

# 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	NORTHPARK BY GENTRY II
Project Address	91-1841 Keaunui Drive Ewa Beach, Hawaii 96706
Registration Number	8565
Effective Date of Report	<b>October 15, 2020</b>
Developer(s)	Gentry Homes, Ltd.

### 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.

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*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.**

**Status of Condominium Project.** NorthPark by Gentry II (sometimes referred to as the "Project") is a fee simple condominium project. As of the submittal of this Developer's Public Report (this "Public Report"), the Developer is the fee simple owner of all of the Units in the entire NorthPark by Gentry II condominium project.

**Construction.** NorthPark by Gentry II will be constructed and sold in six (6) phases. Please see Section 5.5 on page 14 of this Developer's Public Report for estimated construction commencement and completion dates. **NOTWITHSTANDING THOSE ESTIMATES, UNDER THE TERMS OF THE PROJECT'S UNIT SALES CONTRACT FORM, THE DEVELOPER IS NOT OBLIGATED TO COMPLETE A UNIT UNTIL 2 YEARS AFTER THE SALES CONTRACT IS SIGNED BY THE BUYER, AND THAT DEADLINE IS SUBJECT TO EXTENSION UNDER CERTAIN CIRCUMSTANCES.**

**Administrative Merger.** NorthPark by Gentry II is part of an overall residential condominium community to be known as "NorthPark by Gentry". It is anticipated that NorthPark by Gentry II will be administratively merged with NorthPark by Gentry I and future NorthPark by Gentry condominium projects. Such an administrative merger would not affect a Unit owner's ownership interest in NorthPark by Gentry II. However, each Unit owner's maintenance fee allocation and voting allocation would be computed on a per-unit basis, meaning that each Unit within the merged project shall have the same maintenance fee allocation and voting allocation as all of the other Units in the merged project; provided however, that the Developer shall have the right, in its sole and absolute discretion, to adjust or modify the allocation assigned to a Unit so that the total allocation for all Units in the merged project adds up to exactly one hundred percent (100%). Please see Section 3 on page 19 of this Public Report for additional information.

**Ewa by Gentry Community Association.** NorthPark by Gentry II is a condominium project that is also located in the master community of Ewa by Gentry. As a result, Unit owners in NorthPark by Gentry II are automatically members of the Ewa by Gentry Community Association, a Hawaii nonprofit corporation, and are responsible for paying quarterly dues to the Ewa by Gentry Community Association in addition to the condominium maintenance fees shown in Exhibit G of this Public Report. As of the effective date of this Public Report, the dues for each Unit that must be paid to the Ewa by Gentry Community Association are \$115 per

quarter for a total of \$460 per year. The maintenance fees reflected in Exhibit G of this Public Report do not include the dues payable to the Ewa by Gentry Community Association.

**Ewa by Gentry Community.** All owners are subject to the restrictions, covenants and conditions of the Ewa by Gentry Community Area Declaration of Covenants, Conditions and Restrictions which govern the entire Ewa by Gentry community. The Ewa by Gentry Community Association enforces the provisions of the Declaration of Covenants, Conditions and Restrictions to ensure a well-maintained, safe and aesthetically pleasing community. A copy of the Declaration of Covenants, Conditions and Restrictions is available at the NorthPark by Gentry sales office. The Declaration of Covenants, Conditions and Restrictions can also be viewed online at [www.ewabygentry.net](http://www.ewabygentry.net) under the "Documents" section. The NorthPark by Gentry II condominium documents have been drafted to comply with the Declaration of Covenants, Conditions and Restrictions. Each Unit that is completed and lawfully fit for occupancy is allocated one vote on Ewa by Gentry Community Association matters. If more than one person or entity owns a particular Unit, any one of said persons or entities may exercise the one vote attributable to the ownership of the Unit, unless a co-owner objects, in which case the exercise of the one vote by any co-owner shall require the unanimous written consent of all co-owners of a Unit.

**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 agriculture, recreation, military, utility and aviation. These activities and other activities, including ongoing construction and sales of the overall NorthPark by Gentry community, may cause some inconveniences to the Buyer and are outlined in Sections 1 through 4 on pages 19 through 19c 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 the owners of the nearby properties with respect to claims arising from or relating to activities, events and conditions occurring within the NorthPark by Gentry community and/or nearby properties, except in certain circumstances. Prior to purchasing a Unit, a prospective purchaser 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 owners in NorthPark 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 for the maintenance fees for NorthPark by Gentry II as of September 1, 2020.

**Parking.** No parking is allowed on any roadway within NorthPark by Gentry II. No vehicle parked in a driveway or visitor parking stall shall extend into any roadway within NorthPark by Gentry II. Vehicles violating these restrictions shall be towed. BUYERS SHOULD INSPECT THE GARAGE AND DRIVEWAY THOROUGHLY TO ENSURE THAT THE GARAGE AND/OR DRIVEWAY CAN ACCOMMODATE THEIR VEHICLE(S). Please see Section 12 on Page 19e and Exhibit A of this Public Report for additional information

**Trash Containers and Collection for NorthPark by Gentry II.** On non-collection days, all trash containers shall be stored either in the garage or behind the privacy fence of the Unit. On collection days, residents of most Units will have curbside trash collection in front of their respective Units. Pursuant to Section 9.6A of the Declaration of Condominium Property Regime

of NorthPark by Gentry II, as it may be amended from time to time (the "Declaration"), Owners of Units 147 and 149 shall each have the right and an easement to place their respective trash containers on that portion of the landscaping common element located next to Unit 151 and visitor parking stall 23-V within Phase 9 of NorthPark by Gentry II, as shown on and Sheet No. S4 of the Project's Condominium Map, as it may be amended from time to time (the "Condominium Map"), as well as easements for access to such location. Trash cans may be put out for trash collection the night before trash is collected and must be removed by the end of the trash pick-up day.

**NorthPark by Gentry Perimeter Fence.** A vinyl fence or combination of retaining wall and vinyl fence will be built around a portion of the perimeter of NorthPark by Gentry. Although this fence/wall will be built within a portion of certain Unit's limited common element yard area, it will be maintained by the Association of Unit Owners of NorthPark by Gentry (the "Condominium Association"). Owners and residents may not do anything that would disturb or damage the fence/wall or the footing of the retaining wall.

**Ewa by Gentry Perimeter Fence.** As described in the Declaration, the Ewa by Gentry Perimeter Fence refers to any fence or wall or combination of wall and fence built near, but outside of, the perimeter boundary of the Project where the Project borders Keaunui Drive. The Ewa by Gentry Perimeter Fence is not part of the Project and will be built within other lots that are located between the Project and Keaunui Drive. The Ewa by Gentry Perimeter Fence will be owned, maintained and repaired by the Ewa by Gentry Community Association.

**Property Insurance for Units.** Each Unit Owner will be required to purchase and maintain, at its own expense, property insurance covering the entirety of the Owner's Unit, the contents of the Unit, the fixtures and appliances of the Unit (including the wall coverings and floor coverings), as well as the limited common elements (including the Private Yard Area and improvements thereon) appurtenant to the Unit. The Condominium Association shall be listed as the certificate holder on the required insurance policy and the Unit Owner shall deliver evidence of the required insurance coverage to the Condominium Association (via the managing agent) annually. If a Unit Owner fails to deliver such evidence, then, unless and until the Unit Owner delivers evidence of the required insurance coverage to the Condominium Association, the Condominium Association shall have the right (but not the obligation) to purchase the required insurance on behalf of such Unit Owner, and all of the costs incurred by the Condominium Association for doing so shall be charged to such Unit Owner as a special assessment, which shall be a lien on such Owner's Unit. Each Unit Owner shall be fully and individually responsible for the payment of all premiums relating to the required insurance policy or policies. Each Unit Owner agrees to indemnify and hold harmless all other Unit Owners and the Condominium Association from and against any liability or damages relating to a failure by such Unit Owner to satisfy the Owner's insurance obligations. The Bylaws of the Condominium Association set forth more specific requirements for the insurance policies.

**HIBOR Warranty.** As set forth in the sales contract, each Buyer 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 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 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.

**Terminology in Project Documents.** This Public Report and the NorthPark by Gentry II sales contract and condominium documents may sometimes use the term "Apartment" instead of "Unit" and the term "Apartment Owner" instead of "Unit Owner". For all purposes, use of the word "Apartment" in this Public Report and in the NorthPark by Gentry II sales contract and condominium documents shall have the same meaning as "Unit" in Section 514B-3, Hawaii Revised Statutes.

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## **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.



## 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	91-1841 Keaunui Drive, Ewa Beach, HI 96706
Address of Project is expected to change because (describe)	Not Applicable
Tax Map Key (TMK)	(1) 9-1-010-120 (portion) and (1) 9-1-102-010 (portion)
Tax Map Key is expected to change because	Each individual Unit will be assigned a CPR number
Land Area (square feet or acres)	4.395 acres
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	52
Floors Per Building	2
Number of New Building(s)	52
Number of Converted Building(s)	0
Principle 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
Plan 1	8	4/ 2 ½	1,194 sq. ft.	463 sq. ft.	garage	1,657 sq. ft.
Plan 1-R	5	4/ 2 ½	1,194 sq. ft.	463 sq. ft.	garage	1,657 sq. ft.
Plan 2	8	3/ 2 ½	1,214 sq. ft.	443 sq. ft.	garage	1,657 sq. ft.
Plan 2-R	5	3/ 2 ½	1,214 sq. ft.	443 sq. ft.	garage	1,657 sq. ft.
Plan 3	7	3/ 2 ½	1,231 sq. ft.	425 sq. ft.	garage	1,656 sq. ft.
Plan 3-R	6	3/ 2 ½	1,231 sq. ft.	425 sq. ft.	garage	1,656 sq. ft.
Plan 4	8	4/ 2 ½	1,259 sq. ft.	428 sq. ft.	garage	1,687 sq. ft.
Plan 4-R	5	4/ 2 ½	1,259 sq. ft.	428 sq. ft.	garage	1,687 sq. ft.

See Exhibit C (for description of Units).

<b>52</b>	<b>Total Number of Units</b>
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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.

\*Does not include areas for the optional lanais that are described in Exhibit C to this Public Report.

**1.4 Parking Stalls**

Total Parking Stalls in the Project:	131 (includes stalls located in garages)
Number of Guest Stalls in the Project:	27; See Exhibit A regarding visitor parking stalls
Number of Parking Stalls Assigned to Each Unit:	2; See Exhibit A
Attach Exhibit A specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact, or tandem and indicate whether covered or open).	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights.	

**1.5 Boundaries of the Units**

Boundaries of the unit:  
 Each unit includes the spaces within the underside of the concrete slabs, the outside of the roofs and the outer surfaces of the perimeter walls of the respective units. The units DO NOT include any pipes, wires, ducts or other utility or service lines that service MORE THAN ONE unit. Such pipes wires, ducts and other utility or service lines shall be deemed common elements.

**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): mail center and car wash stations in other increments (see Page 19e)

**1.9 Common Elements**

<p><b>Common Elements:</b> 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.</p>									
<p>Described in Exhibit D.</p>									
<p>Described as follows:</p>									
<table border="1"> <thead> <tr> <th>Common Element</th> <th>Number</th> </tr> </thead> <tbody> <tr> <td>Elevators</td> <td>0</td> </tr> <tr> <td>Stairways</td> <td>0</td> </tr> <tr> <td>Trash Chutes</td> <td>0</td> </tr> </tbody> </table>		Common Element	Number	Elevators	0	Stairways	0	Trash Chutes	0
Common Element	Number								
Elevators	0								
Stairways	0								
Trash Chutes	0								

**1.10 Limited Common Elements**

<p><b>Limited Common Elements:</b> 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.</p>
<p>Described in Exhibit D.</p>
<p>Described as follows:</p>

**1.11 Special Use Restrictions**

<p>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.</p>	
<input checked="" type="checkbox"/>	Pets: See paragraph 19 on page 19g of this Public Report
<input type="checkbox"/>	Number of Occupants:
<input checked="" type="checkbox"/>	Other: Units cannot be leased for transient (i.e., less than 30 days). See paragraph 20 on page 19g.
<input type="checkbox"/>	There are no special use restrictions.

**1.12 Encumbrances Against Title**

<p>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).</p>
<p>Exhibit E describes the encumbrances against title contained in the title report described below.</p>
<p>Date of the title report: September 4, 2020</p>
<p>Company that issued the title report: First American Title Company, Inc.</p>

**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	52	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	A-1	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>
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**1.15 Conversions**

<p><b>Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.</b></p>	<p><input type="checkbox"/> <b>Applicable</b></p> <p><input checked="" type="checkbox"/> <b>Not Applicable</b></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><b>Verified Statement from a County Official</b></p>
<p>Regarding any converted structures in the project, attached as Exhibit ____ is a verified statement signed by an appropriate county official which states that either:</p>
<p>(A) The structures are in compliance with all zoning and building ordinances and codes applicable to the project at the time it was built, and specifying, if applicable:</p> <ul style="list-style-type: none"> <li>(i) Any variances or other permits that have been granted to achieve compliance;</li> <li>(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</li> <li>(iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the structure into compliance;</li> </ul> <p style="text-align: center;">or</p>
<p>(B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.</p>
<p>Other disclosures and information:</p>

**1.16 Project In Agricultural District**

<p><b>Is the project in an agricultural district as designated by the land use laws of the State of Hawaii?</b>  <b>If answer is "Yes", provide information below</b></p>	<p><input type="checkbox"/> Yes      <input checked="" type="checkbox"/> No</p>
<p><b>Is the Declaration chapter 205, HRS, compliant?</b></p>	<p><input type="checkbox"/> Yes      <input type="checkbox"/> No</p>
<p>Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable state and county land use laws?      <input type="checkbox"/> Yes      <input type="checkbox"/> No</p>	
<p>If the answer is "No", provide explanation.</p>	
<p>Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable county real property tax laws?      <input type="checkbox"/> Yes      <input type="checkbox"/> No</p>	
<p>If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.</p>	
<p>Other disclosures and information:</p>	

**1.17 Project with Assisted Living Facility**

<p><b>Does the project contain any assisted living facility units subject to Section 321-11(10), HRS?</b>  <b>If answer is "Yes", complete information below.</b></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

<b>2.1 Developer(s)</b>	<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: myhome@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) (attach separate sheet if necessary).</p>	<p>Quentin Machida: President/CEO          John Shaw: Senior Vice President – Architecture          Brian Maja: Vice President – Engineering          Richard N. Hobson, Jr.: Vice President – Sales &amp; Marketing          Andrew Kamikawa: Vice President – Finance          Victoria Slovak: Secretary/Treasurer          Doreen Takabayashi: Comptroller          Crystal Rose: Director; Alton Kuioka: Director;          JD Watumull: Director</p>
<b>2.2 Real Estate Broker*</b>	<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: myhome@gentryhawaii.com</p>
<b>2.3 Escrow Depository*</b>	<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>
<b>2.4 General Contractor</b>	<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>
<b>2.5 Condominium Managing Agent</b>	<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>
<b>2.6 Attorney for Developer</b>	<p>Name: David F. Andrew, Esq.</p> <p>Business Address: Schneider Tanaka Radovich Andrew &amp; Tanaka, LLLC 1100 Alakea Street, Suite 2100 Honolulu, Hawaii 96813</p> <p>Business Phone Number: 808-792-4200</p>

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

**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	September 9, 2020	A-75620641
<b>Amendments to Declaration of Condominium Property Regime</b>		
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	September 9, 2020	A-75620642
<b>Amendments to Bylaws of the Association of Unit Owners</b>		
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	
Bureau of Conveyances Map Number	6143
Dates of Recordation of Amendments to the Condominium Map: September 14, 2020	



**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"/>	September 9, 2020
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

<b>Management of the Common Elements:</b> 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

<b>Estimate of the Initial Maintenance Fees:</b> 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.	

### 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 type="checkbox"/>	Gas for the common elements
<input checked="" type="checkbox"/>	Water for common elements
<input type="checkbox"/>	Sewer
<input type="checkbox"/>	TV Cable
<input type="checkbox"/>	Other (specify):

### 4.4 Utilities to be Separately Billed to Unit Owner

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

## 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: February 7, 2020 Name of Escrow Company: 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 a sales contract and has a right to terminate a sales contract upon 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><b>Phase 6 (Units 216, 218 to 223, 225):</b> Construction of these units is estimated to start in October 2020. The estimated construction completion date of the units is February 2021.</p> <p><b>Phase 7 (Units 314 to 323, 325):</b> Construction of these units is estimated to start in November 2020. The estimated construction completion date of the units is March 2021.</p> <p><b>Phase 8 (Units 324, 326 to 335, 337):</b> Construction of these units is estimated to start in January 2021. The estimated construction completion date of the units is May 2021.</p> <p><b>Phase 9 (Units 145, 147, 149, 151, 153, 155, 227):</b> Construction of these units is estimated to start in March 2021. The estimated construction completion date of the units is July 2021.</p> <p><b>Phase 10 (Units 229, 231, 233, 235, 237, 239, 241):</b> Construction of these units is estimated to start in June 2021. The estimated construction completion date of the units is October 2021.</p> <p><b>Phase 11 (Units 301, 303, 305, 307, 309, 311, 313):</b> Construction of these units is estimated to start in July 2021. The estimated construction completion date of the units is November 2021.</p>
<p><b>Completion Deadline:</b> 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><b>Completion Deadline for any unit not yet constructed, as set forth in the sales contract:</b> Subject to certain specific exceptions described in Article V, Section G.4 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><b>Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract:</b></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 for sale and will not be using purchasers' deposits to pay for any costs to pay for project construction or to complete the project.</p> <p>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, 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 5.6.1 or 5.6.2.</p>
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The Developer is required to deposit all moneys paid by purchasers in trust under a written escrow agreement with a Hawaii licensed escrow depository. Escrow shall not disburse purchaser deposits to the Developer or on behalf of the Developer prior to closing, except if a sales contract is canceled or if the Developer has met certain requirements, which are described below.

**5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance**

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

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; or
<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):

<b>Box A</b>	<p><input type="checkbox"/> 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><b><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.</b></p>
<b>Box B</b>	<p><input type="checkbox"/> The Developer has <b>not</b> submitted all information and documents required by law and the Commission, and, until all such information and documents are submitted, thus, the Developer cannot use purchaser deposits.</p> <p>If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the <b><u>Important Notice Regarding Your Deposits</u></b> 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, <b><u>you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment.</u></b> (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 <b><u>Important Notice Regarding Your Deposits</u></b> 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.	<b>Developer's Public Report</b>
2.	<b>Declaration of Condominium Property Regime (and any amendments)</b>
3.	<b>Bylaws of the Association of Unit Owners (and any amendments)</b>
4.	<b>Condominium Map (and any amendments)</b>
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: Master Declaration recorded 7/29/1988, as amended (See item 3 of Exhibit E). Joint Development Agreement recorded 3/3/2020 (See Item 15 of Exhibit E). Declaration of Intent to Develop and Merge recorded 3/5/2020(See Item 16 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](http://www.capitol.hawaii.gov)

Website to access rules: [www.hawaii.gov/dcca/har](http://www.hawaii.gov/dcca/har)

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

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

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

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

- (1) The purchaser has signed the sales contract.
- (2) The Developer has delivered to the purchaser a true copy of the Developer's public report with an effective date issued by the Commission, together with all amendments to the report as of the date of delivery, and the project's recorded Declaration, 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 30<sup>th</sup> 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. **Ongoing Construction.** By taking title to a Unit, the Purchaser shall be acknowledging and agreeing that construction activity by the Developer will continue both in NorthPark by Gentry and in neighboring areas even after the Purchaser occupies the Unit. The roadways in and around the Project will be used by construction vehicles for ingress and egress to and from the construction sites. This will result in noise, dust and increased traffic in and around the Project for a period of time. Care must be taken around construction sites, as certain hazardous conditions relating to the construction may exist for a period of time. Also, development of the areas around NorthPark by Gentry will cause dust in and around the Project for several years as development in Ewa by Gentry continues. By taking title to a unit, the Purchaser understands that, although the Developer will make efforts to minimize dust, dust is an inevitable result of the ongoing construction.

2. **Ongoing Sales Activity.** By taking title to a Unit, the Purchaser shall be acknowledging and agreeing that sales activity by the Developer will continue both in NorthPark by Gentry and in neighboring areas even after the Purchaser occupies the Unit. This will result in increased traffic and noise in the vicinity of the sales office located in one of the NorthPark by Gentry Units. Portions of the common areas of NorthPark by Gentry II may be used for signage and other sales activities for a period of time while sales are ongoing.

3. **Future Merger.** NorthPark by Gentry II is part of an overall area (the "Joint Development Area") covered by that certain Agreement for Issuance of Conditional Use Permit under Section 21-5.380 of the Land Use Ordinance (LUO) dated March 2, 2020, and recorded in the Bureau of Conveyances as Document No. A-73670918. The Joint Development Area is also sometimes referred to as "NorthPark by Gentry" in this Public Report. The Joint Development Area includes NorthPark by Gentry II. The Joint Development Area was designed to operate as a cohesive, integrated condominium community comprised of detached single-family condominium units that will eventually include shared common facilities and infrastructure, including, but not limited to, potable water, irrigation, drain, sewer, and electrical systems, visitor parking stalls, roadways, landscaping and, later, a mail center and car wash stations.

Developer intends to administratively merge the various associations of unit owners of the NorthPark by Gentry condominium communities within the Joint Development Area (including NorthPark by Gentry II). Developer has created a Hawaii non-profit corporation called the Association of Unit Owners of NorthPark by Gentry (the "Condominium Association"), which will eventually include all condominium projects created in NorthPark by Gentry. The administrative merger of the various NorthPark by Gentry condominium communities would be for the purpose of sharing the costs of common areas that are shared by the various communities (such as roadways, street lighting, utilities, landscaping, a mail center and car wash stations). The use of the shared infrastructure and facilities would be shared among all occupants and the cost of maintaining and operating the shared infrastructure and facilities would be shared among all owners on a pro rata basis.

4. **General Disclosures.** By taking title to a unit, the Purchaser shall be acknowledging and agreeing that certain activities and events will occur on and about NorthPark by Gentry (collectively, "Activities, Events and Conditions affecting NorthPark by Gentry"), including the following:

(a) **Surrounding Uses and Areas.** NorthPark by Gentry is bordered on its Wai`anae and mauka sides by undeveloped land that will be developed and used for residential purposes. Near the Ewa side of NorthPark by Gentry is undeveloped land that is planned for a future drainage facility and Navy land that is currently used for farming. The makai Ewa side of NorthPark by Gentry borders the Ewa by Gentry Community Center, as well as a drainage facility, which is comprised of a large open space that will accept water runoff from NorthPark by Gentry in the event of exceptional flooding. The existence of various undeveloped lands in the vicinity of NorthPark by Gentry may lead to increased pests, such as cockroaches, centipedes and rodents. Construction of these undeveloped areas by the Developer and other owners and developers will create dust, noise, increased traffic and certain hazardous conditions. Dust is an inevitable result of the ongoing construction. There are also three golf courses in the vicinity of NorthPark by Gentry, which may lead to increases in traffic, noise, use of pesticides in the area and other nuisances associated with golf courses and their use.

(b) **Traffic.** Fort Weaver Road is a major thoroughfare for Ewa and Ewa Beach residents traveling to or from the H-1 Freeway. Commuters will experience delays on Fort Weaver Road and on roads feeding into it, particularly during peak morning and evening hours. Keaunui Drive is a feeder road and is currently being improved. These improvements may cause delays and contribute to the increased traffic in and around NorthPark by Gentry.

(c) **Future Industrial/Industrial Commercial Mixed-Use Development.** A development consisting of light industrial and commercial uses will be built in the future along Geiger Road across from the Honouliuli Wastewater Treatment Plant. The construction and use of this development may result in increased traffic, noise, dust and other impacts in and around NorthPark by Gentry.

(d) **Aircraft.** NorthPark by Gentry II is near 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. As such, the Project is subject to over flight by aircraft, with attendant noise and vibration.

(e) **Honouliuli Treatment Plant and Leeward Refuse Base Station.** NorthPark by Gentry II is located near the Honouliuli Wastewater Treatment Plant, which generates odors and noise. The Plant may be expanded in the future to accommodate increased usage and/or to establish a Leeward Refuse Base Station. The Refuse Base Station may include one or more of the following: an administrative office; locker room; cart storage shed; parking; and other support facilities for the City and County of Honolulu's Department of Environmental Services Refuse Division.

(f) **Irrigation Water in Ewa by Gentry.** Water used to irrigate the common area landscaping in the Ewa by Gentry community and in the NorthPark by Gentry community, including the front yard area of each Unit, will come from either a nonpotable well service or may be from reclaimed water from the Honouliuli Wastewater Treatment Plant. Any reclaimed water is required to be treated according to Department of Health guidelines.

(g) **Mold.** Mold and mold spores are present throughout the environment, and residential home construction is not, and cannot be, designed to exclude mold spores. 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 mold can grow on and in the Units. Moisture is the only mold growth factor that can be controlled in a residential

setting. If Buyer decides to purchase a Unit in NorthPark by Gentry II, then Buyer will be required to execute a Sales Contract in which Buyer agrees to assume responsibility for taking appropriate steps to reduce or eliminate the occurrence of moisture in and around the Unit Buyer is purchasing. Buyer will also be required to release, discharge, indemnify and defend the Developer and the Developer's employees, agents, officers, directors, principals and contractors (collectively, including the Developer, the "Released 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 Buyer is purchasing 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, or chemicals on, in, or about the Unit Buyer purchases, whether or not caused by, in whole or in part, any act or omission of any of the Released Entities.

**(h) Navy Land.** NorthPark by Gentry II is located in the vicinity of the West Loch Branch of the Lualualei Naval Magazine ("West Loch"), which, in the event of military action, may be a military sensitive area. The U.S. Navy has denoted an area east of NorthPark by Gentry as an "Explosive Safety Hazard Zone" in connection with munitions that may be loaded onto ships at West Loch. The Navy has represented that the boundary of the "Explosive Safety Hazard Zone" represents the probable limits of any impact from an explosion at West Loch on the adjacent community. The Navy restricts development in the "Explosive Safety Hazard Zone", which extends to West Loch. The Navy has leased portions of the "Explosive Safety Hazard Zone" for agricultural use, which will create dust and noise. Because this area is undeveloped, there will also be pests, such as cockroaches and rodents. Geiger Road and Iroquois Point Road may also be used by the Navy to transport aircraft and munitions.

**(i) Agricultural Land.** NorthPark by Gentry II is located upon land previously used for the cultivation of sugar cane. Chemicals used in connection with the former agricultural use of the land may have come into contact with the soil. Land near NorthPark by Gentry may continue to be used for the cultivation and harvesting of agricultural products. Specifically, the Navy has leased a portion of the land described in Paragraph 4 (i) [Navy Land] above for agricultural use, which will create dust and noise. This area will also be subject to periodic spraying or other treatment of the area with pesticides, insecticides, herbicides, fungicides and fertilizers. Crops may be burned when seasonally appropriate. Buyer is advised that the Hawaii Right-to-Farm Act (H.R.S. Ch. 165) and Hawaii law limit the types of farm activities that may be deemed a nuisance.

**(j) Undetermined Flood Hazard Zone.** The Federal Emergency Management Agency ("FEMA") has determined that NorthPark by Gentry II is located in an area labeled Zone D on Flood Insurance Map No. 15003C0328G. Areas labeled Zone D are areas in which flood hazards are undetermined, but possible. Buyer should consult Buyer's lender as to any requirements regarding flood insurance that may or may not result from the rating shown on the above referenced flood insurance rate map.

**(k) Affordable Housing.** Many homes in the Ewa by Gentry community have been developed to meet the City and County of Honolulu's (the "City's") affordable housing requirements. Homes that meet the City's definition of "affordable" are or will be located in various communities throughout Ewa by Gentry. Some of the homes in the Coronado and Palm Villas condominium communities are subject to shared appreciation and buy/back provisions and rental restrictions associated with the City's affordable housing requirements, and there may be other communities that will be developed in the future in Ewa by Gentry that will have similar

restrictions.

(l) **Real Property Values.** Buyer is advised to conduct Buyer's own independent investigation of the housing market in Hawaii, the community and NorthPark by Gentry and to make Buyer's own determination of the value of the Units in NorthPark by Gentry II based on Buyer's knowledge and investigation of the market, the community and NorthPark by Gentry. Buyer understands that the purchase price for a Unit in NorthPark by Gentry may be more or less than the actual value of the Unit and that an appraisal of the Unit may conclude that the appraised value of the Unit is more or less than the purchase price of the Unit.

Buyer is advised that there are several different loan programs available to different types of Buyers, including loans offered by various government agencies such as the Veterans Administration ("VA"), the United States Department of Agriculture ("USDA") and the Federal Housing Administration ("FHA"). The loan programs offered through VA, USDA, FHA and other government agencies often require either no down payment or down payments that are less than twenty percent (20%) of the purchase price of the real property being purchased. Loans made through this type of financing are considered to be inherently more risky to the lender, compared to other types of loans that require a down payment of twenty percent (20%) or more of the purchase price, and, as a result, the appraisals done for these types of loans tend to be more conservative (meaning the appraised value is often lower than the purchase price of the real property being purchased).

The Developer makes no representations as to the type of loan that Buyer may be able to obtain or that buyers of other homes in NorthPark by Gentry and neighboring communities may obtain. Buyer understands that lenders for other buyers in NorthPark by Gentry and in neighboring communities may have different requirements than Buyer's lender, including, but not limited to, the type of required down payment.

Buyer is advised not to rely on any acts or statements made by the Developer, Gentry HomeLoans, LLC or their affiliates, or by any of their respective officers, directors, members, managers, employees, agents, successors and assigns in deciding whether or not the purchase price of a Unit reflects the appraised value of the Unit. Buyer understands and acknowledges that real property values can rise and fall based upon the housing market and other economic factors independent from any person's or entity's control. If Buyer decides to purchase a Unit in NorthPark by Gentry II, then Buyer will be required to execute a Sales Contract in which Buyer waives and releases any claim against the Developer, Gentry HomeLoans, LLC, their affiliates and their respective officers, directors, members, managers, employees, agents, successors and assigns relating to the relationship of the appraised value of a Unit in NorthPark by Gentry II to the purchase price of the Unit, as of the date Buyer signs a Sales Contract or as of the date Buyer's deed to the Unit records, or relating to any decrease or fluctuation in the appraised value of the Unit from and after the date Buyer's deed to the Unit records.

**5. Schools.** The current public school district boundaries show that NorthPark by Gentry II is in the district that is served by Holomua Elementary School, Ilima Middle School and James Campbell High School. *These plans are subject to change by the State of Hawaii.* Buyer should be aware that as new communities are developed in the Ewa Plains/Kapolei regions, the Department of Education of the State of Hawaii periodically re-evaluates the public school district boundaries.

**6. Real Property Taxes.** As of the effective date of this Public Report, real property taxes are assessed on the land of the Project as a whole, and the owner(s) of each Unit shall be responsible for payment of their Unit's prorated share of the real property taxes, based on the Unit's common interest. In the future, the City and County of Honolulu will assess real property taxes on each Unit, separately, and the owner(s) of each Unit shall pay the real property taxes assessed on their Unit, as separately determined and billed by the City and County of Honolulu.

**7. Affiliation Between Developer and Broker.** The Developer, Gentry Homes, Ltd., a Hawaii corporation, is both the developer and the real estate broker.

**8. Irrigation in NorthPark by Gentry.** Water used to irrigate the common area landscaping in NorthPark by Gentry currently comes from a non-potable well located in the Thomas H. Gentry Park (the "Area 29 Well"). The Area 29 Well is owned and maintained by the Ewa by Gentry Community Association and will be the irrigation source for common area landscaping in the Joint Development Area, landscaping along a portion of Keaunui Drive and Geiger Road, for landscaping in the future park located at Keaunui Drive and for landscaping in the drainage facility located near the Ewa side of NorthPark by Gentry. The Developer has executed a non-potable well system sharing agreement for the Area 29 Well with the Ewa by Gentry Community Association, pursuant to which the Unit owners in NorthPark by Gentry will pay a pro rata share of the cost to maintain the Area 29 Well based on water usage. Developer makes no guarantees or assurances regarding the quantity or quality of water pumped from the Area 29 Well. Due to natural ground water conditions beyond the Developer's control, the ground water aquifer from which the well pumps water may dry up or the quality of water may deteriorate to make it unusable in the future. If that happens, then the owner of the Area 29 Well (the Ewa by Gentry Community Association) will need to work with the State of Hawaii's Commission on Water Resource Management on the implementation of an alternative water source plan. A possible alternate source of water would be reclaimed water from the Honouliuli Wastewater Treatment Plant. Use of reclaimed water would need to be in accordance with State Department of Health guidelines.

**9. Private Drainage.** NorthPark by Gentry II is serviced by a private drainage system that connects to the City and County of Honolulu's municipal sewer system. As such, Federal regulations prohibit the following from being discharged into NorthPark by Gentry's drainage system:

- (a) domestic wastewater;
- (b) industrial wastewater;
- (c) any debris, refuse or solid waste or yard waste;
- (d) chlorinated swimming pool water;
- (e) washwater from vehicle and equipment cleaning; and
- (f) oil and petroleum products.

Owners and occupants of Units are prohibited from discharging any of the above into the Project's drainage system.

The Condominium Association will be solely responsible for the maintenance and upkeep of the Project's drainage system. The Condominium Association shall assume Developer's rights and obligations under the Developer's Drainage Connection License(s) for

NorthPark by Gentry. By assuming the Developer's Drainage Connection License(s), the Condominium Association is also assuming the City and County of Honolulu's National Pollutant Discharge Elimination System permit(s) (the "NPDES Permit") and shall be responsible for the enforcement of the terms and conditions of the NPDES Permit.

**10. Mail Center and Car Wash Stations.** The Developer reserves the right to design and construct a mail pavilion to serve as a centralized mail station for the Project and for the rest of the Joint Development Area (the "Mail Center"). The Mail Center will be within a portion of NorthPark by Gentry IV, Phase 17. (Because the Mail Center will not be available for use until its construction is completed, until such completion, residents of NorthPark by Gentry II will use the temporary mail facility located next to NorthPark by Gentry I's model units.) The Developer also reserves the right to design and construct two car wash stations to serve as car wash areas for the Project and for the rest of the Joint Development Area (each a "Car Wash Station" and, collectively, the "Car Wash Stations"). The Car Wash Stations will be provided because cars are prohibited from being washed in driveways or in any other areas of the Project or the Joint Development Area. One of the Car Wash Stations (the "North Car Wash Station") will be within a portion of NorthPark by Gentry III, Phase 13, and the other Car Wash Station (the "South Car Wash Station") will be within Phase 9 of NorthPark by Gentry II. (Because the Car Wash Stations will not be available for use until their construction is completed, until such completion, residents of NorthPark by Gentry II must wash their cars outside of the Project.) The Mail Center and the Car Wash Stations will be available for use by the residents of the Units in the Project and by all the other residents in the Joint Development Area. The several associations of unit owners within the Joint Development Area, including the Condominium Association, shall have the duty and obligation to maintain the Mail Center and the Car Wash Stations at the common expense of all of the owners of units within the Joint Development Area. This duty and obligation may be delegated to a single association of unit owners should the several associations be merged as described in Section 17A of the Declaration. Upon the merger of the Project with other condominium projects (the "**merged condominium project**"), the owners and occupants of the Units in the merged condominium project will have the right to use the common elements of the merged condominium project, which common elements shall include the Mail Center and the Car Wash Stations.

**11. 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.

**12. Parking Disclosure.** Each NorthPark by Gentry II Unit has an attached garage. The garages for all of the units meet the City and County of Honolulu standards to accommodate one full-sized and one compact-sized parking stall. Some units have longer or shorter driveways than other units as shown on the Condominium Map.

Parking is not allowed within NorthPark by Gentry I or on the roadways in the other communities of the Joint Development Area. Vehicles parking in the driveways or visitor parking stalls shall **not** extend into any roadway within NorthPark by Gentry. Buyers should inspect the garage and driveway thoroughly to ensure that there is adequate parking for Buyers' vehicles. Garages shall be used for parking operational vehicles only and for incidental storage.

There is no street parking along Fort Weaver Road, although street parking is

permitted along portions of Keaunui Drive, which is adjacent to, but not within, NorthPark by Gentry II.

**13. Visitor Parking.** There are twenty-seven (27) visitor parking stalls in NorthPark by Gentry II. Residents in NorthPark by Gentry II will also have access to visitor parking stalls within the other NorthPark by Gentry condominium communities, as well as within other condominium communities in the Joint Development Area after those communities are developed.

**14. Trash Collection.** On non-collection days, all trash containers shall be stored either in the garage or behind the privacy fence of the Unit. On collection days, residents of most Units will have curbside trash collection in front of their respective Units. Owners and occupants of Units 147 and 149 shall each have the right and an easement to place their respective trash containers on that portion of the landscaping common element next to Unit 151 and visitor parking stall 23-V within Phase 9 of NorthPark by Gentry II, as shown on the Condominium Map, as well as easements for access to such location. Trash cans may be put out for trash collection the night before trash is collected and must be removed by the end of the trash pick-up day.

**15. No Representation as to Exact Size of Unit.** The area of the Unit listed in the Sales Contract and in this Public Report is approximate. The area of the Unit, as reflected on the Condominium Map, is 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 Unit. Square footage figures quoted in the brochures for NorthPark by Gentry are approximate only. Sales prices are not based solely on square footage figures.

**16. Storm Water Operation and Maintenance Plan.** The Project, the Condominium Association and all Unit owners and residents must comply with and abide by the applicable permanent source control BMPs (or best management practices) set forth in the Operation and Maintenance Plan for Permanent Storm Water BMPs (Date of Preparation: 04/08/2019), approved by the City and County of Honolulu (the "Storm Water Operation and Maintenance Plan"). The BMPs include, but are not limited to, only washing vehicles in the designated Car Wash Stations and making sure that all outside trash containers are properly covered. Pursuant to the Storm Water Operation and Maintenance Plan, the Condominium Association is responsible for (a) assuring and monitoring the proper operation and maintenance of the permanent source control BMPs set forth in the Storm Water Operation and Maintenance Plan and (b) making and maintaining records showing that the Storm Water Operation and Maintenance Plan is being adhered to, which records are subject to inspection by the City and County of Honolulu. The Declaration requires the Association to indemnify, defend and hold the Developer harmless from any loss incurred by the Developer as a result of any claim made against the Developer (after the expiration of the "Developer's Association Control Period") regarding the Association's obligations under the Storm Water Operation and Maintenance Plan.

**17. Mandatory Mediation/Arbitration of Disputes Involving the Developer.** If any dispute or claim arises in connection with or relates to the design, development, construction, sale, marketing, financing or any other activity or matter relating to the Project between one or more Unit Owners and/or the Condominium Association on one side and the Developer on the other side (a "Dispute"), then the parties must first attempt to resolve a Dispute

by negotiation and then by mediation. If the parties are unable to resolve a Dispute by negotiation and mediation, then (a) any unresolved Dispute shall 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. All mediations and arbitrations are confidential and "class action" arbitrations by Buyers are prohibited unless the Developer consents. Mandatory arbitration means Buyers give up the right to appeal the result. Buyers must pay one-half of the cost of the mediators and arbitrators even if the Buyer prevails in the action.

**18. Contractor Repair Act.** CHAPTER 672E, HAWAII REVISED STATUTES, CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT OR OTHER ACTION FOR DEFECTIVE CONSTRUCTION AGAINST THE CONTRACTOR WHO DESIGNED, REPAIRED, OR CONSTRUCTED YOUR HOME OR FACILITY. NINETY DAYS BEFORE YOU FILE YOUR LAWSUIT OR OTHER ACTION, YOU MUST SERVE ON THE CONTRACTOR A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE. UNDER THE LAW, A CONTRACTOR HAS THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR AND/OR PAY FOR THE REPAIR OF THE DEFECTS. YOU ARE 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 YOUR ABILITY TO FILE A LAWSUIT OR OTHER ACTION.

**19. Pets.** As set forth in Article X, Section 2 of the Bylaws, only a reasonable number of common household pets, including, but not limited to, dogs, cats, guinea pigs, rabbits, birds or fish, may be kept inside each Unit and/or in the Unit's limited common element Private Yard Area; provided such animals shall not be kept, bred or used for any commercial purposes. All pets (except fish) must be registered with the Managing Agent. Animals are not allowed on the common elements except when carried or on a leash or harness or otherwise within the immediate control of the animal's owner or handler. Section F of the House Rules has additional provisions relating to pets.

**20. No Transient Use of Units.** As set forth in Section 10.6 of the Declaration, no Unit or garage shall be leased for transient or hotel purposes, meaning there shall be no rental for any period of less than thirty (30) days and no rental where the occupants of the Units are provided customary hotel services, such as room service, maid service, laundry and linen or bellboy service. As such, Units may not be used for AirBnB or other such rentals. Units shall not be used for any time-sharing purpose, including any so-called "vacation license", "travel club membership" or "time interval ownership" arrangement.

**21. Buyer Must Occupy the Unit for 365 Days.** As set forth in the Sales Contract, Buyers are required to purchase their Unit for their own occupancy and use as the Buyer's primary residence for at least 365 consecutive days after closing on the purchase of the Unit. If a Buyer does not occupy the Unit as Buyer's primary residence for the 365-consecutive-day period, then the Developer shall have the right to purchase the Unit from the Buyer for an amount equal to the original purchase price of the Unit.



**22. Optional Lanais.** If a Unit includes an optional lanai, then such lanai cannot be enclosed, covered or otherwise permanently improved or altered without first obtaining written approval of such painting, decorating, enclosure, covering, improvement or alteration from the Board of Directors of the Association of Unit Owners and from the Ewa by Gentry Community Association, as well as any necessary governmental permits and approvals. Lanais shall be used only as outdoor living areas containing appropriate patio furniture and other similar outdoor furnishings that comply with any standards governing the appearance of such items as determined by the Board.

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

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

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

GENTRY HOMES, LTD.

Printed Name of Developer

By: Andrew Kamikawa  
Duly Authorized Signatory\*

OCT 14 2020

Date

Andrew Kamikawa, Vice-President

Printed Name & Title of Person Signing Above

County Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

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

**\*\*In the event of multiple Developers, each Developer must sign on their own signature page.**

## EXHIBIT A

### PARKING

#### Attached Garage:

Each NorthPark by Gentry II Unit has an attached garage. The garages for all Units meet the City and County of Honolulu standards to accommodate one full-sized and one compact-sized parking stall.

**BUYERS SHOULD INSPECT THE GARAGE AND DRIVEWAY THOROUGHLY TO ENSURE THAT THE GARAGE AND/OR DRIVEWAY CAN ADEQUATELY ACCOMMODATE THEIR VEHICLES. VEHICLES SHALL NOT EXTEND INTO ANY ROADWAY WITHIN NORTHPARK BY GENTRY II.**

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

#### Visitor Parking Stalls:

There are 27 visitor parking stalls in NorthPark by Gentry II. Residents in NorthPark by Gentry II will also have access to visitor parking stalls within future condominium communities in the Joint Development Area.

#### Total Number of Parking Stalls in Project:

There is a total of 131 parking stalls in the Project. This number covers the parking stall allocation for the attached garages and the 27 visitor parking stalls.

**NO STREET PARKING/NO EXTENDING INTO THE STREET.** There is no street parking in NorthPark by Gentry. Vehicles parking in the driveways or the visitor parking stalls shall **not extend into** any roadway within NorthPark by Gentry. Buyers who have an oversized vehicle (a van, a truck) or who have more than one full-sized vehicle should thoroughly inspect the garage and driveway to ensure that there is adequate parking for their vehicles.

END OF EXHIBIT A

**EXHIBIT B**  
**PERMITTED ALTERATIONS TO UNITS**

Additions, alterations or improvements solely within a Unit or within a limited common element appurtenant to and for the exclusive use of the Unit may be made with just the approval of the affected Unit owner(s), the Board of Directors of the Association of Unit Owners and, if necessary, the Unit owner's mortgagee.

The following are relevant provisions from Section 16 of the Project Declaration:

**"16. ALTERATIONS TO UNITS AND THE PROJECT.** Except as otherwise provided for in this Declaration or the Bylaws, neither the Association nor any individual Unit Owner shall construct any additional structure or make any structural alterations or additions to an existing structure without first (a) obtaining the affirmative vote or written consent of at least sixty-seven percent (67%) of the Unit Owners and (b) Recording an amendment to this Declaration and the Condominium Map to reflect such change. This provision shall not apply to the Developer during the Development Period, when the Developer is exercising Developer's Reserved Rights. This provision shall also not apply to the extent it conflicts with the City and County of Honolulu's number of approved dwellings in the Project or 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.

**16.1 Optional Floor Plans Shown on the Condominium Map.** Notwithstanding the foregoing, a Unit Owner may add any optional floor plan 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. The Board shall not unreasonably withhold or delay its consent to such request, and any such request shall be deemed to be granted if not denied in writing within forty-five (45) days after the Board's receipt thereof or within forty-five (45) days after the Board's receipt of additional information reasonably required by the Board in order to consider such request, whichever shall occur last.

**16.2 Limited Approval for Certain Floor Plans.** Notwithstanding any other provision in this Declaration to the contrary, a Unit Owner need only obtain the consent of the Board and any necessary governmental permits and approvals for changes to the layout of a 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 16.2, the original Unit shall mean the Unit as originally constructed by the Developer. Upon obtaining the necessary approvals and completing the construction of the changes or alterations, the Unit Owner shall 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 Unit Owner and an officer of the Board.

**16.3 Solar Energy Devices.** The installation, maintenance and repair of any "solar energy device" (as defined in the Act) within any portion of the Project must be in compliance with the Act, Hawaii Revised Statutes Section 196-7, as may be amended from time to time ("Section 196-7"), this Section of 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 shall be registered with the Managing Agent within 30 days after installation. The Board shall have the right to adopt additional rules relating to the installation, maintenance and repair of solar energy devices within the Project, provided such rules are in compliance with the Act and Section 196-7.

**16.4 Optional Lanais.** If a Unit includes an optional lanai, then such lanai cannot be enclosed, covered or otherwise permanently improved or altered without first obtaining written approval of such painting, decorating, enclosure, covering, improvement or alteration from the Board and the Community Association, as well as any necessary governmental permits and approvals. The Board shall not unreasonably withhold or delay its consent to such request, and any such request to the Board shall be deemed to be granted by the Board if not denied in writing within forty-five (45) days after the Board's receipt thereof or within forty-five (45) days after the Board's receipt of additional information reasonably required by the Board in order to consider such request, whichever shall occur last. Lanais shall be used only as outdoor living areas containing appropriate patio furniture and other similar outdoor furnishings that comply with any standards governing the appearance of such items as determined by the Board."

END OF EXHIBIT B

**EXHIBIT C**

**UNIT DESCRIPTION AND COMMON INTEREST**

Unit No.	Plan Type	Approximate Net Living Area (sq. ft.)	Approximate Covered Entry (sq. ft.)	Approximate Garage Area (sq. ft.)	Common Interest (%)
145	Plan 3-R	1,231	21	425	1.923077
147	Plan 2	1,214	30	443	1.923077
149	Plan 4-R	1,259	21	428	1.923077
151	Plan 2	1,214	30	443	1.923077
153	Plan 4	1,259	21	428	1.923077
155	Plan 3-R	1,231	21	425	1.923077
216	Plan 4	1,259	21	428	1.923077
218	Plan 3	1,231	21	425	1.923077
219	Plan 2-R	1,214	30	443	1.923077
220	Plan 1	1,194	25	463	1.923076
221	Plan 3-R	1,231	21	425	1.923077
222	Plan 2	1,214	30	443	1.923077
223	Plan 4-R	1,259	21	428	1.923077
225	Plan 1-R	1,194	25	463	1.923077
227	Plan 1	1,194	25	463	1.923076
229	Plan 3	1,231	21	425	1.923077
231	Plan 4	1,259	21	428	1.923077
233	Plan 1	1,194	25	463	1.923076
235	Plan 3	1,231	21	425	1.923077
237	Plan 2	1,214	30	443	1.923077
239	Plan 1	1,194	25	463	1.923076
241	Plan 4-R	1,259	21	428	1.923077
301	Plan 4	1,259	21	428	1.923077
303	Plan 1	1,194	25	463	1.923077
305	Plan 2	1,214	30	443	1.923077
307	Plan 3	1,231	21	425	1.923077
309	Plan 2	1,214	30	443	1.923077
311	Plan 4	1,259	21	428	1.923077
313	Plan 1-R	1,194	25	463	1.923077
314	Plan 2-R	1,214	30	443	1.923077
315	Plan 1	1,194	25	463	1.923077
316	Plan 3	1,231	21	425	1.923077
317	Plan 2-R	1,214	30	443	1.923077
318	Plan 2	1,214	30	443	1.923077
319	Plan 4-R	1,259	21	428	1.923077
320	Plan 4	1,259	21	428	1.923077
321	Plan 3-R	1,231	21	425	1.923077
322	Plan 1	1,194	25	463	1.923077
323	Plan 1-R	1,194	25	463	1.923077
324	Plan 2	1,214	30	443	1.923077
325	Plan 2-R	1,214	30	443	1.923077
326	Plan 4	1,259	21	428	1.923077
327	Plan 3-R	1,231	21	425	1.923077

Unit No.	Plan Type	Approximate Net Living Area (sq. ft.)	Approximate Covered Entry (sq. ft.)	Approximate Garage Area (sq. ft.)	Common Interest (%)
328	Plan 3	1,231	21	425	1.923077
329	Plan 1-R	1,194	25	463	1.923077
330	Plan 1	1,194	25	463	1.923077
331	Plan 4-R	1,259	21	428	1.923077
332	Plan 4	1,259	21	428	1.923077
333	Plan 3-R	1,231	21	425	1.923077
334	Plan 3	1,231	21	425	1.923077
335	Plan 2-R	1,214	30	443	1.923077
337	Plan 1-R	1,194	25	463	1.923077

NOTE: Because a lanai is not a base feature for a Unit and is only included with a Unit if it is chosen as an option, the areas of the optional lanais are not included in this chart.

NOTE: The Developer 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 (100.000000%).

NOTE: If applicable, an "A" next to the plan number above designates an alternate façade treatment, as shown on the alternate exterior elevation plan drawings on the Condominium Map for a particular Unit type. If applicable, an "R" next to the plan number above designates a reverse floor plan.

### **DESCRIPTIONS OF FLOOR PLANS**

#### **Plan 1 (4 Bedroom, 2 ½ Bath)**

Two story, 4 bedroom, 2 ½ bath Unit with the kitchen, dining/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, three other bedrooms and an additional bathroom. The Unit also includes a covered entry and a two-car garage containing one standard and one compact parking stall. Certain Units may have a seven foot (7 ft.) deep covered lanai built off of the dining/living room and an enlarged concrete slab, which optional additions are depicted on the Option 1 drawings of the Condominium Map and on Pages S1 to S6, inclusive, of the Condominium Map. Certain Units may have a five foot (5 ft.) deep covered lanai built off of the dining/living room and an enlarged concrete slab, which optional additions are depicted on the Option 1A drawings of the Condominium Map and on Pages S1 to S6, inclusive, of the Condominium Map. All Units have a fenced limited common element Private Yard Area. This type of Unit has a net living area of approximately 1,194 square feet, a covered entry area of approximately 25 square feet and a garage area of approximately 463 square feet.

#### **Plan 2 (3 Bedroom, 2 ½ Bath)**

Two story, 3 bedroom, 2 ½ bath Unit with the 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, a loft and an additional bathroom. The Unit also includes a covered entry and a two-car garage containing one standard and one compact parking stall. Certain Units may have a seven foot (7 ft.) deep covered lanai built off of the living room and an

enlarged concrete slab, which optional additions are depicted on the Option 1 drawings of the Condominium Map and on Pages S1 to S6, inclusive, of the Condominium Map. Certain Units may have a five foot (5 ft.) deep covered lanai built off of the living room and an enlarged concrete slab, which optional additions are depicted on the Option 1A drawings of the Condominium Map and on Pages S1 to S6, inclusive, of the Condominium Map. All Units have a fenced limited common element Private Yard Area. This type of Unit has a net living area of approximately 1,214 square feet, a covered entry area of approximately 30 square feet and a garage area of approximately 443 square feet.

**Plan 3 (3 Bedroom, 2 ½ Bath)**

Two story, 3 bedroom, 2 ½ bath Unit with the kitchen, dining/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, a loft and an additional bathroom. The Unit also includes a covered entry and a two-car garage containing one standard and one compact parking stall. Certain Units may have a seven foot (7 ft.) deep covered lanai built off of the dining/living room and an enlarged concrete slab, which optional additions are depicted on the Option 1 drawings of the Condominium Map and on Pages S1 to S6, inclusive, of the Condominium Map. Certain Units may have a five foot (5 ft.) deep covered lanai built off of the dining/living room and an enlarged concrete slab, which optional additions are depicted on the Option 1A drawings of the Condominium Map and on Pages S1 to S6, inclusive, of the Condominium Map. All Units have a fenced limited common element Private Yard Area. This type of Unit has a net living area of approximately 1,231 square feet, a covered entry area of approximately 21 square feet and a garage area of approximately 425 square feet.

**Plan 4 (4 Bedroom, 2 ½ Bath)**

Two story, 4 bedroom, 2 ½ bath Unit with the kitchen, dining/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, three other bedrooms and an additional bathroom. The Unit also includes a covered entry and a two-car garage containing one standard and one compact parking stall. Certain Units may have a seven foot (7 ft.) deep covered lanai built off of the living room and an enlarged concrete slab, which optional additions are depicted on the Option 1 drawings of the Condominium Map and on Pages S1 to S6, inclusive, of the Condominium Map. Certain Units have a loft instead of the fourth bedroom, as depicted on the Option 2 drawings of the Condominium Map. Certain Units have a den instead of the fourth bedroom, as depicted on the Option 3 drawings of the Condominium Map. Certain Units have a master retreat instead of the fourth bedroom, as depicted on the Option 4 drawings of the Condominium Map. All Units have a fenced limited common element Private Yard Area. This type of Unit has a net living area of approximately 1,259 square feet, a covered entry area of approximately 21 square feet and a garage area of approximately 428 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.

END OF EXHIBIT C



## **EXHIBIT D**

### **COMMON ELEMENTS AND LIMITED COMMON ELEMENTS**

#### **COMMON ELEMENTS:**

1. The land described in Exhibit "A" of the Declaration in fee simple (the "Land");
2. All yards, grounds, planting areas, gates, fences (including Common Element Fences located on portions of the Private Yard Areas for Units 145, 147, 149, 151, 153, 155, 227, 229, 231, 233, 235, 237, 239, 241, 301 and 313, and the Privacy Fences, but not the Ewa by Gentry Perimeter Fence), retaining walls (if any), trash collection areas and walkways;
3. All access lanes, roads, curbs, sidewalks and street lights;
4. Visitor parking stall nos. 1 to 6, inclusive, and 23 to 43, inclusive, as shown on the Condominium Map;
5. Installations for services such as pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under or across the Project which serve more than one Unit for services such as power, light, gas, hot water, cold water, sewage, drainage, telephone, radio and television signal distribution, if any;
6. Any apparatus and installations existing for common use, such as tanks, pumps, irrigation lines, motors, fans, compressors, ducts, vents and other such installations;
7. All the benefits, if any, inuring to the Land or to the Project from the easements shown on the Condominium Map, listed in Exhibit "A" to the Declaration or otherwise appurtenant to the Land; and
8. All other parts of the Project necessary or convenient to the Project's existence, maintenance and safety or normally in common use and that are not included in the definition of a Unit.

#### **LIMITED COMMON ELEMENTS:**

9. Subject to the right of the Owner of a Benefitted Unit (as defined in Section 9.1B of the Declaration) to have limited access to the private yard area appurtenant to an Adjacent Unit (as defined in Section 9.1B of the Declaration), each Unit shall have for its exclusive use and enjoyment the front yard area and the private yard area that adjoins the Unit, as shown on the Condominium Map.
10. The gate leading to the private yard area that adjoins the Unit, as shown on the Condominium Map.
11. Where applicable, the gravel strip that runs along the outside edge of certain portions of the Unit.
12. The driveway that adjoins the garage of the Unit, as shown on the Condominium Map.
13. The walkway that adjoins the entry to the Unit, as shown on the Condominium Map.
14. The outdoor unit of the air conditioner system, if any, located outside of the Unit, as shown on the Condominium Map.

**15.** The privacy fence adjacent to the Unit; provided, however, that, where there are two (2) Units whose private yard areas are separated by a privacy fence (or by a portion of a privacy fence), the privacy fence (or the portion of the privacy fence separating their private yard areas) shall be a limited common element appurtenant to both Units.

**16.** All other common elements of the Project that serve less than all of the Units in the Project shall be limited common elements appurtenant to the Units that are served by such common elements.

END OF EXHIBIT D

**EXHIBIT E**  
**ENCUMBRANCES AGAINST TITLE**

1. Real property taxes that may be due and owing. For more information, contact the Real Property Assessment Division, Department of Finance, City and County of Honolulu.
2. Title to all mineral and metallic mines reserved to the State of Hawaii.
3. Restrictions, covenants and conditions as contained in that certain Ewa by Gentry Community Area Declaration of Covenants, Conditions and Restrictions recorded July 29, 1988, as Land Court Document No. 1568352, as amended by instrument recorded July 29, 1989, as Land Court Document No. 1652869, as further amended by instrument recorded February 10, 1992, as Land Court Document No. 1888053, and as may be further amended from time to time. The Property was made subject to the above Declaration of Covenants, Conditions and Restrictions by that certain Declaration of Addition of Real Property recorded July 21, 2000, as Land Court Document No. 2639394. *[This is also referred to as the "Master Declaration". NorthPark by Gentry II is part of a master planned community known as "Ewa by Gentry", all of which is governed by the Master Declaration. The Master Declaration is the primary governing document for the Ewa by Gentry Community Association, of which every unit owner in NorthPark by Gentry II will automatically be a member. As members of the Ewa by Gentry Community Association, unit owners within NorthPark by Gentry II will be subject to the provisions of the Master Declaration. The NorthPark by Gentry II condominium documents have been drafted to comply with the Master Declaration.]*
4. The terms and provisions contained in the Unilateral Agreement and Declaration for Conditional Zoning recorded on March 11, 1991, as Regular System Document No. 91-031327.
5. The terms and provisions contained in the Declaration of Land Use Commission Conditions recorded December 31, 1991, as Regular System Document No. 91-184029.
6. The terms and provisions contained in the Unilateral Agreement and Declaration for Conditional Zoning recorded July 12, 1994, as Land Court Document No. 2163448. *[This document was required by the City and County of Honolulu in order to obtain a change of zoning. It requires the Developer to develop and to submit to the City master site, drainage, landscape and affordable housing plans. It also requires the Developer to construct certain infrastructure and establishes an annual reporting requirement of Developer's progress in these areas.]*  
  
Document(s) declaring modifications thereof recorded May 26, 2006, as Land Court Document No. 3433309.
7. The terms and provisions contained in the Declaration and Confirmation of Restrictions, Reservations, Conditions and Covenants recorded May 17, 2001, as Land Court Document No. 2706030.

8. The terms and provisions contained in the Declaration of Covenants, Conditions and Restrictions on Use and Reservations (Fairway Properties) recorded September 30, 2003, as Land Court Document No. 3002894.
9. The terms and provisions contained in the Limited Warranty Deed and Use Restrictions (Fairway Properties) recorded September 30, 2003, as Land Court Document No. 3002895.
10. The terms and provisions contained in the Declaration of Confirmation of Certain Exceptions, Reservations and Encumbrances Affecting Property (Fairway Properties) recorded September 30, 2003, as Regular System Document No. 2003-212181 thru 2003-212182.
11. Mortgage and Security Agreement made by and between Gentry Investment Properties and Gentry Homes, Ltd., as Mortgagor, and Bank of Hawaii, as Agent, as Mortgagee, recorded November 3, 2015, as Land Court Document No. T-9437056.
12. The Assignment of Sales Contracts and Sales Proceeds, as additional security for the payment of the indebtedness in the amount of \$40,000,000.00 recorded November 3, 2015, as Regular System Document No. A-57850259.
13. Financing Statement made by Gentry Investment Properties and Gentry Homes, Ltd., as Debtor and Bank of Hawaii, as Agent, as Secured Party, recorded November 3, 2015, as Regular System Document No. A-57850260.
14. Grant of Easement for utility and incidental purposes, as described in or disclosed by the instrument recorded February 6, 2020, as Regular System Document No. A- 73410380A thru A- 73410380B.
15. The terms and provisions contained in the Agreement for Issuance of Conditional Use Permit Under Section 21-5.380 of the Land Use Ordinance (LUO), recorded March 3, 2020, as Regular System Document No. A-73670918.
16. The terms and provisions contained in the Declaration of Intent to Develop and Merge; Special Power of Attorney; and Declaration and Reservation of Rights and Easements, recorded March 5, 2020, as Regular System Document No. 73690656A thru 73690656B.
17. As to Lot 6, as described in Exhibit "A" to the Declaration:  
  
Easement 6 (area 3,532 square feet, more or less) for access and utility purposes, as described in or disclosed by the instrument recorded January 24, 2020, as Regular System Document No. A- 73281122.
18. As to Lot 7, as described in Exhibit "A" to the Declaration:  
  
Easement 7 (area 7,638 square feet, more or less) for access and utility purposes, as described in or disclosed by the instrument recorded January 24, 2020, as Regular System Document No. A- 73281122.

16. As to Lot 8, as described in Exhibit "A" to the Declaration:  
Easement 8 (area 4,898 square feet, more or less) for access and utility purposes, as described in or disclosed by the instrument recorded January 24, 2020, as Regular System Document No. A-73281122.
17. As to Lot 9, as described in Exhibit "A" to the Declaration:  
Easement 9 (area 11,007 square feet, more or less) for access and utility purposes, as described in or disclosed by the instrument recorded January 24, 2020, as Regular System Document No. A-73281122.
18. As to Lot 10, as described in Exhibit "A" to the Declaration:  
Easement 10 (area 7,873 square feet, more or less) for access and utility purposes, as described in or disclosed by the instrument recorded January 24, 2020, as Regular System Document No. A-73281122.
19. As to Lot 11, as described in Exhibit "A" to the Declaration:
  - a. Easement 11 (area 6,143 square feet, more or less) for access and utility purposes, as described in or disclosed by the instrument recorded January 24, 2020, as Regular System Document No. A-73281122.
  - b. Easement 20 (area 145 square feet, more or less) for irrigation purposes, as described in or disclosed by instrument recorded January 24, 2020, as Regular System Document No. A-73281122.
  - c. Easement 22 (area 1,115 square feet, more or less) for wall footing purposes, as described in or disclosed by instrument recorded January 24, 2020, as Regular System Document No. A-73281122.
20. Covenants, conditions, restrictions, reservations, agreements, easements, obligations and other provisions contained in the Declaration of Condominium Property Regime of NorthPark by Gentry II, dated September 9, 2020, recorded as Regular System Document No. A-75620641, as may be amended from time to time.
21. Condominium Map No. 6143, and amendments thereto.
22. Covenants, conditions, restrictions, reservations, agreements, easements, obligations and other provisions contained in the Bylaws of the Association of Unit Owners of NorthPark by Gentry II, dated September 9, 2020, recorded as Regular System Document No. A-75620642, as may be amended from time to time.
23. The Unit Deed by which Unit Buyers will take title to their respective Units.

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 rights set forth in the Declaration, the Developer will have the following reserved rights with respect to the Project:

**DEVELOPER'S RESERVED RIGHTS.** The Declaration, including, but not limited to, Sections 17 to 17D of the Declaration, reserves to the Developer various reserved rights (defined in the Declaration and in this Public Report as the "Developer's Reserved Rights"). The Developer's Reserved Rights set forth in the Declaration and outlined in this Exhibit F are necessary and/or helpful to developing NorthPark 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 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 NorthPark by Gentry II (or the merged condominium association if administratively merged with that association), any lender, or any other owner or other person acquiring an interest in NorthPark by Gentry II. When a person or entity acquires an interest in a Unit or any other interest in NorthPark by Gentry II, said person or entity automatically:

**A.** Takes said 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 said person's or entity's attorney-in-fact with full power of substitution to execute such documents and do such other things on said 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 the Act, to cancel the purchase of a Unit, or to mortgage an owner's Unit.

**1. 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 NorthPark by Gentry II pursuant to the terms of the Declaration of Intent to Develop and Merge. The new maintenance fee/voting allocation shall be as described in Section 4(b) of the Declaration of Intent to Develop and Merge. (See Section 17A of the Declaration.)

**2. Developer's Reserved Right To Add Or Withdraw Land.** The Developer reserves the right to either add or withdraw real property from the Project by amending the Declaration, Bylaws and Condominium Map and any other documents that the Developer deems necessary or convenient to effect such addition or withdrawal of real property to NorthPark by Gentry II. (See Section 17B of the Declaration.)

**3. 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 or withdrawal of land as described above by amending the Declaration, Bylaws, Condominium Map and any other document that the Developer deems necessary or convenient to effect such subdivision or consolidation. (See Section 17C of the Declaration.)

**4. Mail Center and Car Wash Stations.** The Developer reserves the right to design and construct a mail pavilion to serve as a centralized mail station for the Project and for the rest of the Joint Development Area (the "**Mail Center**"). The Mail Center will be located on Lot 17, which is intended to be within the Second Joint Development Area (as defined in the Declaration). The Developer also reserves the right to design and construct two car wash stations to serve as car wash areas for the Project and for the rest of the Joint Development Area (each a "**Car Wash Station**" and, collectively, the "**Car Wash Stations**"). The Car Wash Stations will be provided because cars are prohibited from being washed in driveways or in any other areas of the Project or the Joint Development Area. One of the Car Wash Stations will be located on Lot 13 (the "**North Car Wash Station**"), which is intended to be within the Second Joint Development Area, and the other Car Wash Station will be located on Lot 9 (the "**South Car Wash Station**"), between Units 155 and 227 of the Project. The Mail Center and the Car Wash Stations will be available for use by the residents of the Units in the Project and by all the other residents in the Joint Development Area. The several associations of unit owners within the Joint Development Area, including the Condominium Association, shall have the duty and obligation to maintain the Mail Center and the Car Wash Stations at the common expense of all of the owners of units within the Joint Development Area. This duty and obligation may be delegated to a single association of unit owners should the several associations be merged as described in Section 17A of the Declaration. Upon the merger of the Project with other condominium projects (the "**merged condominium project**"), the owners and occupants of the Units in the merged condominium project will have the right to use the common elements of the merged condominium project, which common elements shall include the Mail Center and the Car Wash Stations. (See Section 17D of the Declaration.)

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. Although 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, Sections 17 to 17D), the Bylaws and the House 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 House Rules, then the Sales Contract, the Declaration, the Bylaws or the House 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 rights reserved to the Developer in the Declaration *shall 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 shall 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**

**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 NorthPark 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, were prepared in good faith based upon the assumptions, expense and income data provided by the Developer along with information gathered by the Managing Agent from projects of comparable size and character. The estimated figures do not account for inflation, market adjustments, future utility rate changes, future insurance premium rate changes
3. I hereby certify that the breakdown of the annual maintenance charges 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 are reasonable estimates for the one-year period commencing August 2020, based on generally accepted accounting principles; provided that in calculating the annual maintenance charges and the monthly cost for each unit in the Project, there may be some instances where dollars and cents may not be exact due to rounding.
4. As permitted pursuant to Section 514B-148(b), new associations need not collect estimated reserves until the fiscal year which begins after the association's first annual meeting. The Developer has not conducted a reserve study for the Project. The budget amount for Reserves is an estimate only.
5. The Budget has been prepared on a cash basis.

DATED: Honolulu, Hawaii, this 1<sup>ST</sup> day of Sept. 2020.


  
Name: Pauli Wong  
Title: PRESIDENT

Subscribed and sworn to before me  
this 1<sup>ST</sup> day of Sept. 2020

State of Hawaii  
City & County of Honolulu

Date: 09/01/2020 # of Pages: 3

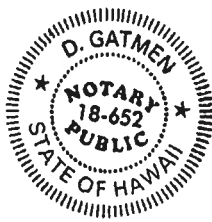
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Annual disbursements for: NorthPark by Gentry II

  
Notary Signature  
Name: D. Gatmen

No & Expiration: 11/25/2022

First Circuit, State of Hawaii

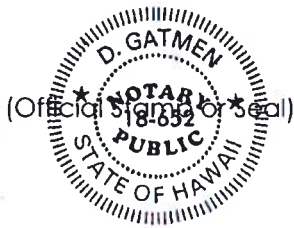
NOTARY CERTIFICATION



**JURAT**

STATE OF HAWAII )  
 ) SS.  
CITY AND COUNTY OF HONOLULU )

Subscribed and sworn before me this 1<sup>ST</sup> day of September, 2020.



  
\_\_\_\_\_

Printed Name: D. Gatmen  
Notary Public, State of Hawaii  
My commission expires: 11/25/2022

## Estimated Fee Disbursement

	Monthly	Annually
<b>Administration</b>		
Tax Preparation/Audit	100	1,200
Legal Fees	180	2,160
Property Management/Accounting	545	6,540
Design Review	145	1,740
Management Office Expenses	364	4,368
Education Expense	87	1,044
Condominium Registration	54	648
<b>Payroll &amp; Benefits</b>		
Site Management Service	661	7,937
<b>Maintenance, Repairs, Supplies</b>		
Grounds/Yards & Common	3,770	45,240
Tree Trimming	0	0
Storm Water Inspection, Mtnc, Repair	100	1,200
Landscape/Irrigation Repairs	72	864
Miscellaneous Repairs & Purchases	145	1,740
<b>Utilities</b>		
Electricity	870	10,440
Car Wash Water	52	624
Home Water	3,120	37,440
Reimb by Owners	-3,120	-37,440
Sewer	5,512	66,144
Reimb by Owner	-5,512	-66,144
Sub-metering Expense	390	4,680
Reimb by Owner	-390	-4,680
<b>Insurance</b>		
Master Policy	271	3,257
<b>Taxes &amp; Governmental Assessments</b>		
GET	0	0
<b>Subtotal Disbursements</b>	<b>7,417</b>	<b>89,003</b>
Reserves	898	10,776
<b>Total</b>	<b>8,315</b>	<b>99,779</b>
<b># Of Homes</b>	<b>52</b>	<b>52</b>
<b>Maint Fee Per Month per Home</b>	<b>160</b>	<b>1,919</b>
<b>Water, Sewer, Submetering Charge will be added to base fee.</b>		
<b>Ewa By Gentry Community Association dues will be billed quarterly directly to each owner.</b>		

**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 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 NorthPark by Gentry II with written notice at least thirty (30) days prior to the maintenance fee commencement date.

**END OF EXHIBIT G**

## EXHIBIT H

### SUMMARY OF SALES CONTRACT

A specimen of the NorthPark by Gentry II Purchase Contract (the "Sales Contract") has been submitted to the Real Estate Commission. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ, IN FULL, THE SALES CONTRACT, 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. Buyer must live in the Unit for at least three hundred sixty-five (365) consecutive days after closing on the purchase of the Unit. Seller shall have the right to verify from time to time that Buyer is occupying and using the Unit as Buyer's primary residence for the three hundred sixty-five (365) consecutive day period. If Buyer does not occupy the Unit as Buyer's primary residence for the three hundred sixty-five (365) consecutive day period, then Seller shall have the right to purchase the Unit from Buyer for an amount equal to the original purchase price of the Unit.
2. Buyer has certain obligations if Buyer wants a mortgage loan to cover part of the purchase price.
3. Buyer's money will be held in escrow, under the terms of the Escrow Agreement.
4. Buyer will not receive interest on deposits made under the Sales Contract.
5. The Unit will be subject to various legal documents which Buyer should examine.
6. The Project will be subject to ongoing construction and sales activities which may result in certain annoyances to Buyer.
7. Seller has no control over certain activities on nearby property owned by others including agriculture, recreation, military, utility and aviation. 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 NORTH PARK BY GENTRY and/or the nearby properties, except in certain circumstances.
8. 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 condominium project's recorded declaration, recorded Bylaws, executed house 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.
9. 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:  
By Buyer:
  - a. Seller may cancel the Sales Contract and retain Buyer's initial deposit;
  - b. Seller may bring a claim for damages;

- c. Seller may bring a claim for "specific performance";
- d. Seller may take advantage of any other rights that the law allows or that Seller may have under the Sales Contract; and
- e. Buyer shall be responsible for all costs incurred by Seller because of Buyer's default or breach.

By Seller:

- a. Buyer may cancel the Sales Contract and Seller will return all deposits, without interest; and
- b. Buyer may pursue any remedies available to Buyer at law or in equity, which remedies may include requiring Seller to keep all of its promises and agreements 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, 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 necessary documents.
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 a party 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 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.

THE ABOVE 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, THE ESCROW AGREEMENT WILL CONTROL AND NOT THIS SUMMARY.

END OF EXHIBIT I



## EXHIBIT J

### CONSTRUCTION WARRANTIES

**Building and Other Improvements:** 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 Condominium 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 Condominium 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.** As set forth in the sales contract, each Buyer 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 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 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.

END OF EXHIBIT J

**EXHIBIT J-1**  
**SAMPLE LIMITED WARRANTY**

# HOME BUILDER'S LIMITED WARRANTY

Administered by Professional Warranty Service Corporation ("PWC")

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

PWC-FORM NO. 117 SAMPLE 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. Hall;
    - 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](http://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 Phone: ( \_\_\_\_\_ ) \_\_\_\_\_

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. 01/07



**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): \_\_\_\_\_

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: Photocopy 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