edges, to avoid premature deterioration of the building coatings and cladding and walkway surfaces. Irrigation systems with proper maintenance have a service life of ten (10) years before replacement or upgrades are necessary. The cost for annual maintenance has been factored into annual landscaping costs.

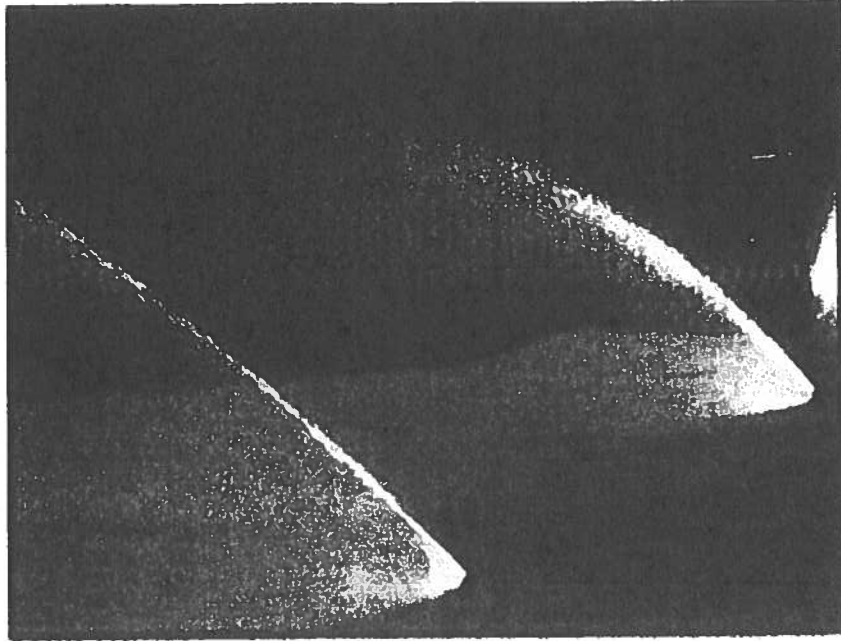


Figure 26: Example of Irrigation Sprinkler System

Wayfaring

Wayfaring signs showing building unit locations, parking areas, public notices, and signs to direct the flow of traffic, ingress or egress of the property will be installed throughout the property. Cost for repair of the signs is factored into annual maintenance fees. Signage, when maintained properly, has an expected service life of ten (10) years.

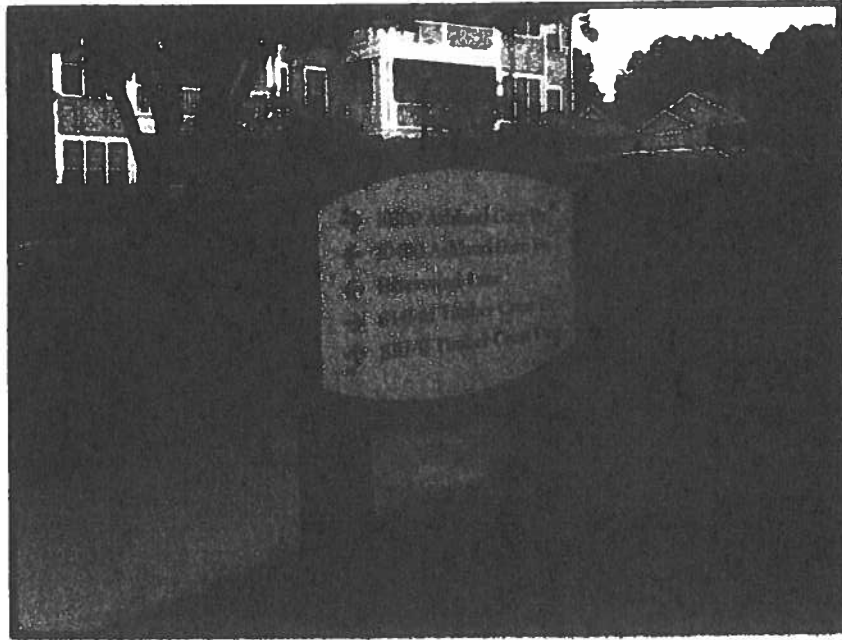


Figure 27: Example of Wayfaring Signage

Backflow Preventers

The common area backflow preventers will be for irrigation only and will be sized accordingly. For the purposes of this study a three by two (3 x 2") size has been assumed. Backflow preventers this size have a service life of twenty (20) years. Annual inspection of the backflow preventer has been factored into the landscaping maintenance costs.

The cost for the purchase and installation of the primary backflow preventer that services the property cannot be determined until further details are provided regarding the system

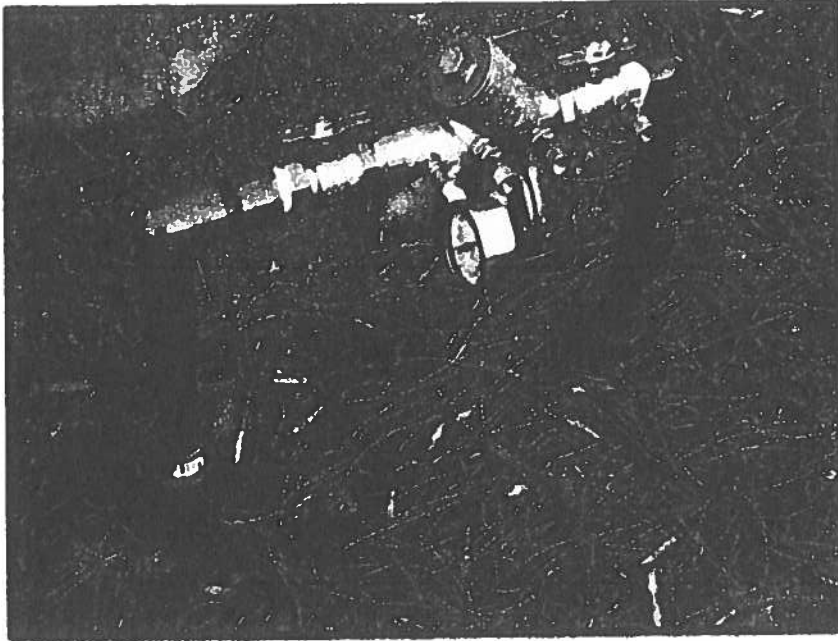


Figure 28: Example of Irrigation Backflow Preventer

Waste Piping

Waste piping will be installed at the units, both within the walls and below grade and will be connected to the main City and County Sewage Line. Waste piping has a service life of twenty-five (25) years.

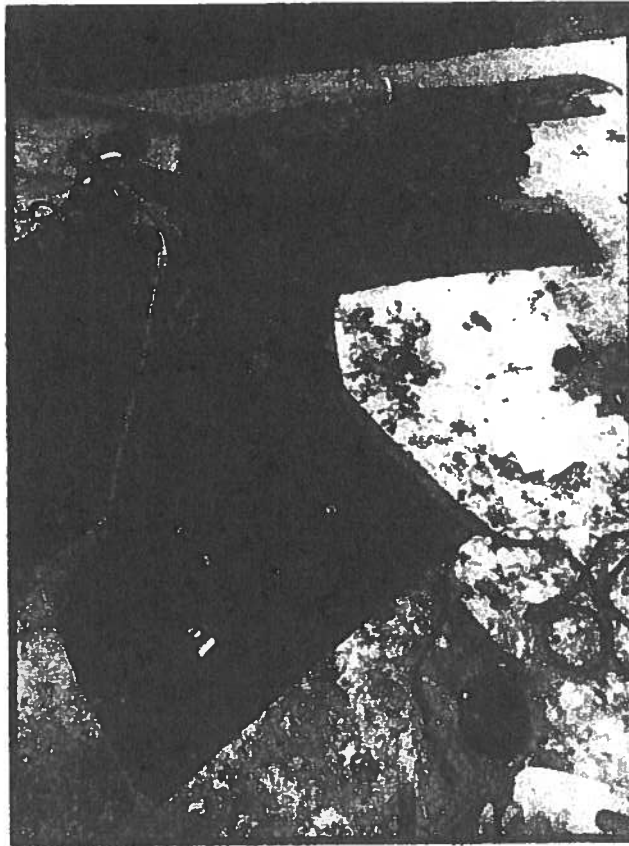


Figure 29: Example of Waste Piping

Water Shut-Off Valves at Owner Units

The main water shut-off valves servicing the owners' units should be easily accessible for maintenance.

The valves, when properly maintained, have a service life of fifteen (15) years. When replacements are necessary it is recommended that they are addressed by third party contractors and incorporated into/combined with landscaping and concrete walkway repairs.

It is reported the fresh water and sewage bills will be sub-metered and currently is a direct cost to the owners, and will not be included in the AOAO common area costs.



Figure 30: Example of Water Shut-Off Valve

General Maintenance

According to the information provided by Gentry Kalaeloa LLC, the following maintenance items are required for the project site. Initial starting costs are based on estimates provided by Gentry Kalaeloa LLC. See attached spreadsheet for maintenance costs plus inflation over the 30-year duration that is covered by this reserve study. Maintenance must be undertaken as projected to ensure the service life projections of the common and shared common capital elements identified and projected herein.

- Utilities - \$211,200.00
- Dryer Vent Cleaning - \$12,000.00
- Electrical Inspection and Maintenance - \$24,000.00
- Landscaping - \$18,000.000
- Fire Systems Inspection and Maintenance - \$18,000.00
- Common Areas, Mail, Pavilions - \$12,000.00
- Miscellaneous Repairs - \$24,000.00
- Professional Services - \$74,205.00
- Insurance and Fees - \$292,800.00
- Contract Services - \$420,000.00

Reserve Expenditures Summary

Estimated Useful Life, Replacement Year, and Replacement Cost

Component	Life	Replacement Year	2022 Cost
Asphalt Shingle Roof-Multi Family	40	2063	\$ 1,600,000.00
Gutters (Multi Family Unit)	20	2043	\$ 246,585.00
Exterior Coating - Multi Family	10	2033	\$ 1,167,300.00
Exterior Cladding - Multi Family	35	2038	\$ 3,135,000.00
Unit Signage	15	2038	\$ 8,250.00
Concrete Walkways	40	2063	\$ 700,000.00
Asphalt Overlay; Reconstruction	20	2043	\$ 1,554,000.00
Asphalt Resealing	5	2028	\$ 90,650.00
Parking Space Striping (151 Stalls)	10	2033	\$ 2,567.00
Site Fence - Multi-Family	15	2038	\$ 151,200.00
Lighting - Pole (215)	20	2043	\$ 473,000.00
Open Space/Park Benches (8)	7	2030	\$ 5,000.00
Open Space/Picnic Tables (8)	7	2030	\$ 12,000.00
Open Space/Shade Structures	10	2035	\$ 3,000.00
Open Space/Play Equipment	10	2033	\$ 30,000.00
Open Space Rubberized Playground Surface	12	2035	\$ 20,000.00
Open Space Rubberized Playground Surface	12	2035	\$ 20,000.00
Open Space/Fitness Equipment	10	2033	\$ 20,000.00
Open Space/Trellis	12	2035	\$ 3,000.00
Mailbox Cluster/ Kiosks (3)	15	2038	\$ 50,000.00
Bike Racks (4)	5	2028	\$ 2,000.00
Electrical Control Panel (3)	50	2073	\$ 30,000.00
Fire Alarm (Multi-Family)	15	2038	\$ 592,000.00
Fire Alarm Panel	15	2038	\$ 35,000.00
Fire Extinguisher Cabinets (225)	10	2033	\$ 18,000.00

Fire Sprinkler	25	2048	\$ 350,000.00
Common Area Landscaping	15	2038	\$ 35,000.00
Entry Monument (2)	35	2058	\$ 20,000.00
Irrigation System Control	10	2033	\$ 75,000.00
Wayfaring	10	2033	\$ 15,000.00
Irrigation Backflow Preventer Replacement (3)	20	2043	\$ 6,500.00
Waste Piping	25	2048	\$ 25,000.00
Shut-Off Valves (390)	15	2038	\$ 5,460.00
Annual Maintenance Costs Projected			
Utilities	1	2024	\$ 211,200.00
Electrical	1	2024	\$ 24,000.00
Landscaping	1	2024	\$ 18,000.00
Fire Systems	1	2024	\$ 18,000.00
Common Areas, Mail, Pavilions	1	2024	\$ 12,000.00
Misc. Repairs	1	2024	\$ 36,000.00
Professional Services	1	2024	\$ 74,205.00
Insurance and Fees	1	2024	\$ 332,000.00
Contract Services	1	2024	\$ 432,000.00

Please contact the writers with any questions.

TRINITY | ERD

BUILDING SCIENCE RESEARCH | DESIGN | CONSULTATION

Darbi Krumpós, CDT, BECxp, CxA+BE
For the firm

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EXHIBIT "H"

SUMMARY OF SALES CONTRACT

There are two different forms of Purchase Contracts for unit sales at Ka'ulu by Gentry II (each a "Sales Contract"): one for the sale of Attached Multi-Family Units and one for the sale of Detached Single-Family Units. Specimens of each Sales Contract have been submitted to the Real Estate Commission.

ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ, IN FULL, THE SALES CONTRACT THAT APPLIES TO THE UNIT THEY ARE BUYING, because the summary set forth below is NOT A COMPLETE DESCRIPTION of its contents.

The Sales Contract contains the price and other terms and conditions under which a Buyer will agree to buy a Unit in the Project. Among other things, the Sales Contract states the following terms and provisions (which may be modified or otherwise limited by provisions that are not summarized below):

1. Owner-Occupancy Requirements.

a. For Attached Multi-Family Units that are NOT Reserved Housing Units and for Detached Single-Family Units. Buyer must purchase the Unit for Buyer's own occupancy and use as Buyer's primary residence for at least 365 consecutive days after taking title. Buyer cannot have purchased a home from Developer or Gentry Homes, Ltd. (collectively, in this Exhibit, "Seller") within the 365 consecutive day period prior to the date Buyer signs the Sales Contract. Any breach or falsification of either of these requirements will be grounds for Seller to terminate the Sales Contract. Seller will have the right to verify that Buyer is occupying and using the Unit as Buyer's primary residence for the 365 consecutive day period after taking title. If Buyer does not occupy the Unit as Buyer's primary residence for a period of 365 consecutive days after taking title, then Seller will have the right to purchase the Unit from Buyer for an amount equal to the original purchase price of the Unit. If Buyer sells the Unit within 365 consecutive days after taking title, then Seller will be entitled to recover from Buyer an amount of money equal to the price Buyer received for the Unit (or the fair market value of any consideration received if other than cash), minus the original purchase price. This owner-occupant requirement is separate and apart from the statutory owner-occupant requirements set forth in HRS Section 514B-96.

b. For Attached Multi-Family Units that ARE Reserved Housing Units. Buyer must meet the eligibility requirements to purchase a Reserved Housing Unit and must physically occupy the Unit in compliance with the Kalaeloa Community Development District Rules, Chapter 216 of Title 15, Hawaii Administrative Rules (the "Kalaeloa Reserved Housing Rules") at least until expiration of the 5-year period after issuance of the Unit's certificate of occupancy (the "Regulated Term"). The County's maximum occupancy limits for a residential dwelling unit will apply. If Buyer violates the occupancy requirement, then the Hawaii Community Development Authority (the "HCDA") may purchase the Unit at a price determined by the HCDA.

2. Sale and Transfer Restrictions for Attached Multi-Family Units that ARE Reserved Housing Units. Pursuant to the Kalaeloa Reserved Housing Rules, the HCDA has a first option to purchase the Unit during the Regulated Term if Buyer wishes to sell the Unit during the Regulated Term, at a price determined by the HCDA. Also, as long as the equity sharing requirements in favor of the HCDA are in effect (even if after the Regulated Term), HCDA approval is necessary for any initial or subsequent mortgage placed on the Unit.

3. Equity Sharing Requirements Restrictions for Attached Multi-Family Units that ARE Reserved Housing Units. Buyer's transfer and sale of the Unit are also subject to equity sharing requirements in favor of the HCDA, which require Buyer to make a payment to the HCDA upon transfer of the Unit to a third party. The calculation of the payment is determined by, among other factors, the Unit's original fair market price, as determined by the HCDA, and its original sales contract price.

4. Other provisions.

a. Buyer has certain obligations if Buyer wants a mortgage loan to cover part of the purchase price.

b. Buyer's money will be held in escrow, under the terms of the Escrow Agreement.

c. Buyer will not receive interest on deposits made under the Sales Contract.

d. The Unit will be subject to various legal documents that Buyer should examine.

e. The Project will be subject to ongoing construction and sales activities, which may result in certain annoyances to Buyer.

f. Seller has no control over certain activities on nearby property owned by others, including commercial, military, utility and aviation activities. These activities may cause some inconveniences to Buyer. The Sales Contract includes an indemnity pursuant to which Buyer agrees to indemnify Seller and the owners of the nearby properties with respect to claims arising from or relating to activities, events and conditions occurring within the Project and/or the nearby properties, except in certain circumstances.

g. The Sales Contract will become binding on Buyer and Seller when (i) Seller has delivered to Buyer a public report and all applicable amendments and components with an effective date issued by the Hawaii Real Estate Commission, the Project's recorded declaration, recorded Bylaws, executed Project Rules, a letter-sized condominium map and any applicable amendments to those documents, (ii) Seller has delivered to Buyer a notice of Buyer's 30-day cancellation right on a form prescribed by the Real Estate Commission (the "Notice"), upon which Buyer may indicate that Buyer has had an opportunity to read the public report, understands the public report, and exercises the right to cancel the Sales Contract or waives the right to cancel the Sales Contract, and (iii) Buyer has waived Buyer's right to cancel the Sales Contract or is deemed to have waived the right to cancel the Sales Contract.

h. In the event of breach or default under the Sales Contract and an opportunity to correct or cure the default or breach, as set forth in the Sales Contract:

i. By Buyer:

A. Seller may cancel the Sales Contract and retain Buyer's initial deposit.

B. Otherwise, Seller may pursue remedies available to Seller at law, in equity or that Seller may have under the Sales Contract.

ii. By Seller:

A. Buyer may cancel the Sales Contract and Seller will return all deposits, without interest.

B. Otherwise, Buyer may pursue remedies available to Buyer at law or in equity or that Buyer may have under the Sales Contract.

NOTE: This Summary is not intended to be a thorough or exhaustive explanation of all terms and provisions contained in the Sales Contract. Although a Buyer can use this Summary as a general summary of some of Buyer's rights and obligations under the Sales Contract, Buyer must refer to the Sales Contract to determine all of Buyer's actual rights and obligations. If any conflict or difference exists between this Summary and the Buyer's Sales Contract, then the Sales Contract will control.

END OF EXHIBIT "H"

EXHIBIT "I"
SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement with First American Title Company, Inc. ("Escrow") has been submitted to the Real Estate Commission. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ, IN FULL, THE ESCROW AGREEMENT, because the summary set forth below is NOT A COMPLETE DESCRIPTION of its contents.

The Escrow Agreement describes the arrangement under which the deposits a Buyer makes under a Sales Contract will be held by Escrow. The following are some of the relevant terms stated in the Escrow Agreement:

1. Interest on Buyer's deposits will accrue in favor of the Seller and not the Buyer, unless the parties specifically provide otherwise.
2. Escrow will arrange for Buyer to sign all documents necessary for closing the transaction.
3. The Escrow Agreement describes the conditions upon which a refund will be made to Buyer.
4. The Escrow Agreement describes what will happen to a Buyer's funds if Buyer defaults under the Sales Contract.
5. The Escrow Agreement contains various other provisions and establishes certain charges with which the Buyer should become acquainted.
6. The Escrow Agreement provides that, upon Escrow's receipt of the following, Escrow may close a sale:
 - a. the Unit deed in recordable form executed by the Seller and the Buyer;
 - b. the full amount of the purchase price of the Unit, as stated in the Sales Contract;
 - c. any mortgage securing payment by the Buyer;
 - d. the Buyer's share of the closing costs;
 - e. any additional sums to be paid by the Buyer under the Sales Contract; and
 - f. any releases or partial releases of any mortgage, financing statement or other encumbrances on the Unit required to be released under Section 514B-45 of the Hawaii Revised Statutes, as amended.
7. The Escrow Agreement provides that the Buyer's deposits are refundable if any one of the following events should occur:
 - a. Seller and Buyer request Escrow in writing to return Buyer's deposits.
 - b. Seller or Buyer notifies Escrow that Buyer is exercising Buyer's right to cancel the Sales Contract pursuant to the terms of the Sales Contract.
 - c. Buyer notifies Escrow of Buyer's exercise of Buyer's right to cancel the Sales Contract pursuant to the terms of either Section 514B-87 or Section 514B-90 of the Hawaii Revised Statutes, as amended.
8. The Escrow Agreement provides that if Buyer defaults under the terms of the Sales Contract and Seller notifies Escrow in writing that Seller has elected to terminate the Sales Contract, then Escrow will treat all funds deposited by Buyer as funds of the Seller.

9. The Escrow Agreement provides that Buyer's funds will be disbursed to Seller, less any applicable fees and closing costs, upon the recordation of the Unit Deed.
10. The Escrow Agreement allows for disbursement of Buyer's funds prior to the recordation of the Unit Deed upon Seller satisfying certain conditions that Seller does not intend to satisfy, which means such provisions do not apply to Buyer.

NOTE: This Summary is not intended to be a thorough and exhaustive explanation of all terms and provisions contained in the Escrow Agreement. Buyer must refer to the Escrow Agreement to determine actual rights and obligations under the Escrow Agreement. If any conflict or difference exists between this Summary and the Escrow Agreement, then the Escrow Agreement will control and not this Summary.

END OF EXHIBIT "I"

EXHIBIT "J"

Building and Other Improvements. For Residential Units, the Unit and related common elements will be covered by a Limited Warranty. The Limited Warranty will be for a ten (10) year period (the "Limited Warranty Period"). The Limited Warranty Period for the building and related limited common elements will commence on the recording date of the deed to the Buyer. The coverage amount will be the base sales price of the Unit. The Limited Warranty Period for the common elements that are not limited common elements will commence on the date a particular common element is substantially complete. The Limited Warranty will be substantially similar to the sample Limited Warranty attached as Exhibit "J-1" to this Public Report. The Developer reserves the right to make changes to the Limited Warranty without further notification to Buyer. The Developer's obligations under the Limited Warranty are expressly conditioned on prompt notification by Buyer or the Association to the Developer of any defects in the Unit or common element, as applicable. In addition, Developer will not be responsible for damage to the Unit or common elements arising out of the failure of Buyer or the Association to take reasonable and prudent steps to maintain the property or to prevent damage or further damage to the Property.

ROUTINE MAINTENANCE WORK IS NOT COVERED BY ANY WARRANTY.

Appliances. Warranties on appliances furnished with a Unit are not provided by the Developer. The execution and delivery of the Unit deed is intended by the Developer to operate as an assignment from the Developer to the Buyer of the respective manufacturer's or dealers' warranties, if any, to the extent, however, the Developer is able and authorized to make such an assignment via the Unit deed.

HIBOR Warranty for Single-Family Units. As set forth in the sales contracts for the Single-Family Units, at closing, each Buyer of a Single-Family Unit must complete a HIBOR Warranty Certificate Application for Transfer for the Unit. (HIBOR is the name of the brand of lumber and plywood used in the construction of the Unit.) This document, once submitted by the Developer, will transfer the HIBOR Warranty from the Developer and/or the Developer's contractor to the Buyer. The terms of the HIBOR Warranty Certificate require the Buyer to have periodic termite inspections of the Unit by a licensed termite inspector at least every three (3) years. FAILURE OF THE BUYER TO HAVE SUCH PERIODIC INSPECTIONS DONE BY A LICENSED TERMITE INSPECTOR WILL INVALIDATE THE HIBOR WARRANTY. The periodic termite inspection reports must be sent to Pac-Chem LLC, c/o Structural Pest Control, Inc. 99-1191 Iwaena Street, Aiea, Hawaii 96701 within 60 days after the termite inspection. There are other requirements outlined in the HIBOR Warranty Certificate.

HIBOR Warranty for Multi-Family Units. For the Multi-Family Units, a HIBOR Warranty Certificate Application will be completed either by the Developer or the Managing Agent. (HIBOR is the name of the brand of lumber and plywood used in the construction of the Unit.) As set forth in the sales contracts for the Multi-Family Units, this document will transfer the HIBOR Warranty from the Developer and/or the Developer's contractor to the Association. The terms of the HIBOR Warranty Certificate require the Association to have periodic termite inspections of the buildings in which the Multi-Family Units are located by a licensed termite inspector at least every three (3) years. FAILURE OF THE ASSOCIATION TO HAVE SUCH PERIODIC INSPECTIONS DONE BY A LICENSED TERMITE INSPECTOR WILL INVALIDATE THE HIBOR WARRANTY. The periodic termite inspection reports must be sent to Pac-Chem LLC, c/o Structural Pest Control, Inc. 99-1191 Iwaena Street, Aiea, Hawaii 96701 within 60 days after the termite inspection. There are other requirements outlined in the HIBOR Warranty Certificate.

END OF EXHIBIT "J"

EXHIBIT "J-1"

SAMPLE LIMITED WARRANTY

HOME BUILDER'S LIMITED WARRANTY

Administered by Professional Warranty Service Corporation ("PWC")

TABLE OF CONTENTS

	Introduction
Section I.	Warranty Coverage
Section II.	OUR Warranty Obligations
Section III.	Homeowner Maintenance Obligations
Section IV.	Coverage Limitations
Section V.	Exclusions
Section VI.	Procedure to Request US To Perform Under This LIMITED WARRANTY
Section VII.	Binding Arbitration Procedure
Section VIII.	General Conditions
Section IX.	Definitions
	Binding Arbitration Request Form
	Subsequent Home Buyer Acknowledgment and Transfer form

**THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION, WHICH MAY
BE ENFORCED BY EITHER PARTY**

PWC FORM NO. 117 Rev. 01/2007

Throughout this **HOME BUILDER'S LIMITED WARRANTY**, referred to hereinafter as the "**LIMITED WARRANTY**", the words "**YOU**" and "**YOUR**" refer to the **HOMEOWNER**, including any subsequent owners, and, where applicable, a **HOMEOWNERS ASSOCIATION**. The words "**WE**", "**US**" and "**OUR**" refer to the **BUILDER**. The other words and phrases which appear in boldface uppercase type also have special meaning. Refer to the **Section IX. Definitions**, so that **YOU** will understand the terminology applicable to this **LIMITED WARRANTY**.

This **LIMITED WARRANTY** establishes an agreed method for determining when a **CONSTRUCTION DEFECT** exists and a clear understanding of **OUR** responsibilities for remedying any such **CONSTRUCTION DEFECT**. This **LIMITED WARRANTY** also helps distinguish a **CONSTRUCTION DEFECT** that is **OUR** responsibility from those minor imperfections that can reasonably be expected in a **HOME** or the **COMMON ELEMENTS** or that result from normal wear and tear or the neglect of routine **HOMEOWNER** or **HOMEOWNERS ASSOCIATION** maintenance responsibilities.

This **LIMITED WARRANTY** contains the procedures **YOU** must use to notify **US** of a condition in **YOUR HOME** or the **COMMON ELEMENTS** which **YOU** believe may constitute a **CONSTRUCTION DEFECT**. In the event a condition occurs in the **HOME** or the **COMMON ELEMENTS** that **YOU** believe may constitute a **CONSTRUCTION DEFECT**, **YOU** agree to submit any request for warranty performance in accordance with the procedure described in this **LIMITED WARRANTY**. Based on the information **YOU** provide and, where **WE** deem it necessary, information obtained from **OUR** onsite investigation, inspection and/or testing of the **HOME** or the **COMMON ELEMENTS**, **WE** will determine whether **WE** agree with **YOU** that the condition constitutes a **CONSTRUCTION DEFECT**. If **WE** determine that the condition reported by **YOU** is a **CONSTRUCTION DEFECT**, **WE** will remedy the condition in accordance with the remedies prescribed in this **LIMITED WARRANTY**. **WE** will make this determination in accordance with **Section II, OUR Warranty Obligations**, contained in this **LIMITED WARRANTY**.

THIS LIMITED WARRANTY PROVIDES THAT ANY AND ALL CLAIMS AND DISPUTES BETWEEN YOU AND US WHICH YOU AND WE ARE UNABLE TO RESOLVE BY MUTUAL AGREEMENT, SHALL BE RESOLVED SOLELY AND EXCLUSIVELY THROUGH FINAL AND BINDING ARBITRATION IN ACCORDANCE WITH THE TERMS AND PROCESS DESCRIBED WITHIN THIS DOCUMENT. BY THIS AGREEMENT, BOTH YOU AND WE ARE WAIVING THE RIGHT TO LITIGATE DISPUTES IN COURT.

To the extent permitted by law, all express or implied warranties other than this **LIMITED WARRANTY**, including any oral or written statement or representation made by **US** or any other person, and any implied warranty of habitability, merchantability or fitness for a particular purpose, are hereby disclaimed by **US** and are waived by **YOU**. **YOUR** only remedy in the event of a **CONSTRUCTION DEFECT** in or to the **HOME** or the **COMMON ELEMENTS** or to the real property on which the **HOME** or the **COMMON ELEMENTS** is situated is that provided to **YOU** under this **LIMITED WARRANTY**.

Enclosed with this **LIMITED WARRANTY** is a Limited Warranty Validation Form. The Limited Warranty Validation Form is a part of the **LIMITED WARRANTY** and provides the dates on which the warranty coverage period begins and expires. It is important that this form be retained with the **LIMITED WARRANTY**.

WE have contracted with **PWC** for certain administrative services relative to this **LIMITED WARRANTY**. **PWC's** sole responsibility is to provide administrative services as set forth herein. Under no circumstances or conditions is **PWC** responsible for fulfilling **OUR** obligations under this **LIMITED WARRANTY**.

There may be instances where an additional **PWC** administered Builder's Limited Warranty is issued together with this **LIMITED WARRANTY**. If both of these warranties are issued to **YOU**, **YOU** agree to request warranty performance under either warranty relative to warrantable issues on the **HOME** or the **COMMON ELEMENTS**. **YOU** may not collect twice relative to the same issue.

If any provision of this **LIMITED WARRANTY** is determined to be unenforceable, such a determination will not affect the remaining provisions. If this **LIMITED WARRANTY** or any provision herein is determined to be

unenforceable as to a **HOMEOWNERS ASSOCIATION** or a specific **HOMEOWNER**, such a determination will not affect the enforceability of this **LIMITED WARRANTY** or such provision as to any other **HOMEOWNERS ASSOCIATION** or any other **HOMEOWNER**. Any dispute as to the enforceability of any provision of this **LIMITED WARRANTY**, including any dispute as to the scope or enforceability of the arbitration provision contained herein, shall be determined by binding arbitration as provided for in this **LIMITED WARRANTY**.

I. Warranty Coverage

Coverage under this **LIMITED WARRANTY** is expressly limited to **CONSTRUCTION DEFECTS** which occur during the **WARRANTY PERIOD** indicated on the Limited Warranty Validation Form and which are reported by **YOU** in accordance with the notification requirements of **Section VI. Procedure to Request US To Perform Under This LIMITED WARRANTY**. **OUR** obligations under this **LIMITED WARRANTY** apply to workmanship actually performed and materials actually installed in the **HOME** or the **COMMON ELEMENTS**. Any failure by **US** to complete construction of the **HOME** or **COMMON ELEMENTS**, where such failure is apparent and obvious, is not covered by this **LIMITED WARRANTY** and is not a **CONSTRUCTION DEFECT**.

During the **WARRANTY PERIOD** indicated on the Limited Warranty Validation Form, **WE** warrant that the **HOME** and the **COMMON ELEMENTS** will be free of **CONSTRUCTION DEFECTS**. **OUR** obligation to perform under this **LIMITED WARRANTY** requires that **WE** must receive written notice from **YOU** of the alleged **CONSTRUCTION DEFECT** as soon as reasonably possible after **YOU** become aware of a **CONSTRUCTION DEFECT** but not later than thirty (30) days after the expiration of the coverage. Telephonic or face-to-face discussion is not a substitute for required written notice and will not protect **YOUR** rights under this **LIMITED WARRANTY** (see **Section VI. Procedure to Request US To Perform Under This LIMITED WARRANTY**).

II. OUR Warranty Obligations

Upon **OUR** timely receipt of written notice from **YOU** alleging a **CONSTRUCTION DEFECT** during the **WARRANTY PERIOD**, **WE**, or parties acting on **OUR** behalf, will, where **WE** deem it necessary, inspect, investigate and/or test (including destructive testing) the condition alleged to be a **CONSTRUCTION DEFECT**. If **WE** determine that a **CONSTRUCTION DEFECT** exists, **WE**, or parties acting on **OUR** behalf, will (1) repair or replace the **CONSTRUCTION DEFECT**, (2) pay to **YOU** the actual amount it would cost **US** to repair or replace the **CONSTRUCTION DEFECT**, or (3) pay to **YOU** an amount equal to the diminution in fair market value caused by the uncorrected **CONSTRUCTION DEFECT**. Subject to the limitations described in **Section IV. Coverage Limitations**, if the **HOME** is rendered temporarily uninhabitable by a **CONSTRUCTION DEFECT** or by work necessary to repair a **CONSTRUCTION DEFECT**, **WE** shall pay the reasonable cost for **YOUR** alternate shelter until the **HOME** is restored to a habitable condition. Additionally, in connection with **OUR** remedy of a **CONSTRUCTION DEFECT**, and subject to the limitations described in **Section IV. Coverage Limitations**, **WE** shall repair, replace or pay the reasonable cost for:

- Those surfaces, finishes and coverings that are part of the **HOME** and that are damaged directly by a **CONSTRUCTION DEFECT** or that are damaged in the course of **OUR** repair of a **CONSTRUCTION DEFECT**
- Home furnishings, carpet or personal property damaged directly by the **CONSTRUCTION DEFECT**.

The decision to repair, replace, or to make payment in lieu of repair or replacement is at **OUR** or **OUR** authorized representative's sole discretion. These remedies are **OUR** only obligations under this **LIMITED WARRANTY**.

A. Standards By Which the Existence of a CONSTRUCTION DEFECT Will Be Determined:

The following factors will be considered in determining whether a condition constitutes a **CONSTRUCTION DEFECT**. If **WE** dispute the existence of a **CONSTRUCTION DEFECT** and that dispute is submitted to binding arbitration, the parties agree these same factors will be considered by the arbitrator:

1. Any performance standards, tolerances or guidelines contained in documents provided to **YOU** by **US** at or prior to closing on the **HOME** or, in the case of a **HOMEOWNERS ASSOCIATION**, prior to transferring title or control to all the **COMMON ELEMENTS**. In the absence of a specific standard, tolerance or guideline in the documents for a condition occurring during the first year of the **WARRANTY PERIOD**, the Residential Construction Performance Guidelines published by the National Association of Home Builders, in effect at the time of construction of the **HOME** or, in the case of the **HOMEOWNERS ASSOCIATION**, at the time of construction of the **COMMON ELEMENTS**, shall apply. If no specific standard, tolerance or guideline is contained in any of the documents identified above, generally accepted local building practices and standards shall apply.
2. Consideration as to whether the condition:
 - materially affects the structural integrity of the **HOME** or **COMMON ELEMENTS**, or
 - has an obvious and material negative impact on the appearance of the **HOME** or **COMMON ELEMENTS**, or
 - jeopardizes the life or safety of the occupants of the **HOME** or the users of the **COMMON ELEMENTS**, or
 - results in the inability of the **HOME** or a **COMMON ELEMENT** to provide the functions that can reasonably be expected in such a **HOME** or **COMMON ELEMENT**.
3. Consideration as to whether a condition is the result of normal wear and tear. Conditions that are normal wear and tear, or that are caused by normal wear and tear are not **CONSTRUCTION DEFECTS**.
4. Consideration as to whether the condition was caused by, or in any way resulted from, the failure of the **HOMEOWNER** or **HOMEOWNERS ASSOCIATION** to perform normal or routine maintenance. Any condition that is determined to be a **HOMEOWNER** or **HOMEOWNERS ASSOCIATION** maintenance issue, or any condition that results from improper or inadequate **HOMEOWNER** or **HOMEOWNERS ASSOCIATION** maintenance, is not a **CONSTRUCTION DEFECT**.
5. Consideration as to whether the condition was caused by persons or entities other than **US** or someone acting on **OUR** behalf. Damage caused by persons or entities other than **US** or someone acting on **OUR** behalf is not a **CONSTRUCTION DEFECT**. For example, a large, visible scratch on marble tile in the entry foyer that was not noted in the pre-closing walk through inspection, but was reported after furniture was moved into the **HOME**, will not be considered a **CONSTRUCTION DEFECT**.
6. Recognition that any condition resulting directly or indirectly from or worsened by changes, additions, alterations or other actions or omissions by persons or entities other than **US** or someone acting on **OUR** behalf, will not be considered a **CONSTRUCTION DEFECT** (this includes, for example, changes to the topography, drainage or grade of the property);
7. Any **Exclusions** contained in this **LIMITED WARRANTY**.

III. Homeowner Maintenance Obligations

Maintenance of the **HOME** and the **COMMON ELEMENTS** is **YOUR** responsibility. All homes and common elements require periodic maintenance to prevent premature deterioration, water intrusion, and to ensure adequate performance of the **SYSTEMS**. **WE** will make a "Homeowner Maintenance Manual" or similar publication available to **YOU** upon request. Whether from this document or others that are readily available to **YOU**, **YOU** must understand and perform the maintenance that the **HOME** and **COMMON ELEMENTS** require. **WE** are not responsible for **HOME** or **COMMON ELEMENTS** maintenance issues or for damage that results from **YOUR** failure to maintain the **HOME** or the **COMMON ELEMENTS**.

IV. Coverage Limitations

Surfaces, finishes and coverings in the **HOME** which require repair due to damage caused by a **CONSTRUCTION DEFECT**, or such damage caused in the course of **OUR** repair of a **CONSTRUCTION DEFECT**, shall be repaired and restored to approximately the same condition as existed prior to the **CONSTRUCTION DEFECT**, but not necessarily to a like new condition. When repairing or replacing surfaces, finishes and coverings, the repair or replacement will attempt to achieve as close a match with the original surrounding areas as is reasonably possible, but an exact match cannot be guaranteed due to such factors as fading, aging and unavailability of the same materials.

Home furnishings, carpet or personal property damaged by a **CONSTRUCTION DEFECT** shall be repaired or replaced at market value of the item at the time of damage. "Market value" shall mean the amount it would cost to repair or replace the damaged item with material of like kind and quality, less allowance for physical deterioration and depreciation, including obsolescence.

Alternate shelter during such time as the **HOME** is uninhabitable due to a **CONSTRUCTION DEFECT** or uninhabitable during work to repair a **CONSTRUCTION DEFECT**, shall be limited to those shelter costs expressly pre-approved by **US** or **OUR** designated representative.

V. Exclusions

- A. This **LIMITED WARRANTY** does not cover
1. Any loss or damage resulting, either directly or indirectly, from the following causes, or occurring in the following situations:
 - a. Fire (unless caused by a **CONSTRUCTION DEFECT**);
 - b. Lightning;
 - c. Explosion (unless caused by a **CONSTRUCTION DEFECT**);
 - d. Riot and Civil Commotion;
 - e. Smoke (unless resulting from a **CONSTRUCTION DEFECT**);
 - f. Hail;
 - g. Aircraft;
 - h. Falling Objects;
 - i. Vehicles;
 - j. Floods;
 - k. Earthquake;
 - l. Landslide or mudslide originating on property other than the site of the **HOME** or the **COMMON ELEMENTS** or other property developed by the **BUILDER**;
 - m. Mine subsidence or sinkholes;
 - n. Changes in the underground water table not reasonably foreseeable by the **BUILDER**;

- o. Volcanic eruption; explosion or effusion;
 - p. Wind including:
 - (i). Gale force winds;
 - (ii). Hurricanes;
 - (iii). Tropical storms;
 - (iv). Tornadoes;
 - (v). Rain or water intrusion or moisture within the **HOME** resulting from any wind forces described in p. (i) – (iv) above.
 - q. Insects, animals or vermin;
 - r. Changes to the grading of the ground, or the installation or alteration of improvements such as drain or gutter outlets by anyone other than **US** or **OUR** agents, or subcontractors which results in surface drainage towards the **HOME**, or other improper drainage that permits water to pond or become trapped in localized areas or against the foundation;
 - s. Changes, additions, or alterations made to the **HOME** or the **COMMON ELEMENTS** by anyone after the **WARRANTY PERIOD** begins, except those made or authorized by **US**;
 - t. Any defect in material or workmanship supplied by anyone other than **US** or **OUR** agents, or subcontractors, including any loss or damage to the **HOME** or the **COMMON ELEMENTS** resulting from material or workmanship supplied by anyone other than **US** or **OUR** agents, or subcontractors;
 - u. Improper maintenance, negligence or improper use of the **HOME** or the **COMMON ELEMENTS** by **YOU** or anyone other than **US** that results in rot, dry rot, moisture, rust, mildew or any other damage;
 - v. Dampness or condensation due to **YOUR** failure to maintain adequate ventilation;
 - w. Damage resulting from the weight and/or performance of any type of waterbed or other furnishings which exceeds the load-bearing design of the **HOME** or the **COMMON ELEMENTS**;
 - x. Normal wear and tear or normal deterioration of materials;
 - y. Economic damages due to the **HOME'S** or the **COMMON ELEMENTS'** failure to meet expectations of the **HOMEOWNER** or **HOMEOWNERS ASSOCIATION**.
2. Any loss or damage resulting from the actual, alleged or threatened discharge, dispersal, release or escape of **POLLUTANTS**. **WE** will not cover costs or expenses arising from the uninhabitability of the **HOME** or the **COMMON ELEMENTS** or health risk due to the proximity of **POLLUTANTS**. **WE** will not cover costs, or expenses resulting from the direction of any governmental entity to test, clean-up, remove, treat, contain or monitor **POLLUTANTS**;
 3. Any loss or damage resulting from the effects of electromagnetic fields (EMF's) or radiation;
 4. Any damage to personal property that does not result from a **CONSTRUCTION DEFECT**;
 5. Any **CONSEQUENTIAL OR INCIDENTAL DAMAGES**;
 6. Any **CONSUMER PRODUCTS**;
 7. Any **CONSTRUCTION DEFECT** as to which **YOU** have not taken timely and reasonable steps to protect and minimize damage after **WE** or **OUR** authorized representative have provided **YOU** with authorization to prevent further damage;
 8. Any damage to the extent it is incurred after or as a result of **YOUR** failure to notify **US** in the manner and time required under this **LIMITED WARRANTY**;
 9. Any costs or obligations paid or incurred by **YOU** in violation of **Section VI. C.** below;
 10. Any non-conformity with local building codes, regulations or requirements where the condition does not meet the definition of a **CONSTRUCTION DEFECT**. While **WE** acknowledge **OUR** responsibility

to build in accordance with applicable building codes, this **LIMITED WARRANTY** does not cover building code violations in the absence of a **CONSTRUCTION DEFECT**;

11. Any deviation from plans and specifications where the condition does not meet the definition of a **CONSTRUCTION DEFECT**
- B. **OUR LIMITED WARRANTY** does not cover any **CONSTRUCTION DEFECT** which would not have occurred in the absence of one or more of the excluded events or conditions listed in the Exclusions above, regardless of:
1. The cause of the excluded event or condition;
 2. Other causes of the loss or damage; or
 3. Whether other causes acted concurrently or in any sequence with the excluded event or condition to produce the loss or damage.

VI. Procedure to Request US To Perform Under This LIMITED WARRANTY

If **YOU** become aware of a condition that **YOU** believe is a **CONSTRUCTION DEFECT** under this **LIMITED WARRANTY**, **YOU** have the following responsibilities:

A. Notification

YOU must notify **US** in writing as soon as reasonably possible after **YOU** become aware of a condition that **YOU** believe may constitute a **CONSTRUCTION DEFECT**, but in no event may **YOUR** written notice of a **CONSTRUCTION DEFECT** or **YOUR** written request for warranty performance be received by **US** later than thirty (30) days after this **LIMITED WARRANTY** has expired. This extended period for providing notice of a **CONSTRUCTION DEFECT** shall not operate to extend the **WARRANTY PERIOD**.

If the written notice is received by **US** more than thirty (30) days after the expiration of this **LIMITED WARRANTY**, **WE** shall have no obligation to remedy the **CONSTRUCTION DEFECT**. Because of the importance of this written notice requirement, **WE** recommend that notice always be sent by Certified Mail, return receipt requested, in order to establish a record.

B. Cooperate With US

YOU must give **US** and any third parties acting on **OUR** behalf reasonable help in inspecting, investigating, testing (including destructive testing), monitoring, repairing, replacing or otherwise correcting an alleged **CONSTRUCTION DEFECT**. Help includes, but is not limited to, granting reasonable access to the **HOME** or **COMMON ELEMENTS** for the forgoing purposes. If **YOU** fail to cooperate or provide **US** reasonable access to the **HOME** or **COMMON ELEMENTS**, **WE** will have no further obligation under this **LIMITED WARRANTY**.

C. Do Not Make Voluntary Payments

YOU agree not to make any voluntary payments or assume any obligations or incur any expenses for the remedy of a condition **YOU** believe is a **CONSTRUCTION DEFECT** without prior written approval from **US**, or other parties authorized to act on **OUR** behalf. **WE** will not reimburse **YOU** for costs incurred where **YOU** did not obtain prior written approval.

However, **YOU** may incur reasonable expenses in making repairs in an **EMERGENCY CONDITION** without prior written approval, provided the repairs are solely for the protection of the **HOME** or **COMMON**

ELEMENTS from further damage or to prevent an unsafe living condition and provided **YOU** notify **US** as soon as is reasonably possible. To obtain reimbursement for repairs made during an **EMERGENCY CONDITION**, **YOU** must provide **US** with an accurate written record of the repair costs.

D. Sign A Release

When **WE** or a third party acting on **OUR** behalf have completed repairing, replacing or paying **YOU** as to any **CONSTRUCTION DEFECTS** and related damage covered by this **LIMITED WARRANTY**, **YOU** may be requested to sign a full release of **OUR** obligation for the **CONSTRUCTION DEFECTS**. The release shall be applicable to the **CONSTRUCTION DEFECTS** and shall not prevent **YOU** from notifying **US** should **YOU** become aware of a subsequent **CONSTRUCTION DEFECT**.

E. If **YOU** Disagree With **US**

If **YOU** believe **WE** have not satisfactorily responded to **YOUR** request for warranty performance or satisfactorily worked with **YOU** to resolve any other claim or dispute between **YOU** and **US**, **YOU** should provide written notice to **PWC** requesting Mediation. Upon **PWC's** receipt of written notice from **YOU**, **PWC** may review and mediate **YOUR** request. **PWC** may communicate with **YOU**, **US**, and any other individuals or entities that **PWC** believes may possess relevant information. If after forty-five (45) days, **PWC** is unable to successfully mediate **YOUR** claim or dispute, or at any earlier time when **PWC** determines that **YOU** and **WE** are at an impasse, **PWC** will notify **YOU** that **YOUR** request remains unresolved and that **YOU** may elect to initiate binding arbitration. Binding arbitration as described in the following section is the sole remedy for the resolution of disputes between **YOU** and **US**.

VII. Binding Arbitration Procedure

Following commencement of the **WARRANTY PERIOD**, any claim, controversy or dispute (hereafter collectively referred to as "dispute") between **YOU** and **US**, or parties acting on **YOUR** or **OUR** behalf, including **PWC**, and any successor or assign of either **YOU** or **US**, which relates to or arises from this **LIMITED WARRANTY**, or the design or construction of the **HOME** or the **COMMON ELEMENTS**, or the sale of the **HOME** or transfer of title to the **COMMON ELEMENTS**, will be resolved solely by binding arbitration and not through litigation in court before a judge or jury. This agreement to arbitrate is intended to inure to the benefit of, and be enforceable by, **OUR** contractor, subcontractors, agents, vendors, suppliers, design professionals, materialmen, and any of **OUR** direct or indirect subsidiaries or related entities alleged to be responsible for any **CONSTRUCTION DEFECT**. Disputes subject to binding arbitration include, but are not limited to:

- A. Any disagreement that a condition in the **HOME** or the **COMMON ELEMENTS** is a **CONSTRUCTION DEFECT**;
- B. Any disagreement as to the method or scope of repair required to correct a **CONSTRUCTION DEFECT** or whether a **CONSTRUCTION DEFECT** has been corrected in compliance with this **LIMITED WARRANTY**;
- C. Any alleged breach of this **LIMITED WARRANTY**;
- D. Any alleged violation of consumer protection, unfair trade practice, or any other statute;
- E. Any allegation of negligence, strict liability, fraud, and/or breach of duty of good faith, and any other claims arising in equity or from common law;
- F. Any dispute concerning the interpretation of this arbitration provision or the arbitrability of any issue;

- G. Any dispute concerning the timeliness of **OUR** performance and/or **YOUR** notifications under this **LIMITED WARRANTY**.
- H. Any dispute as to the payment or reimbursement of the arbitration filing fee.
- I. Any dispute as to whether this **LIMITED WARRANTY**, or any provision hereof, including, but not limited to, this arbitration clause and any waiver hereunder, is enforceable.
- J. Any other claim arising out of or relating to the sale, design or construction of **YOUR HOME** or the **COMMON ELEMENTS**, including, but not limited to any claim arising out of, relating to or based on any implied warranty or claim for negligence or strict liability not effectively waived by this **LIMITED WARRANTY**.

The arbitration shall be conducted by DeMars and Associates, Ltd. (www.demarsassociates.com) pursuant to its Construction Arbitration Program ("CAP"), or by such other neutral, independent arbitration service that **PWC** shall appoint. If **YOU** object to the arbitration service appointed by **PWC**, **YOU** must so inform **PWC**, in writing, within ten (10) days of **YOUR** receipt of **PWC's** written notice informing **YOU** of the appointed arbitration service. **PWC** will then appoint an alternative neutral arbitration service provider. If **YOU** object to this alternative provider and if **YOU** and **WE** are unable to agree on another alternative, then either party may, pursuant to the applicable provisions of the Federal Arbitration Act (9 U.S.C. § 1, *et seq.*), apply to a court of competent jurisdiction to designate an arbitration service provider, which designation shall be binding upon the parties. Selection of the arbitrator shall be the responsibility of the appointed arbitration service. The rules and procedures of the arbitration service, including its rules and procedures pertaining to its selection of the arbitrator who will conduct the arbitration, that are in effect at the time the request for arbitration is submitted will be followed unless the parties expressly agree otherwise. **PWC** will obtain and provide to **YOU** and **US**, upon request, the rules and procedures of the arbitration organization appointed to administer the arbitration. The arbitration service finally appointed or designated as aforesaid shall administer the arbitration of any and all disputes required to be joined under the law.

This arbitration agreement is made pursuant to a transaction involving interstate commerce, and shall be governed by and interpreted under the Federal Arbitration Act now in effect and as it may be hereafter amended (the "FAA") to the exclusion of any inconsistent state law, regulation or judicial decision. The award of the arbitrator shall be final and binding and may be entered as a judgment in any court of competent jurisdiction.

Each party shall bear its own attorney's fees and costs (including expert's costs) for the arbitration. If **YOU** initiate the arbitration request, the arbitration filing fee and other fees charged by the arbitration service shall be divided and paid equally by **YOU** and **US**, unless **YOU** and **WE** have otherwise agreed in writing to a different allocation. If **WE** initiate the request for arbitration, **WE** shall pay the entire arbitration filing fee as well as all other fees charged by the arbitration service.

As part of any arbitration award, the arbitrator may, at his/her discretion, direct that **WE** reimburse **YOU** some or all of the arbitration filing fee and other arbitration fees **YOU** paid to the arbitration service, but under no circumstances shall **YOU** be required to reimburse **US** any portion of the arbitration filing fee and other arbitration fees **WE** paid.

Arbitration filing fees and other arbitration fees vary among arbitration service providers. Before submitting a Binding Arbitration Request Form, **YOU** may contact **PWC** to obtain information on the fees charged by the appointed arbitration service provider. The arbitration service's filing fee and other arbitration fees in effect at the time arbitration is requested shall apply.

The process for initiating arbitration is described below

Step 1 The Initiating Party Completes A Binding Arbitration Request Form And Mails It To PWC Along With Their Share Of The Arbitration Filing Fee. A Binding Arbitration Request Form is attached to this **LIMITED WARRANTY YOUR** Binding Arbitration Request Form must be received by **PWC** no later than ninety (90) days after the **WARRANTY PERIOD** expires. Please Note that while **YOU** have ninety (90) days after the **WARRANTY PERIOD** expires to file for arbitration, this time period does not extend the **WARRANTY PERIOD** for **CONSTRUCTION DEFECTS**. Additionally, no investigation, inspection, testing, repair, replacement, or payment, nor any promise of same by **US** under this **LIMITED WARRANTY**, nor any dispute resolution efforts, shall extend the term of this **LIMITED WARRANTY** or extend or toll any statutes of limitations or any of **YOUR** rights or remedies.

Step 2 The Arbitration Service Will Arrange For The Arbitration. The arbitrator or arbitration organization will notify **YOU** and **US** of the time, date and location of the arbitration hearing. If the dispute involves the allegation of a **CONSTRUCTION DEFECT** or **OUR** performance under this **LIMITED WARRANTY**, most often the hearing will be conducted at the **HOME** or, if applicable, the location of the **COMMON ELEMENTS**. Other disputes between **YOU** and **US** that are subject to arbitration, but which do not include a **CONSTRUCTION DEFECT** claim, may be scheduled for hearing at the **HOME** or another location within the county where the **HOME** is located. In scheduling the hearing the arbitrator will set a time and date that is reasonably convenient to all the parties.

Step 3 The Arbitration Hearing. The parties at the arbitration hearing will include the arbitrator, **YOU**, **US** and/or a third party designated by **YOU** or **US** or acting on **YOUR** or **OUR** behalf. Any party to the proceeding may be represented at the hearing. All persons who are parties to the arbitration, as well as representatives and witnesses, are entitled to attend hearings.

After evidence is presented by **YOU**, **US** or **YOUR** or **OUR** representatives, a decision will be rendered by the arbitrator. The decision is final and binding on **YOU** and **US**. The arbitrator may grant any remedy, including statutory remedies, and other relief that the arbitrator deems just and equitable and within the scope of this **LIMITED WARRANTY** or other applicable agreements.

The arbitrator will decide any dispute between the parties, as described above. Where a **CONSTRUCTION DEFECT** is alleged, the arbitrator will determine whether the alleged **CONSTRUCTION DEFECT** exists and whether it is **OUR** responsibility. If the arbitrator finds **US** responsible for a **CONSTRUCTION DEFECT**, **WE** shall be obligated to perform in accordance with **OUR Warranty Obligations** as described in **Section II** above.

In connection with a **CONSTRUCTION DEFECT** dispute, the arbitrator retains jurisdiction and authority to decide any dispute as to the required scope of repair and the cost to repair the **CONSTRUCTION DEFECT**. In deciding such disputes, the arbitrator considers the terms of this **LIMITED WARRANTY**, any third-party evaluations, binding bids for repair work supplied by either of the parties, any estimates of diminished fair market value, and such other information submitted by the parties and deemed relevant by the arbitrator. Except where otherwise directed by the arbitrator's award, the decision to repair, replace, or to make payment to **YOU** in lieu of repair or replacement is at **OUR** or **OUR** authorized representative's sole option. The arbitrator will also render a decision as to any other claims, disputed matters or issues stated in the Binding Arbitration Request Form.

Step 4 OUR Arbitration Performance Obligations. If an arbitrator concludes that **WE** are responsible for a **CONSTRUCTION DEFECT**, **WE** will perform in accordance with the arbitrator's decision within sixty (60) days from the date of the award or such greater time as may be allowed by the arbitrator's decision. Delays caused by circumstances beyond **OUR** or **OUR** representative's control shall be excused.

Step 5 Disputes As To Compliance With The Award. If there is any dispute as to **OUR** compliance with an arbitrator's award, either party shall so inform **PWC** in writing at its mailing address specified in this **LIMITED WARRANTY**. **PWC** will mediate this dispute and if it cannot be resolved, either party may request a compliance inspection arbitration to decide the question of compliance with the arbitration award. If it is determined that **WE** have not properly performed, **WE** will be obligated to immediately

comply. As with the original arbitration award, any such subsequent arbitration rulings shall be enforceable by any court of competent jurisdiction.

VIII. General Conditions

A. Separation of This LIMITED WARRANTY From The Contract Of Sale

This **LIMITED WARRANTY** is separate and independent of the contract between **YOU** and **US** for the construction and/or sale of the **HOME** or transfer of the **COMMON ELEMENTS**. Except as otherwise expressly provided herein, the provisions of this **LIMITED WARRANTY** shall in no way be restricted or expanded by anything contained in the construction and/or sales contract or other documents between **YOU** and **US**.

B. Transfer to Subsequent HOMEOWNERS

This **LIMITED WARRANTY**, subject to all of its terms and conditions, including, but not limited to, its mandatory binding arbitration provision, will transfer to new owners of the **HOME** for the remainder of the **WARRANTY PERIOD**. **YOU** agree to provide this **LIMITED WARRANTY** to any subsequent purchaser of the **HOME** as a part of the contract of sale of the **HOME**. Please see the form "SUBSEQUENT HOME BUYER ACKNOWLEDGEMENT AND TRANSFER" contained at the end of this document.

C. Transfer of Manufacturer's Warranties

WE assign to **YOU** all the manufacturer's warranties on all appliances, fixtures and items of equipment that **WE** installed in the **HOME**. Should an appliance or item of equipment malfunction **YOU** must follow the procedures set forth in that manufacturer's warranty to correct the problem. **OUR** obligation under this **LIMITED WARRANTY** is limited to the workmanlike installation of such appliances and equipment. **WE** have no obligation for appliances and equipment defined as **CONSUMER PRODUCTS**.

D. Recovery Rights

If **WE** or a third party designated by **US** or acting on **OUR** behalf repairs, replaces or pays the cost to repair or replace **CONSTRUCTION DEFECT**, or other related damage to the **HOME** or the **COMMON ELEMENTS** covered by this **LIMITED WARRANTY**, or if **WE** elect to pay the diminished market value of the **HOME** in lieu of repair or replacement of a **CONSTRUCTION DEFECT**, **WE** are then entitled, to the extent of **OUR** cost or payment, to take over **YOUR** related rights of recovery from other people and entities, including but not limited to, other warranties and insurance. **YOU** have an obligation not to make it harder for **US** to enforce these rights. **YOU** agree to sign any papers, deliver them to **US**, and do anything else that is necessary to help **US** exercise **OUR** rights.

E. General Provisions

1. If any provision of this **LIMITED WARRANTY** is determined to be unenforceable, such a determination will not affect the remaining provisions. If this **LIMITED WARRANTY** or any provision herein is determined to be unenforceable as to a **HOMEOWNERS ASSOCIATION** or a specific **HOMEOWNER**, such a determination will not affect the enforceability of this **LIMITED WARRANTY** or such provision as to any other **HOMEOWNERS ASSOCIATION** or any other **HOMEOWNER**. The issue of enforceability, as well as all other issues, will be determined by Binding Arbitration as provided for in this **LIMITED WARRANTY**.
2. This **LIMITED WARRANTY** and the binding arbitration process are binding on **YOU** and **US**. It is also binding on **YOUR** and **OUR** heirs, executors, administrators, successors, and assigns.
3. As may be appropriate, the use of the plural in this **LIMITED WARRANTY** includes the singular, and the use of one gender includes all genders.

IX. Definitions

BUILDER means the individual, partnership, corporation or other entity which participates in the Warranty Program administered by the Professional Warranty Service Corporation and provides **YOU** with this **LIMITED WARRANTY**. Throughout this document the **BUILDER** is also referred to as "**WE**", "**US**" and "**OUR**".

COMMON ELEMENTS means the property as specified in the recorded Covenants, Conditions and Restrictions as common area and any other property as to which the **HOMEOWNERS ASSOCIATION** has standing under the law to make a claim. This may include, but is not limited to, streets, slopes, the structure or components of enclosure or other parts of the **HOME**, corridors, lobbies, vertical transportation elements, rooms, balconies, clubhouses or other spaces that are for the common use of the residents of the development in which the **HOME** is located. **SYSTEMS** serving two or more **HOMES**, and the outbuildings that contain parts of such **SYSTEMS** are also included in this definition.

CONSEQUENTIAL OR INCIDENTAL DAMAGES means any loss or injury **other than**:

- A. **OUR** cost to correct a **CONSTRUCTION DEFECT** including the correction of those surfaces, finishes and coverings damaged by the **CONSTRUCTION DEFECT**.
- B. **OUR** cost to repair or replace, at market value, furniture, carpet or personal property damaged by the **CONSTRUCTION DEFECT**.
- C. **OUR** cost to repair damage to the **HOME** which occurs in the course of **OUR** repair or replacement of a **CONSTRUCTION DEFECT**.
- D. The reasonable cost of the **HOMEOWNER'S** alternative shelter when the **HOME** is temporarily uninhabitable due to a **CONSTRUCTION DEFECT** and while the **HOME** is rendered uninhabitable by the work necessary to repair a **CONSTRUCTION DEFECT**.

Time **YOU** take off from work and/or **YOUR** inability to work from the **HOME** as a result of a **CONSTRUCTION DEFECT** or the repair/replacement of a **CONSTRUCTION DEFECT**, are among those damages considered "**CONSEQUENTIAL OR INCIDENTAL DAMAGE**" and are excluded under this **LIMITED WARRANTY**. Diminished fair market value of the **HOME** is also among those damages considered "**CONSEQUENTIAL OR INCIDENTAL DAMAGE**" and is excluded under this **LIMITED WARRANTY** notwithstanding that **WE** reserve the right to elect to pay **YOU** diminished fair market value in lieu of **OUR** repair, replacement or payment for the cost to repair or replace a **CONSTRUCTION DEFECT**.

CONSTRUCTION DEFECT(S) means a condition in the materials or workmanship used in constructing the **HOME** and/or the **COMMON ELEMENTS** that:

- materially affects the structural integrity of the **HOME** or the **COMMON ELEMENTS**; or
- has an obvious and material negative impact on the appearance of the **HOME** or the **COMMON ELEMENTS**; or
- jeopardizes the life or safety of the occupants of the **HOME** or the users of the **COMMON ELEMENTS**; or
- results in the inability of the **HOME** or the applicable **COMMON ELEMENTS** to provide the functions that can reasonably be expected in such a **HOME** or **COMMON ELEMENT**.

CONSUMER PRODUCT means any piece of equipment, appliance or other item that is a **CONSUMER PRODUCT** for purposes of the Magnuson-Moss Warranty Act (15 U.S.C. § 2301, et seq.) installed or included in the **HOME**. Examples of Consumer Products include, but are not limited to, dishwasher, garbage disposal, gas or electric cook-top, range, range hood, refrigerator or refrigerator/freezer combination, gas oven, electric oven, microwave oven, trash compactor, automatic garage door opener, clothes washer and dryer, hot water heater, solar water heater, solar water heating panels, furnace, boiler, heat pump, air conditioning unit, humidifier, thermostat, and security alarm system.

EMERGENCY CONDITION means an event or situation that creates the imminent threat of damage to the **HOME** or **COMMON ELEMENTS**, or results in an unsafe living condition due to a **CONSTRUCTION DEFECT** that **YOU** (or as applicable, the **HOMEOWNERS ASSOCIATION**) become aware of at a point in time other than **OUR** normal business hours and **YOU** were unable to obtain **OUR** or **OUR** authorized representative's

prior written approval to initiate repairs to stabilize the condition or prevent further damage.

HOME means a single family residence either attached or detached covered by this **LIMITED WARRANTY** and the land on which it sits, or a condominium or cooperative unit in a multi-unit residential structure/building covered by this **LIMITED WARRANTY**, and the land on which it sits, except to the extent such unit, structure/building or land is part of the **COMMON ELEMENTS**.

HOME BUILDER'S LIMITED WARRANTY means only this express warranty document provided to **YOU** by **US**.

HOMEOWNER means the first person(s) to whom a **HOME** (or a unit in a multi-unit residential structure/building) is sold, or for whom such **HOME** is constructed, for occupancy by such person or such person's family, and such person's(s') successors in title to the **HOME**, or mortgagees in possession and any representative of such person(s) who has standing to make a claim on that person(s) behalf, including any class representative or **HOMEOWNERS ASSOCIATION** making a claim in a representative capacity.

HOMEOWNERS ASSOCIATION means a profit or nonprofit corporation, unincorporated association, organization, partnership, assessment district, limited liability company, limited liability partnership or other entity of any kind that owns, manages, maintains, repairs, administers, or is otherwise responsible for and has standing to make a claim as to any part of the **COMMON ELEMENTS**.

POLLUTANTS means all solid, liquid, or gaseous irritants or contaminants. The term includes, but is not limited to, petroleum products, smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, radon gas, and waste materials, including materials to be recycled.

PWC means Professional Warranty Service Corporation which administers the warranty program in which **WE** participate. As such, **PWC** assumes no other liabilities in connection with this **LIMITED WARRANTY**. The **PWC** mailing address is: **Professional Warranty Service Corporation**
P.O. Box 800 Annandale, VA 22003-0800

SYSTEMS means the following:

- (a) Plumbing system - gas supply lines and fittings, water supply, waste and vent pipes and their fittings, septic tanks and their drain fields, and water, gas and sewer services piping and their extensions to the tie-in of a public utility connection or on-site well and sewage disposal system.
- (b) Electrical system - all wiring, electrical boxes, switches, outlets, and connections up to the public utility connection.
- (c) Heating, Cooling, and Ventilation system - all duct-work, steam, water and refrigerant lines, and registers, connectors, radiation elements and dampers.

WARRANTY PERIOD shall commence on the date the title to the **HOME** is transferred to the first **HOMEOWNER**. Notwithstanding anything to the contrary set forth in this **LIMITED WARRANTY**, the **WARRANTY PERIOD** for the **COMMON ELEMENTS** of an individual structure/building commences on the date the title for the first **HOME** in the structure/building is transferred to the first **HOMEOWNER** or, as concerns clubhouses or outbuildings or other **COMMON ELEMENTS** not part of the **HOME**, the earlier of the date of substantial completion or the date title to these structures is transferred to the **HOMEOWNERS ASSOCIATION**. The dates the **WARRANTY PERIOD** begins and ends are indicated on the Limited Warranty Validation Form which is attached to and made part of this **LIMITED WARRANTY**.

WE, US, OUR means the **BUILDER**.

YOU, YOUR means the **HOMEOWNER** and the **HOMEOWNERS ASSOCIATION**.

BINDING ARBITRATION REQUEST FORM

Prior to requesting binding arbitration under the terms of the HOME BUILDER'S LIMITED WARRANTY, the initiating party should have sent the other party a clear and specific written request outlining the claim(s) or dispute(s) that are being submitted for decision through binding arbitration. If you have taken this step and believe the other party has not satisfactorily responded in accordance with the HOME BUILDER'S LIMITED WARRANTY, fill out this form and send it to PWC along with the arbitration filing fee. Be sure to attach a copy of all pertinent correspondence between you and the other party relative to the issue.

The information you need to fill out this form can be found on the Limited Warranty Validation Form. However, if you do not know the answers to any questions, write "Don't Know." Please do not leave any item blank.

Homeowner name(s): _____

Address: _____
_____ CITY STATE ZIP

Home Phone :(_____) _____ Business/Cell Phone:(_____) _____

Email: _____

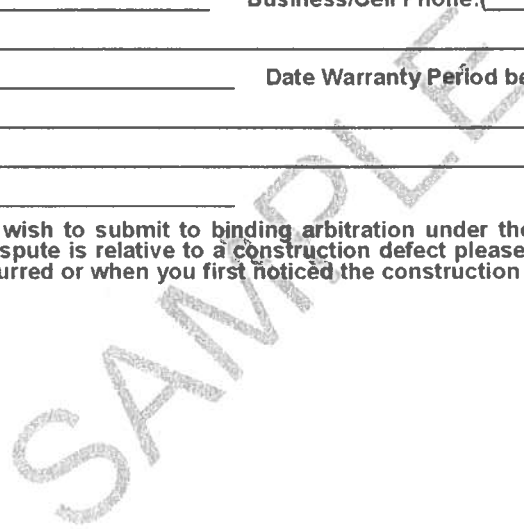
LIMITED WARRANTY #: _____ Date Warranty Period begins: _____

Builder's Name: _____

Address: _____

Business Phone: (_____) _____

Describe the dispute that you wish to submit to binding arbitration under the terms of the HOME BUILDER'S LIMITED WARRANTY. If the dispute is relative to a construction defect please include information on when the construction defect(s) first occurred or when you first noticed the construction defect. (Attach additional sheets, if necessary).



I/we are hereby requesting PWC to initiate a binding arbitration to resolve the dispute described herein above.

Signature Date Signature Date

INSTRUCTIONS: Photo-copy this form and complete the fields.
Obtain the required arbitration filing fee by contacting PWC at 1-800/850-2799.
Send this Binding Arbitration Request Form and the arbitration filing fee to:

PROFESSIONAL WARRANTY SERVICE CORPORATION
P. O. BOX 800
ANNANDALE, VIRGINIA 22003-0800

PWC Form No. 301 Rev. 05/16

SUBSEQUENT HOME BUYER ACKNOWLEDGMENT AND TRANSFER

Any coverage remaining under the **HOME BUILDER'S LIMITED WARRANTY** applicable to the home specified on the Limited Warranty Validation Form is transferred to the subsequent homeowner.

The undersigned home buyer(s) hereby acknowledge and agree:

I/we acknowledge that I/we have reviewed, understand and agree to all the terms of the **HOME BUILDER'S LIMITED WARRANTY** document (PWC Form No. 117).

I/we understand and acknowledge that Professional Warranty Service Corporation ("PWC") is not the warrantor of the **HOME BUILDER'S LIMITED WARRANTY**.

I/we understand that I/we am/are responsible for the maintenance of the home including maintenance of the grade of the land surrounding the home, and that the Builder shall not be responsible for any defect or damage to the home which is the result of my/our failure to maintain the home.

I/we acknowledge and agree to the Binding Arbitration Procedure contained in the **HOME BUILDER'S LIMITED WARRANTY**.

Signature(s) of Subsequent Home Buyer(s): _____ Date: _____

_____ Date: _____

Print above name(s): _____

Email: _____

Delivery Preference: Email Mail Both

Re-issuance of the Limited Warranty Validation Form with the name(s) of the new Home Buyer(s) is not necessary for you to receive the coverage remaining under the **HOME BUILDER'S LIMITED WARRANTY**. Upon receipt of this signed form, PWC will update its records to reflect the name(s) of the new homeowner(s). If you want PWC to issue another Limited Warranty Validation Form with your name(s) on the form, please check the box below and send a check in the amount of \$20.00 made payable to "PWC" with your submission of this form.

YES, re-issue the Limited Warranty Validation Form in the above name(s) (check box) Initial _____

Address of Home: _____

Limited Warranty No: _____

INSTRUCTIONS: Photo-copy this form. Provide information requested, sign, fill in Limited Warranty # in the space provided (this number is provided on the Limited Warranty Validation Form), and provide a telephone number where you can be reached (_____) _____. If you want the Limited Warranty Validation Form reissued in your name, enclose your check to PWC in the amount of \$20.00 (check box above and initial). To reach PWC by phone, call: 1-800/850-2799

Mail this form and a photocopy of applicable settlement/closing documents indicating transfer of title, to

PROFESSIONAL WARRANTY SERVICE CORPORATION P.O. BOX 800 ANNANDALE, VA 22003-0800

PWC Form No. 302 Rev 05/16