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Ocean View Center, Penthouse One
707 Richards Street
Honolulu, Hawaii 96813
Telephone: 523-7021

RESTATED DECLARATION OF CONDOMINIUM PROPERTY REGIME

OF

THE TWENTY ONE HUNDRED

WHEREAS, FIRST HAWAIIAN BANK, a Hawaii corporation, whose
place of business and post office address is at 165 So. King
Street, P. O. Box 3200, Honolulu, Hawaii (hereinafter "Trustee"),
Trustee under that certain Trust Agreement dated October 27, 1978,

corporation, hereinafter called "Developer", whose principal place of business and post office address is at Suite 700, 1221 Kapiolani Boulevard, Honolulu, Hawaii, under the Master Leases, respectively, dated July 26, 1974, August 8, 1974, August 22, 1974 and August 23, 1974 (herein after called the "Master Leases"), filed respectively in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 695235, Document No. 695243, Document No. 695234, and Document No. 695236; and

WHEREAS, pursuant to the terms of the Master Leases, the Developer improved the land described in Exhibit "A" by the construction thereon of certain improvements hereinafter described in accordance with the plans incorporated herein by reference and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Condominium Map No. 358 (hereinafter called the "Condominium Map"); and

WHEREAS, the subject property was sold to individual owners as indicated by the referenced Certificate of Title as listed on Exhibit "B", attached hereto and made a part hereof.

WHEREAS, this is a single-use project consisting of one tower designed for residential use, together with recreational facilities and amenities and an adjacent parking garage structure, all as described in this Declaration; and

WHEREAS, in order to create a condominium project consisting of the said land and all improvements thereon, herein called the "Project", and known as THE TWENTY ONE HUNDRED the

Trustee and Developer submitted all of their respective interests in the Project to a Horizontal Property Regime (now known as Condominium Property Regime Act) established by Chapter 514A, Hawaii Revised Statutes, as amended, and furtherance thereof made the following declarations as to divisions, limitations, restrictions, covenants and conditions, and declared and agreed that the Project is held and shall be held, conveyed, mortgaged, encumbered, leased, rented, used, occupied and improved subject to the declarations, restrictions and conditions set forth herein and in the Condominium Property Regime Act and in the Bylaws in Exhibit "B", as the same from time to time be amended in accordance with law and within Declaration and Bylaws, which declarations, restrictions and conditions shall constitute covenants running with the land and shall be binding on and for the benefit of the parties hereto, their successors and assigns, and all subsequent owners and lessees of all or any part of the Project and their respective successors, heirs, personal representatives and assigns; and

WHEREAS, Section 514A-82.2, Hawaii Revised Statutes, empowers the Board of Directors of the Association established by said By=Laws to restate the Declaration to include therein any amendments thereto, and to conform the provisions thereof to the provisions of Chapter 514A, Hawaii Revised Statutes, and any other statute, ordinance, rule, or regulation enacted by any governmental authority, by a resolution adopted by the Board of Directors; and

WHEREAS, at a meeting duly held on _____, said Board of Directors resolved to restate the Declaration, pursuant to Section 514A-82.2, Hawaii Revised Statutes, in the manner set forth herein;

NOW, THEREFORE, the Declaration is hereby restated to read as follows:

A. DESCRIPTION AND DIVISION OF PROPERTY.

1. Building. The buildings will consist of one (1) residential tower and an adjoining parking garage structure together with recreational facilities and landscaped areas. The residential tower will contain a total of One hundred Sixty-Eight (168) apartments together with a manager's residential unit which will be a common element of the Project. The buildings will be constructed principally of concrete floor slabs, reinforced concrete bearing walls, concrete roof slabs, concrete masonry, lumber, steel, aluminum and allied building materials. The residential tower has twenty-five (25) stories, including a ground floor, the stories above the ground floor being designated floors one (1) through twelve (12) and fourteen (14) through twenty-five (25). The buildings have no basements. The parking garage structure has six (6) stories including a ground floor, with two (2) parking levels on each story, the stories being designated P-1 through P-6.

2. Apartments. The number of the apartments in the residential tower and their location, approximate area, number of

rooms, and other data are described in Exhibit C and also in the Condominium Map. Each apartment in the residential tower has access, by way of the corridor immediately adjacent to apartment, to the common elements and common land area with stairways, elevators and/or walkways to the parking areas and public streets. The respective apartments in the residential tower shall not be deemed to include: (a) the undecorated or unfinished surfaces of the perimeter walls, the interior load-bearing walls, or the interior party walls, (b) the undecorated or unfinished floors and ceilings surrounding each apartment, or (c) any pipes, shafts, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include: (i) any adjacent lanai to which such apartment has direct, exclusive access, (ii) all the walls and partitions which are not load-bearing within its perimeter walls, (iii) the inner decorated or finished surfaces of all walls, floors and ceilings, (iv) any doors, windows or panels along the perimeters, and (v) all fixtures originally installed therein, including for each apartment a refrigerator/freezer, icemaker (icemaker optional in all units), if any, electric range with oven and range hood, stacked electric clothes washer and clothes dryer, garbage disposal and dishwasher (dishwasher optional in 01 and 07 Units as described in Exhibit "C"). For apartment measurement purposes in the residential tower,

see Exhibit "C".

B. COMMON ELEMENTS AND COMMON INTEREST.

1. Common Elements. One freehold estate is hereby designated in all of the remaining portions and appurtenances of the Project, herein called the "common elements", including specifically, but not limited to:

(a) Said land in fee simple.

(b) The easements, if any, described in Exhibit "A" attached hereto.

(c) All foundations, floor slabs, beams, columns, supports, girders, unfinished perimeter, party and loadbearing walls, walkways, ramps, fences, railings, and roofs.

(d) All driveways, roadways, pavements, and walkways and all planted areas, grounds and landscaping, any area reserved for private park purposes, including the swimming pool, and any other recreational areas, the reception area and refuse facilities.

(e) All parking areas, ramps and parking stalls (except those assigned and to be assigned as limited common elements pursuant to paragraph 8.2 hereof).

(f) All common laundry facilities and storage rooms, if any, the trash room, the electricity vault room, party room, the elevator lobby, the elevators, stairways and stairwells, exterior corridors, the resident manager's office, the entry to the residential tower, the lobby and mailroom thereof.

(g) All ducts, electrical equipment, wiring, pipes and

other central and appurtenant transmission facilities and installations over, under, and across the Project which serve more than one apartment for services such as power, light, water, sewer, telephone and radio and television signal distribution.

(h) The resident manager's apartment on the ground floor which is in most respects identical to a type 06 apartment as described in Exhibit "C" and which includes all fixtures, interior finished surfaces, walls and partitions contained therein, together with its adjacent lanai, and together with the Resident Manager's parking stall designated in Exhibit "D", attached to the Declaration as set forth in paragraph B.2 below.

(i) Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use.

2. Limited Common Elements. Certain parts of the common elements, herein called and designated in "limited common elements", are hereby set aside and reserved for the exclusive use of certain apartments and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

(a) Entranceways to each apartment shall be limited common elements for the exclusive use of the apartments they serve.

(b) Each apartment shall have appurtenant to it at least one parking stall located in the parking garages. Extra stalls may be sold by the Developer as limited common elements only. Each parking stall shall be appurtenant to its respective apartment, as designated on Exhibit "D" to the Declaration. The assignment of stalls may be changed from time to time as provided in Paragraph L.

(c) Mailboxes adjacent to the mailroom shall be designated for and be appurtenant to the respective apartments bearing the same number as that designated upon the inner and outer doors of each respective mailbox.

The costs and expenses of every description pertaining to the limited common elements, including but not limited to the costs of maintenance, repair, replacement, improvement or additions to the limited common elements shall be charged to the apartment owner or owners to whose apartment the limited common elements so maintained, repaired, replaced, added to or improved are appurtenant.

3. Common Interest. Each apartment shall have appurtenant thereto an undivided percentage interest as set forth in Exhibit "C" in all common elements of the Project, herein called the "common interest", and the same proportionate share in all common profits and expenses the Project and for all other purposes including voting.

C. EASEMENTS. In addition to any easements hereby

established in the limited common elements, the apartments and common elements shall also have and be subject to the following easements:

1. Each apartment shall have appurtenant thereto exclusive easements in the common elements designed for such purposes for ingress to, egress from, utility services for and support of such apartment; in the other common elements for use according to their respective purposes, subject always to the exclusive use of the limited common elements as provided herein; and in all other apartments of the buildings for support.

2. If any part of the common elements now or hereafter encroaches upon any apartment or limited common element, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. In the event any buildings shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the common elements due to construction shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist.

3. Each apartment shall be subject to an easement in favor of the owners of all other apartments for access to any common elements located in such apartment. The Association of Apartment Owners (the "Association") shall have the right, to be exercised by its Board of Directors (the "Board") or the Managing Agent, to enter each apartment and the limited common elements from time to time during reasonable hours as may be appropriate for the

operation of the Project or at any time for making emergency repairs therein which may be necessary to prevent damage to any apartment or common element.

4. The Trustee reserves the right at any time to grant within the common elements, easements and rights of way over, across, and under the common elements for utilities, sanitary and storm sewers, cable television, and other public services and to relocate, realign or cancel the same provided that such easements, their use, relocations, realignment, or cancellation shall not materially impair or interfere with the use of any apartment.

D. ALTERATION AND TRANSFER OF INTERESTS. The common interest and easements appurtenant to each apartment shall have a permanent character and shall not be altered without the consent of all of the apartment owners affected, expressed in an amendment to this Declaration duly recorded except as otherwise set forth in this Declaration. The common interest and easements shall not be separated from the apartment to which they appertain, and shall be deemed to be conveyed, leased or encumbered with such apartment even though such interest or easements are not expressly mentioned or described in the conveyance or other instrument. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by said Horizontal Property Act.

E. USE. The apartments shall be occupied and used only in accordance with the laws of the State of Hawaii, the United

States of America, and the Building Code and Zoning Ordinances and regulations the City and County of Honolulu.¹

F. ADMINISTRATION OF PROJECT. Administration of the Project shall be vested in the Association. Operation of the Project and maintenance, repair, replacement and restoration of the common elements, and any additions and alterations thereto, shall be in accordance with the provisions of the Horizontal Property Act, this Declaration and Bylaws.

G. MANAGING AGENT: SERVICE OF PROCESS. Operation of the Project shall be conducted for the Association by a responsible corporate managing agent (herein called Managing Agent") who shall be appointed by the Association in accordance with the Bylaws. The Managing Agent is hereby authorized to receive service of legal process in all cases provided in said Horizontal Property Act. The initial Managing Agent shall be Aaron M. Chaney, Inc., a Hawaii corporation, whose principal place of business and post office address is 841 Bishop Street, 4th Floor, Honolulu, Hawaii.

H. COMPLIANCE WITH DECLARATION AND BYLAWS. All Apartment Owners, their tenants, families, servants and guests, and any other persons who may in any manner use the Project, shall be bound by and comply strictly with the provisions of this Declaration, the Bylaws of the Association and all agreements, decisions and determinations of the Association as lawfully made or amended from time to time, and failure to comply with any of the same shall be

grounds for an action to recover sums due, for damages or injunctive relief, or both, maintainable by the Board or Managing Agent on behalf of the Association, or, in a proper case, by any aggrieved apartment owners.

I. INSURANCE. The Association at its common expense shall at all times keep all buildings of the Project cured against loss or damage by fire with extended coverage in an insurance company authorized to do business in Hawaii as provided in the Bylaws in an amount as near as practicable in the full replacement cost thereof without reduction for depreciation. In every case of such loss or damage all insurance proceeds shall, unless the Trustee and Association by affirmative vote of a majority of the Apartment Owners shall mutually agree otherwise, be used as soon as reasonably possible by the Association for rebuilding, repairing or otherwise reinstating the same buildings in a good and substantial manner according to the original plan and elevation thereof or such modified plans conforming to laws and ordinances then in effect as shall be first approved as herein provided and the Association at its common expense shall make up any deficiency in such insurance proceeds.

J. UNINSURED CASUALTY. In case at any time or times any improvements of the Project shall be substantially damaged or destroyed by any casualty not herein required to be insured against, such improvements shall be rebuilt, repaired or restored if twenty-five percent (25%) of the apartment owners affirmatively

vote for such rebuilding, repairing or restoration. Any such approved restoration of the common elements shall be completed diligently by the Association at its common expense, and the apartment owners shall be solely responsible for any restoration of their respective apartments so damaged or destroyed according to the original plan and elevation thereof or such other plan first approved as provided herein. Unless such restoration undertaken within a reasonable time after such casualty the Association at its common expense shall remove all remains of improvements so damaged or destroyed and restore the site thereof to good orderly condition and even grade.

K. ALTERATION OF PROJECT. Restoration or replacement of the Project or of any building, or other facility or construction of any additional building or structural alteration or addition to any structure, different in any material respect from the Condominium Map shall be undertaken by the Association or any apartment owner only pursuant to an amendment of this Declaration, duly executed by or pursuant to the affirmative vote of all apartment owners and accompanied by the written consent of the holders of all liens affecting any of the apartments (if the lien holders require such consent), and in accordance with complete plans and specifications therefor first approved in writing by the Trustee and Board, and promptly upon completion of such restoration, replacement or construction, the Association shall duly record or file of record such amendment together with a

complete set of floor plans of the Project as so altered, certified as built by a registered architect or professional engineer; provided, however, that notwithstanding any provision in this Declaration to the contrary, any alterations or additions within an apartment not affecting any of the common elements shall require the written consent thereto and the written approval of the apartment owner's plans therefor by only the holders of all liens affecting such apartment (if the lien holders require such consent and approval), the Board and the Trustee, and such alterations or additions may be undertaken without an Amendment to this Declaration or filing of a complete set of floor plans of the Project as so altered.

Notwithstanding the foregoing, handicapped persons shall:

- (1) be permitted to make reasonable modifications to their Apartments and the common elements, at their expense, if such modifications are necessary to enable them to use and enjoy their Apartments or the common elements, as the case may be; and
- (2) be allowed reasonable exemptions from the Declaration, these By-Laws, and the Rules and Regulations, when necessary, to enable them to use and enjoy their Apartments and/or the common elements, provided that any handicapped person desiring to make such modifications or desiring such an exemption shall so request, in writing. That request shall set forth, with specificity, and in detail, the nature of the request and the reason that the requesting party needs to make such modification or to be granted such an exemption.

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 of the Board's receipt thereof.²

L. AMENDMENT OF DECLARATION. Except as otherwise provided herein or in the Horizontal Property Act, this Declaration may not be amended except by a vote or written consent of the owners of not less than Seventy-five percent (75%) of the apartment owners³ and with the consent of the Trustee which vote shall be effective only upon recording of instrument setting forth such amendment, consent and vote, duly executed by the Trustee and such owners or by the proper officers of the Association, provided, however, that at any time prior to the issuance of the Final Public Report, the Trustee and the Developer may amend this Declaration and the Bylaws in any manner. Notwithstanding the foregoing and notwithstanding the sale and conveyance of any of the apartments, this Declaration (including the Bylaws and when applicable, the Condominium Map) may be amended as follows: (a) By the Developer by filing the "as built" certified statement (with plans, if applicable) required by Section 514A-12 of the Horizontal Property Act, (i) so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed fully and accurately depict the elevations of the buildings, and the layout, location, apartment numbers, and dimensions of the apartments as built, or (ii) so long

as any plans filed therewith involve only immaterial changes to the layout, location, apartment numbers or dimensions of the apartments as built.

(b) By the Developer and the Trustee to effect any changes or amendments required by an administrative agency any state, territory, possession or foreign country or her foreign jurisdiction as a condition precedent to marketing the Project therein.

(c) By the Developer to reassign individual parking spaces among individual apartments for which apartment leases have not been issued and recorded, prior to issuance and recordation of the last apartment lease in Project, by changing from time to time said assignments by amendments to Exhibit "D"; provided that the apartment shall have at least one parking stall appurtenant thereto at all times; and provided further that parking stalls 9G through 14G inclusive shall at all times be retained as stalls for guest parking.

In case of a modification or amendment to the Bylaws, this Declaration may be amended to set forth such modification or amendment pursuant to such percentage vote as is required by the Bylaws to render the modification or amendment thereof effective.

Notwithstanding the foregoing, apartment owners shall have the right to transfer or change the designation , of parking stalls which are appurtenant to their respective apartments with the consent of the mortgagee, if any, by an Amendment of this

Declaration and the respective apartment leases or deeds involved, in accordance with the Horizontal Property Act, and the Trustee hereby consents thereto and agrees to such amendments, provided that each apartment shall have at least one parking stall appurtenant thereto at all times.

M. BINDING EFFECT. All of the covenants, agreements and conditions herein contained shall extend to and be binding upon the heirs, executors, administrators and assigns the respective parties hereto.

N. DISCLAIMER. Nothing herein contained, nor any advertising or other documentation in connection with the Project shall be construed as obligating Trustee, Developer any other person to develop any land other than the land described in Exhibit "A", or to construct any improvements (including any additional apartments or recreational facilities) other than the improvements described herein.

O. DEFINITIONS. The terms "majority or "majority of apartment owners" herein or in the Bylaws mean the owners of apartment to which are appurtenant more than fifty percent (50%) of the Common interests, and any specified percentage of the apartment owners herein or in the Bylaws means the owners of apartments to which are appurtenant such percentage of the common interest.

P. INVALIDITY. The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any

manner the validity, enforceability or effect of the binder of this Declaration, and in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such provision had never been included herein.

Q. CONTINUITY OF LESSOR'S INTEREST. The Trustee and Developer agree and understand that the Trustee holds title to the parcels comprising the land upon which the project is situated, as described in Exhibit A, as Trustee for the settlors and beneficiaries under the Trust Agreement, providing a common administration of the fee interest, in accordance with the terms of the Trust Agreement, in the parcels. The Trustee covenants with the Developer, for the benefit of Developer and all owners and lessees from time to time of apartments in the Project, that during the subsistence of this Horizontal Property Regime, all of the fee interest in the said parcels shall be represented and administered by Trustee, as the single designated trustee behalf thereof, by another single designated trustee on behalf thereof, or by other single designated agent on behalf thereof, regardless of the number of title holders with respect thereto or beneficial owners thereof. The covenant may be enforced by appropriate proceedings by Developer, or by the Association of Apartment Owners on behalf of all owners and lessees of apartments in the Project.

In witness whereof, the undersigned have executed this instrument this 21st day of August, 1990.

ASSOCIATION OF APARTMENT OWNERS OF
TWENTY-ONE HUNDRED

By *Ruth Rubin*
Its president

By *Robert Hatanger*
Its TREASURER

STATE OF HAWAII

)

: SS.

COUNTY AND COUNTY OF HONOLULU

)

On this 21st day of August, 1990, before me appeared Keith K. Maoka and Robert Hatanaka, to me personally known, who, being by me duly sworn, did say that they are the President and Treasurer of THE ASSOCIATION OF APARTMENT OWNERS OF TWENTY-ONE HUNDRED, and that the instrument was signed in behalf of the Association by authority of its Board of Directors, and Keith K. Maoka and Robert Hatanaka acknowledged the instrument to be the free act and deed of the Association. Association has no corporate seal.

GV

Andria J. Langford
 Notary Public, State of Hawaii
 My Commission expires: 8-15-91

ENDNOTES

The following endnotes correspond to provisions in the Declaration which have been restated to conform to Chapter 514A, Hawaii Revised Statutes, and the Federal Fair Housing Act, as amended (42 U.S.C. Sections 3601 et seq.), and to integrate all amendments made to The Twenty One Hundred's Declaration. This Restated Declaration correctly sets forth without change the corresponding provisions of the original Declaration, as amended, and supersedes the original Declaration and all prior amendments thereto. This Restatement was made solely for purposes of information and convenience. In the event of a conflict, the Restated Declaration shall be subordinate to the cited statutes.

1. To provide for conformance with Federal law, including but not limited to the Federal Fair Housing Act, as amended (42 U.S.C. Section 3601 et seq.).
2. To conform to the Federal Fair Housing Act, as amended (42 U.S.C. 3601 et seq.).
3. To conform to Section 514A-11(11), HRS.

EXHIBIT "A"

All of those certain parcels of land situate at Waikiki, Honolulu, City and County of Honolulu, State of Hawaii, described as follows:

FIRST:

Lot I, area 6,000.0 square feet, of Block 19, as shown on Map 8, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 279 (amended) of Guardian Trust Company, Limited.

SECOND:

- Lots: C, area 4,000.0 square feet, as shown on Map 8;
B-2, area 500.0 square feet, as shown on Map 10;
D, area 5,000.0 square feet, and
E-1, area 4,914.0 square feet, as shown on Map 185;

In Block 19 of the "McCULLY TRACT", the Maps above referred to by numbers are filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with said Land Court Application No. 279 (amended).

THIRD:

Lot B-1, area 4,500.0 square feet, in Block 19, of the "McCULLY TRACT", as shown on Map 10, filed in said Office of the Assistant Registrar of the Land Court with said Land Court Application No. 279 (amended).

FOURTH:

Lot F, area 6,000.0 square feet, Block 19, as shown on Map 8, filed in said Office of the Assistant Registrar of the Land Court of the State of Hawaii with said Land Court Application No. 279 (amended).

As to parcels FIRST through FOURTH, being the same premises described in Transfer Certificate of Title No. 206366, issued to FIRST HAWAIIAN BANK, a Hawaii corporation, as Trustee under Trust Agreement dated October 27, 1978, filed in said Office as Document No. 911176.

SUBJECT, HOWEVER, to the following:

1. AS TO FIRST (LOT I): The terms, conditions and provisions of that certain Master Lease, dated August 8,

EXHIBIT 'A'

PAGE 1 OF 3

1974, entered into by and between Kenneth Goo Akona and Hazel Lun Akona, husband and wife, as Lessor, and Blackfield Hawaii Corporation, a Hawaii corporation, as Lessee, and filed in said Office as Document No. 695243, as amended by instrument entitled "Amendment of Master Lease" dated October 20, 1978, filed in said Office as Document No. 911172, and noted on Transfer Certificate of Title 206366.

2. AS TO SECOND (LOTS C, B-2, D AND E-1): The terms, conditions and provisions of that certain Master Lease, dated July 26, 1974, entered into by and between James Hiroki Yamamoto, husband of Etsuko Yamamoto, Beverly Fusako Tanemura, wife of Richard Masuo Tanemura, Joseph Mitsuo Yamamoto, husband of Elly Yuriko Yamamoto, and Shigeo Yamamoto, husband of Violet Masako Yamamoto, as Lessor, and Blackfield Hawaii Corporation, a Hawaii corporation, as Lessee, and filed in said Office as Document No. 695235, as amended by instrument entitled "Amendment of Master Lease" dated October 20, 1978, filed in said Office as Document No. 911173, and noted on Transfer Certificate of Title 206366.

3. AS TO THIRD (LOT B-1): The terms, conditions and provisions of that certain Master Lease, dated August 22, 1974, entered into by and between Chung Wah Jung Gung Hui Realty Company, Limited, a Hawaii corporation, as Lessor, and Blackfield Hawaii Corporation, a Hawaii corporation, as Lessee, and filed in said Office as Document No. 695234, as amended by instrument entitled "Amendment of Master Lease" dated October 20, 1978, filed in said Office as Document No. 911174, and noted on Transfer Certificate of Title 206366.

4. AS TO FOURTH (LOT F): The terms, conditions and provisions of that certain Master Lease, dated August 23, 1974, entered into by and between Hideo Toda and Ann Shigeo Toda, husband and wife, as Lessor, and Blackfield Hawaii Corporation, a Hawaii corporation, as Lessee, and filed in said Office as Document No. 695236, as amended by instrument entitled "Amendment of Master Lease" dated October 20, 1978, filed in said Office as Document No. 911175, and noted on Transfer Certificate of Title 206366.

5. AS TO EACH OF PARCELS FIRST THROUGH FOURTH, the terms, conditions and provisions of that certain Trust Agreement dated October 27, 1978 entered into by and between Kenneth Goo Akona and Hazel Lun Akona, husband and wife, James Hiroki Yamamoto, unmarried, Beverly Fusako Tanemura, wife of Richard Masuo Tanemura, Joseph Mitsuo Yamamoto, husband of Elly Yuriko Yamamoto, Shigeo Yamamoto, husband of Violet Masako Yamamoto, Chung Wah Jung Gung Hui Realty Company, Ltd., a Hawaii corporation, and Hideo Toda and Ann Shigeo Toda, husband and wife, as Settlers, and First Hawaiian Bank, a Hawaii corporation, as Trustee, filed in said Office as Document No. 911176 and noted on Transfer Certificate of Title No. 206366 issued to First Hawaiian Bank, Trustee.

6. As to all of Parcels FIRST THROUGH FOURTH, the terms, conditions and provisions of that certain "Declaration of Restrictive Covenants (Park)" dated November 3, 1978, by and between First Hawaiian Bank, a Hawaii corporation, as Trustee, and Blackfield Hawaii Corporation, a Hawaii corporation, as Developer, filed in said Office as Document No.

913855, and noted on Transfer Certificate of Title
206366.

7. AS TO EACH OF PARCELS FIRST THROUGH FOURTH.
Condominium Map No. _____ filed in said Office.

NOTE: As to SECOND only:

Land Court Order No. 44252, filed April 15, 1976, sets
forth the divorce of James Hiroki Yamamoto from Etsuko
Yamamoto on March 13, 1964.

3.

EXHIBIT "A"
PAGE 3 OF 3

OFFICE OF THE
ASSISTANT REGISTRAR, LAND COURT
STATE OF HAWAII
Bureau of Conveyances

The original of this document was
recorded as follows:

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DATE APR 09 2009 TIME 8:02

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LAND COURT SYSTEM

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AFTER RECORDATION, RETURN TO: BY: MAIL PICKUP

EKIMOTO & MORRIS, LLLC
JOHN A. MORRIS, ESQ./alt
AMERICAN SAVINGS BANK TOWER
1001 BISHOP STREET, SUITE 780
HONOLULU, HAWAII 96813-3410

Total pages: 11

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Tax Map Key: (1) 2-7-2-30

Condominium Map No. (Land Court): 358

**AMENDMENT TO RESTATED DECLARATION OF CONDOMINIUM PROPERTY REGIME OF
THE TWENTY ONE HUNDRED**

This AMENDMENT TO RESTATED DECLARATION OF CONDOMINIUM PROPERTY REGIME OF THE TWENTY ONE HUNDRED is made by the **ASSOCIATION OF APARTMENT OWNERS OF THE TWENTY ONE HUNDRED, INC.**, whose address is % Hawaiian Properties, Ltd., 1165 Bethel Street, Second Floor, Honolulu, Hawaii 96813 ("Association"),

WITNESSETH THAT:

WHEREAS, by Declaration of Horizontal Property Regime dated January 24, 1979 (the "Declaration") filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 920759 and noted on the Certificates of Title shown on the attached Exhibit "1", the property described in the Declaration was submitted to a Condominium Property Regime established by Chapter 514A of the Hawaii Revised Statutes, as amended (which has since been recodified as Chapter 514B, Hawaii Revised Statutes); and

WHEREAS, simultaneously with the recording of the Declaration and the By-Laws, the owners also filed plans describing the improvements to the project as Condominium Map No. 358; and

WHEREAS, the Declaration provided for the organization and operation of the Association of Apartment Owners of The Twenty One Hundred (the "Association") to operate and manage the Project in accordance with the By-Laws; and

WHEREAS, the Declaration was amended by instrument dated October 30, 1979, filed in the Office of the Assistant Registrar of the State of Hawai'i as Land Court Document No. 976530; by instrument dated March 19, 1980, filed as Land Court Document No. 1005798; by instrument dated May 23, 1985, filed as Land Court Document No. 1301541; by instrument dated May 2, 1986, filed as Land Court Document No. 1369875; and by instrument dated October 22, 1987, filed as Land Court Document No. 1567731; and

WHEREAS, the Declaration was restated by "Restated Declaration of Condominium Property Regime of The Twenty One Hundred" dated August 21, 1990 (the "Restated Declaration"), filed in the Office of the Assistant Registrar of the Land Court of the State of Hawai'i as Land Court Document No. 1835543; and

WHEREAS, the Restated Declaration was amended by instrument dated January 8, 1991, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawai'i as Land Court Document No. 1800991; by instrument dated January 12, 1993, filed as Land Court Document No. 1990809; and by instrument dated March 11, 1993, filed as Land Court Document No. 2007501; and

WHEREAS, the By-Laws were restated by "Restated Bylaws of Association of Apartment Owners of The Twenty One Hundred" dated August 21, 1980 (the "Restated Bylaws"), filed in the Office of the Assistant Registrar of the Land Court of the State of Hawai'i as Land Court Document No. 1835544; and

WHEREAS, the Restated Bylaws were amended by instrument dated January 13, 1994, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawai'i as Land Court Document No. 2117163; and

WHEREAS, the Association was incorporated on February 20, 1992 under Chapter 415B, Hawai'i Revised Statutes, as the Association of Apartment Owners of The Twenty One Hundred, Inc.; and

WHEREAS, Section 514B-23, Hawai'i Revised Statutes ("HRS"), empowers the Association to amend the Restated Declaration, with the vote or written consent of a majority of the owners, to achieve any results permitted by HRS Chapter 514B; and

WHEREAS, a majority of the Association's owners gave their written consent in favor of "opting-in" to the provisions of HRS Chapter 514B by amending the Declaration;

NOW THEREFORE, the Restated Declaration, as amended, is hereby amended to "opt-in" to HRS Chapter 514B, as stated below. To the extent that there is any conflict between the provisions of the Declaration and HRS Chapter 514B, the provisions of the Restated Declaration shall be subordinate to HRS Chapter 514B, including all approval requirements in HRS Chapter 514B.

AMENDMENT

A new Section R. is added to the Restated Declaration, to generally amend the Project documents to achieve any results permitted by HRS Chapter 514B, and to read as follows:

R. GOVERNING LAW. Notwithstanding anything to the contrary in the Project's Declaration, By-Laws, Rules and Regulations, and Condominium Map:

1. The Project shall be governed by the provisions of Chapter 514B, as amended;

2. Any apartment deed and the Project's Declaration, By-Laws, Rules and Regulations, and Condominium Map shall be liberally construed to facilitate the operation of the Project under the law (HRS Section 514B-10);

3. The Board of Directors shall be permitted to restate the Declaration and By-Laws of the Association to include any amendments and to conform to Chapter 514B, or any other statute, ordinance, or rule enacted by any governmental authority (HRS Section 514B-109);

4. Amendments to the Declaration, including but not limited to amendments relating to the alteration of the Project, shall require the approval by vote or written consent of the owners of at least of 67% of the common interest (HRS Section 514B-32(11));

5. Amendments to the By-Laws, including but not limited to amendments relating to the alteration of the Project, shall require the approval by vote or written consent of at least 67% of all owners (HRS Section 514B-108(e));

6. Approval requirements for alterations to the common elements shall be reduced to 67% (HRS Section 514B-140);

7. Approval requirements for leases or uses of the common elements shall be governed by HRS Section 514B-38;

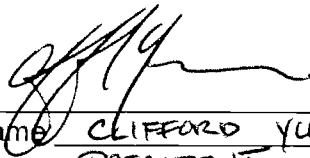
8. Punitive damages may not be awarded except as provided in HRS Section 514B-10.


In all other respects, the Restated Declaration, as amended, is hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties to them and their respective successors and permitted assigns. The undersigned officers of the Association of Apartment Owners of The Twenty One Hundred, Inc. hereby certify that the above amendment was made by the written consent of more than a majority of the members of the Association.

Each of the undersigned officers of the Association warrants and represents that he or she is legally authorized to sign this Amendment on behalf of the Association. The officers of the Association agree that this Amendment may be executed in counterparts, each of which shall be deemed an original, and those counterparts shall together constitute one and the same instrument, binding all the Parties, notwithstanding that all the Parties are not signatories to the original or the same counterpart.

IN WITNESS WHEREOF, the undersigned have executed this instrument on this 26th day of March, 2009.

ASSOCIATION OF APARTMENT OWNERS OF
THE TWENTY ONE HUNDRED, INC.

By: 
(Print name: CLIFFORD YUEN)
Its: PRESIDENT

By: 
(Print name: PATRICIA N. HISAMOTO)
Its: SECRETARY

STATE OF HAWAII)
)
CITY & COUNTY OF HONOLULU) ss.

On this 26 day of March, 2009, before me personally appeared Clifford Yuen, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Cherie Herron

Print Name: CHERIE HERRON
Notary Public, State of Hawai'i

My Commission Expires: 11-16-12



Document Date: Undated / Amendment # Pages: 7

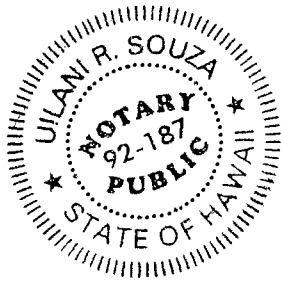
Notary Name: CHERIE HERRON First Circuit

Doc. Description: Amendment to restated declaration of Condominium (part regime) of the twenty one hundred

Cherie Herron 3-26-09
Notary Signature Date

STATE OF HAWAII)
)
) ss.
CITY & COUNTY OF HONOLULU)

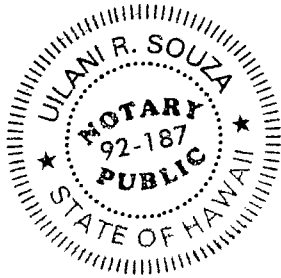
On this 30th day of March, 2009, before me personally appeared Patricia M. Hisamoto, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.



Uilani R. Souza

Print Name: Uilani R. Souza
Notary Public, State of Hawaii

My Commission Expires: March 24, 2012



Doc. Date: Undated # Pages: 6
Name: Uilani R. Souza First Circuit
Doc. Description: Amendment to Restated Declaration of Condominium Property Regime
Uilani R. Souza 3/30/09
Signature Date
NOTARY CERTIFICATION

THE TWENTY ONE HUNDRED

Apt # TCT#

103	309635
1001	525966
1002	353285
1002	760835
1003	661376
1004	308526
1005	815741
1006	428991
1007	322974
101	856074
102	461505
104	308509
105	512695
106	388536
107	818095
1101	823047
1102	835790
1103	478606
1104	713581
1105	718446
1106	705353
1107	436932
1201	822868
1202	445908
1203	308574
1204	309217
1205	634337
1206	308532
1207	358175
1401	340113
1402	389564
1403	417448
1404	618049
1405	842412
1406	620383
1407	496172
1501	456697
1502	391508
1502	754454
1503	778300
1504	309218

THE TWENTY ONE HUNDRED

Apt # TCT#

1505	769128
1506	738904
1507	597412
1601	813825
1602	686525
1603	417449
1604	345981
1605	556637
1606	447649
1607	805554
1701	348043
1702	616184
1703	717838
1704	405192
1705	729710
1706	672896
1707	682832
1801	417450
1802	481379
1803	324737
1804	445234
1805	446286
1806	757944
1807	742260
1901	353847
1901	374862
1902	308542
1903	857775
1904	308543
1905	308544
1905	534687
1906	695927
1907	658049
2001	308546
2002	667649
2003	515493
2004	630171
2005	308548
2005	503524
2006	817769
2007	624029

THE TWENTY ONE HUNDRED

Apt # TCT#

201	730080
202	651127
203	859812
204	843357
205	419001
206	630428
207	308512
2101	697285
2102	417455
2102	870180
2103	807418
2104	704191
2105	631056
2106	694943
2107	801665
2201	682027
2202	417457
2203	801625
2204	417458
2204	518716
2205	749058
2205	867433
2206	701784
2207	785212
2301	713583
2302	310621
2303	669400
2303	880185
2304	517649
2305	308566
2306	319524
2307	763370
2307	915684
2401	597181
2402	328452
2403	602552
2404	730098
2405	706872
2406	461486
2407	312044
2407	408617

THE TWENTY ONE HUNDRED

Apt # TCT#

2501	308570
2502	727098
2503	714945
2504	771996
2505	308571
2506	620537
2507	654865
2608	503525
301	417442
302	729207
303	308513
304	355445
304	822838
305	355543
306	333981
307	391927
401	674709
402	632950
403	775156
403	923469
404	588972
405	508931
406	480879
407	325193
407	917959
501	825586
502	807397
503	453072
504	562360
505	429074
506	773150
507	627633
601	490577
601	495615
602	614335
603	338248
604	463837
605	397568
605	594422
606	724084
607	359908

THE TWENTY ONE HUNDRED

Apt # TCT#

701	546468
702	392258
703	417444
704	679475
705	531906
706	689695
707	499698
801	333982
801	760730
802	707977
803	647406
804	524591
805	858378
806	418282
807	560444
901	427886
902	748088
903	491074
904	858377
905	513000
906	798424
907	412148

THE TWENTY-ONE HUNDRED

HOUSE RULES

I, _____ owner/tenant of 2100 Date Street, Unit # _____
acknowledge receipt of the house rules which was revised on October 26, 2005. I
understand and will abide by these house rules.

Signature

Date

Signature

Date

Signature

Date

Please return this form to the Resident Manager as soon as possible. Thank you!

THE TWENTY-ONE HUNDRED

HOUSE RULES

Revised/Approved – October 26, 2005

Dear Twenty-One Hundred Date Street Residents:

Set forth within this booklet is the Revised House Rules of the Twenty-One Hundred, dated October 26, 2005. The purpose of these House Rules is to promote harmonious relations among owners and residents and allow maximum enjoyment of the premises.

All owners are responsible for making sure that their tenants and/or agents have a copy of the house rules and are made familiar of these rules.

Respectfully,

The Board of Directors of The Twenty-One Hundred

Date Mailed: November 16, 2005

GENERAL AND EMERGENCY TELEPHONE NUMBERS

All emergencies: Fire, Ambulance, Police.....	911
Honolulu Police Department.....	529-3111
Resident Manager: (Phone).....	944-1192
(Emergency Pager).....	641-2948
Security.....	223-8247
Metropolitan Management.....	536-3511
55 Merchant Street, Suite 2000	
Honolulu, Hawaii 96813	
Board of Water Supply.....	572-5207
City and County Bulky Item and Dead Animal Pickup.....	523-4685
Civil Defense.....	523-4121
Poison Control.....	1-800-222-1222
Elevators: (Keys fallen down elevator shaft or other elevator emergencies)	
Shindler Elevators.....	483-0500
Emergency Plumbers:	
Alaka'i Plumbing.....	834-1085
BJ Gentz.....	373-4463
R&R Plumbing.....	534-0065
Hawaiian Electric.....	548-7961
Honolulu Towing.....	839-9494
Oceanic Cable: (Customer Service).....	625-2100

A. GENERAL

- A-1 **REGISTRATION:** All residents are required to provide a completed registration form to the Resident Manager prior to occupancy.
- A-2 **MOVES & DELIVERIES:**
- a. Are permitted between the hours of 8:00 a.m. and 6:00 p.m., Monday thru Saturday. Moving and deliveries are **not** permitted on Sunday and holidays. All moves must be scheduled with the Resident Manager 48 hours in advance to reserve the elevator and install interior protective padding.
 - b. Are restricted to the service entrance located in the courtyard adjacent to the parking garage and must be scheduled with the Resident Manager, who will assign the elevator to be used as well as install protective wall covering.
 - c. Packing and crating materials shall be properly disposed of by the resident.
 - d. Any damage to the building or common areas caused by the moving of personal effects will be repaired at the expense of the unit causing such damage.
- A-3 **USE OF APARTMENTS:** All units shall be used for residential purposes only. No unit shall be used for any illegal purpose or used as a tenement, vacation rental, rooming house or in connection with the carrying on of any trade or business. Occupancy of the unit must comply with current zoning ordinances.
- A-4 **UNIT ACCESS:** An Agent, contractor or workman authorized by the Board of Directors, Managing agent or Resident Manager may enter any apartment unit in the building at any time in case of emergency, including, but not limited to fire, flooding or other similar cases. Management may enter units to conduct any necessary maintenance or inspections, or pest control treatment.
- A-5 **ENTRY KEYS:** Security entry keys may be obtained at the Resident Manager's Office. The deposit amount for a new key is \$75.00. Only money orders or checks will be accepted. A receipt must accompany all deposit refund requests.
- A-6 **KEY BOX POLICY:** Except as specifically approved in advance by the Resident Manager, key boxes are not permitted on apartment unit doors or on or about any common element of the property.
- A-7 **RULE CHANGES.** Any changes to these rules and regulations may be made at any time by resolution of the Board of Directors, or as may otherwise be permitted by the Association's Declaration and/or Bylaws, and any amendments thereto.

- A-8 COMPLAINTS. Complaints and suggestions regarding the building shall be made in writing to the Board of Directors, Resident Manager or the Managing Agent.
- A-9 FIREWORKS: Any use or display of fireworks of any type is not permitted at any time within or around the building.
- A-10 PERSONAL SERVICES BY ASSOCIATION EMPLOYEES. No occupant of the building shall be permitted to utilize or make a request of any employee of the Association or the Managing Agent to perform any personal services unrelated to the employee's duties for the Association.

B. COMMON AREAS

- B-1 COMMON AREA ACCESS: All common areas including but not limited to grounds, walkways, entry alcoves, stairways, elevators, building entrances, driveways, parking garage, and recreation areas are considered common elements. These areas shall be used strictly for ingress and egress and must be kept free of obstructions. No trash or personal property of any type may be placed or stored in (or on) any common element, except footwear, not to exceed four (4) pairs in entrance alcove. Plants or other objects will not be permitted in the hallway or apartment entry alcove.
- B-2 PROTECTION OF COMMON AREAS: Furniture, furnishings and equipment in the common elements have been provided for the safety, comfort and convenience of all residents and guests and, therefore, shall not be altered, extended, removed or transferred to other areas without permission from the Resident Manager.
- B-3 RESPONSIBILITY FOR DAMAGE: Each apartment owner or tenant shall be held personally responsible for any damage or destruction to any common or limited common element caused by himself/herself, his/her children, his/her guests, including deliveries, vendors or any other occupants of his/her apartment.
- B-4 NON-MOTORIZED VEHICLE ACCESS. No bicycles, scooters, surfboards, skateboards, or similar vehicles shall be taken into or from the building through the main entrance. No bicycles, skate boards, or roller blades, or similar vehicles, shall be ridden or driven in hallways, parking garage, lobby, pool area, or recreation area or other common areas. When transporting surfboards or bicycles in and out of the elevators and common areas please be certain these items do not cause an inconvenience or injury to other elevator occupants and are free of debris.
- B-5 SMOKING AND LITTERING. In accordance with the revised ordinances, City and County of Honolulu, 41-21.2(i), no smoking is permitted in any common area of the building, including walkways, elevators, stairways and the recreation room except for the designated smoking area in the pool area. No cigarettes may be discarded, extinguished or thrown over a lanai, in potted

plants, parking lot, corridors, elevators, stairways, yard, or in any other common area. ***Littering anywhere on the common elements is not permitted.***

B-6 SOLICITING: No soliciting of goods and services, or religious or political activities shall be permitted on the premises.

B-7 POOL RULES

Pursuant to State Board of Health Requirements:

All persons known to be or suspected of being afflicted with an infectious disease, suffering from a cough, cold or sores or wearing bands or bandages, shall be excluded from bathing in the pool.

Spitting, spouting of water, blowing the nose in the pools and spas is prohibited.

All swimmers must shower before entering the pools or spas or reentering after using the bathroom.

- a. The pool and surrounding area is for the exclusive use of residents and their guests between the hours of 8:00 a.m. and 10:00 p.m., including weekends and holidays.
- b. All suntan lotion, hair pins, and other material shall be removed prior to entering the pool. No rafts, snorkels, fins, rings, balls, kickboards or other loose objects are allowed in the pool, except devices strapped or fastened to a person's body for safety.
- c. Children under the age of 13 are not allowed in the pool unless accompanied by an adult responsible for said child. Parents or guardians are completely responsible for their children or wards and shall not permit them to enter the pool area, regardless of age, if they are not competent swimmers. All guests must be accompanied by a resident.
- d. "Horseplay" including running, splashing, and boisterous conduct that creates a nuisance to other residents is not allowed in the pool area.
- e. Residents under the age of 18 are not permitted to have guests in the pool area unless under the supervision of a parent or occupant guardian of the minor.
- f. Food and drinks in any glass or breakable container shall not be allowed in the immediate pool area. Such items are allowed only in the recreation room.
- g. All personal items such as towels, books, suntan lotion, etc., shall be removed upon leaving the pool area.

- h. Having more than four guests per unit requires written approval of the Resident Manager.
- i. Only appropriate swimwear is allowed in the pool area. G-string/thongs, walking shorts, cut-offs, pants or street cloths are not permitted in the pool. Babies and toddlers must be in rubber pants swimming suits.
- j. The decibel level of radios must be set that they do not create a nuisance to other residents.
- k. There is no lifeguard on duty, therefore, all residents and their guests swim at their own risk.
- l. All persons using suntan oil or lotion must prevent transfer of same onto Association furniture.

C. LIMITED COMMON ELEMENTS/AREAS

- C-1 Lanais and parking stalls assigned to a particular unit are considered limited common elements and are the responsibility of the owner.
- C-2 Repairs or replacement of ducts, electrical apparatus, wiring and plumbing and only serving a specific unit are the owner's responsibility.
- C-3 Parking stalls assigned to a unit must be kept clean and free of debris at all times in accordance with Section F of these House Rules.

D. RULES & REGULATIONS FOR INDIVIDUAL UNITS

- D-1 **EXTERIOR AWNINGS, SHADES & LIGHTING:** No awning, shades, or window guards shall be attached to or hung from the exterior of the building or lanai or protruding through the walls, windows or roof thereof. No notice, advertisement, poster, or sign (illuminated or otherwise) shall be inscribed or posted on or about the project, regardless whether it is visible or not from outside of the project, except those which have been approved in writing by the Board of Directors or the Managing Agent or the Resident Manager.
- D-2 **NAMEPLATES:** Nameplates and names shall be placed only in places and in the form approved by the Board of Directors, including mailboxes.
- D-3 **APARTMENT MAINTENANCE:** The repair and maintenance of apartment interiors is the responsibility of the individual owners. It is the responsibility of the respective occupants to maintain their apartment in a clean and sanitary condition at all times.
- D-4 **INTERIOR ELECTRICAL EQUIPMENT:** All radio, television and other electrical equipment of any kind or nature installed or used in each apartment unit shall fully comply with all rules, regulations, requirements or recommendations of the public authorities having jurisdiction, and the apartment owner alone shall be liable for any damage or injury caused by any

radio, television, or other electrical equipment in such apartment owner's unit. Special note for satellite reception dishes: The installation of satellite reception dishes is controlled by rules established by the Federal Communications Commission known as Regulations for Over The Air Reception Devices ("OTARD"). Owners desiring to install satellite dishes are strongly encouraged to consult with the Resident Manger prior to any proposed installation to avoid incurring future expenses in connection the removal of a satellite dish improperly installed on the common elements.

- D-5 NOISE: No resident shall make or permit any disturbing noises in the building or on the grounds by himself/herself, family, guests, or employees, nor do or permit anything to be done by such persons that will interfere with the rights, comforts, or conveniences of other residents. All noises from whatever source shall be discriminately controlled, so as not to disturb or annoy other residents of the building.
- D-6 OWNER RESPONSIBILITY FOR TENANTS AND GUESTS: The unit owner is responsible at all times for the reasonable conduct of his/her guests and/or tenants. Any resident who is requested by the Resident Manager to take action respecting the conduct of himself/herself or his/her guests shall promptly comply therewith. Any guests who will be temporarily residing in the unit for two weeks or more must register with the Resident Manager's Office.
- D-7 EMERGENCIES: If the immediate services of the Honolulu Police Department, the Fire Department, an ambulance or doctor are required, call **911** directly. Any emergency such as flooding, electrical, theft, etc., should be brought to the immediate attention of the Resident Manager. If the Resident Manager is unavailable, please refer to the emergency numbers listed in the front of this document and inform the Resident Manager at your earliest opportunity. **All leaks must immediately be reported to the Resident Manager.**
- D-8 WINDOW AND DOOR COVERINGS: All draperies and curtains placed against the windows or sliding doors or openings facing the exterior of the building shall be neutral in color (i.e. white or beige), to enhance the uniform exterior appearance of the building.
- D-9 DELIVERIES: Neither agent, Board of Directors nor Resident Manager is responsible for packages or other deliveries left in halls, service lockers, at doors of units or any non-designated place on the premises, for articles left with any employee, or for any personal property placed or left in or about the building.
- D-10 COMBUSTIBLE OR EXPLOSIVE MATERIALS: No occupant shall use or permit to be brought into the building or common areas anything deemed hazardous to life, limb or property, such as gasoline, kerosene or other combustibles. All explosives, including but not limited to gunpowder and fireworks, are prohibited.

D-11 PETS: No livestock, poultry, or other animals whatsoever shall be allowed or kept in any part of the building, except that dogs or cats, and other household pets (i.e., birds or fish in an aquarium not to exceed 50 gallons) are allowed. Such dogs, cats, and other household pets shall be limited to two and shall not be kept, bred or used therein for any commercial purposes nor allowed on any common elements except in transit. If a pet defecates in any common area, the owner will be required to properly dispose of all waste material in a sealed plastic bag. All dogs and cats must be on a leash, not to exceed five feet, controlled by a responsible person at all times while on the property in the common elements. Any pet causing a nuisance, unreasonable disturbance, threatening any other occupant, and/or causing damage to the property of other residents and/or any portion of the common or limited common elements as well as any pet owner that does not adhere to any of the aforementioned House Rules, may be subject to permanent removal of said pet from the building upon written notice given by the Board of Directors or Managing Agent. **However, nothing in these House Rules shall limit or restrict the Association's right to seek a court order for immediate removal of any pet which poses a threat to the safety of residents.**

D-12 USE OF SINKS & TOILETS: All sink and toilet drains shall not be used for any purpose other than those for which they were designed. No sweepings, rubbish, rags, or any other similar items shall be thrown into the same. Any damage resulting from misuse of any drain in an apartment unit shall be repaired and paid for by the owner of such apartment unit.

D-13 GARBAGE/TRASH: Apartment owners shall observe the following procedures at all times, with respect to the use of the trash chute:

- a. Double bag soft food waste when disposing of same in the trash chute.
- b. Bottles, large cans and boxes shall not be disposed of in the trash chute. Please carry items of this type to the trash room on the ground floor of the parking structure.
- c. Do not deposit waste of an explosive or inflammable nature in the trash chute, including full or empty paint cans.
- d. Use of the trash chute is limited between the hours of 8:00 a.m. and 10:00 p.m.

D-14 Construction or remodeling of individual units is permitted only between the hours of 8:00 a.m. and 4:30 p.m., Monday thru Saturday. Construction work of individual units is not permitted on Sundays and holidays.

E. LANAIS

E-1 Nothing shall be shaken or hung from windows or lanais, stairway or fire areas of the building. Dust, rubbish, or litter shall not be swept into the hallway or disposed of from the lanai.

- E-2 Lanais may be furnished appropriately with chairs, lounges, and small tables and kept in an orderly manner. Refrigerators, electrical appliances and other articles not usually considered as normal lanai furniture will not be permitted on lanais. Lanais shall not be used as storage areas. However, the use of a lanai storage locker is allowed, based upon the following guidelines: Cabinets must have **doors with secure latches** and cabinets must be **securely mounted to walls opposite lanai openings only**. Contact the Resident Manager for the exact location where the locker is permitted on your lanai. **Colors:** Gray or tan are the only colors permitted. **Dimensions:** The dimensions must not exceed 72" height x 36" width x 32" depth.
- E-3 POTTED PLANTS: Only small potted plants may be placed on private lanais. Porcelain or other suitable containers shall be placed under all flower pots as necessary to prevent leaking of any water. The watering of plants and the sweeping and mopping of lanais shall be accomplished in such a manner as not to create a nuisance to persons residing in adjacent or lower apartment or to persons on the grounds of the premises.
- E-4 Cooking is not permissible on the lanais.
- E-5 Drying of laundry is not permitted on the lanai.

F. **PARKING GARAGE:**

CAUTION SHOULD BE USED AT ALL TIMES IN THE PARKING GARAGE. BE AWARE OF PEDESTRIANS.

- F-1 Only resident vehicles, including motorcycles and mopeds, registered with the Resident Manager's Office are permitted to enter and park in assigned parking stalls. **Note:** A "C" stenciled in the parking stall designates compact car. Vehicles must be centered in the stalls so no part thereof protrudes beyond painted lines, and/or encroaches on neighboring stalls or common elements.
- F-2 Damage to other vehicles, objects or common areas are the responsibility of the resident creating the damage.
- F-3 No major repair to motor vehicles is permitted on the premises. The racing of motors, loud mufflers, loud radios, etc. is not permitted.
- F-4 Residents may not hose-wash motor vehicles in the parking stalls nor use area for recreation, or any other purpose other than as a parking stall for motor vehicles. Vehicles may be washed only in the designated car wash area only.
- F-5 Residents are responsible for the cleanliness of their respective stalls, including the removal of any grease buildup. All vehicle leaks must be corrected immediately. The use of drip pans is prohibited. Owners are responsible for clean-up and removal of any motor vehicle fluid from their respective parking stall. Should any owner fail to clean their respective parking stall following the deadline stated in a written citation issued by the Association, the owner shall be responsible for all costs incurred by the Association to clean the parking stall in addition to the assessed fine.

- F-6 Only motor vehicles may be parked in stalls. No personal items such as campers, boats, lumber, furniture, textiles or boxes shall be permitted in the parking area.
- F-7 No parking is allowed in the service driveway. Any vehicle in non-compliance with these rules and regulations will be towed away at vehicle owner's expense.
- F-8 Vehicles shall not exceed the posted 5-mph speed limit. Drivers are expected to observe all traffic signs for the safety of all. Any resident speeding in the parking garage is subject to an immediate fine.
- F-9 Use of visitor parking stalls by residents having regularly assigned stalls is prohibited, except with special permission from the Resident Manager. There will be no overnight parking in visitor stalls. To ensure this, ALL vehicles in visitor parking between the hours of 2:00 a.m. and 6:00 a.m. will be towed away at vehicle owner's expense. **There is a six hour maximum time limit for visitor parking.**
- F-10 All cars parked in the garage must be in operating condition with current vehicle license and safety sticker. Any vehicle not in compliance will be cited and subject to a fine by the Board of Directors.
- F-11 Activities such as skateboarding, skating, remote control toys, bike riding, painting, ball playing, and throwing of any objects is prohibited.

G. NON-COMPLIANCE POLICY

- G-1 Violation of the Declaration, Bylaws and/or House Rules may result in a fine or penalty imposed against the owner, resident or any other person subject to the Declaration, Bylaws and/or House Rules provided that the following procedure shall be utilized for the determination of the violation and before any fine or penalty shall be imposed:
 - a. A written statement of the alleged violation shall be provided to any owner against whom such charges are made, and such written statement shall provide a date on which the charges shall be heard;
 - b. No proceeding under this Section shall be brought against any owner unless such owner shall have received a written statement of the charges at least thirty (30) days prior to the hearing;
 - c. The Board of Directors shall appoint a panel of three (3) capable persons (one of whom shall be designated as chairman) who may or may not be owners and/or Board members, and who shall hear the charges and evaluate the evidence of the alleged violation;
 - d. At such hearing, the owner so charged shall have the right to present oral and written evidence and to confront and cross-examine adverse witnesses;

- e. The panel shall deliver to the owner so charged within seven (7) days after the hearing a written decision which specifies the fines or penalties levied, if any, and the reasons therefore;
- f. In the event that an owner corrects an alleged violation prior to the hearing date, the Board of Directors may discontinue the proceedings.

G-2

- a. Any violation(s) of the Declaration, Bylaws and/or House Rules occurring within a 12-month period may result in the following fines:

Initial Violation	Warning
Second Violation	\$25.00
Third Violation	\$50.00
Fourth or more violations	Maximum of \$100 per violation

- b. The fines stated in G-2(a) above are in addition to any other remedy or relief provided in the Declaration, Bylaws, or applicable law (including but not limited to injunctive action and/or damages provided in Hawaii Revised Statutes Section 514A-88, and any amendments thereto.)

G-3 Any violation involving threatened property damage or the health or safety of apartment owners or any other person may be subject to the seeking of immediate legal or equitable relief, as permitted by common law, in addition to, and/or in lieu of the fines and procedures and set forth herein.

H. MISCELLANEOUS

H-1 BULLETIN BOARD: The community bulletin board is provided for residents to transmit information to other residents pertaining to ordinary condominium business. Solicitation of goods and services, other than the sale and/or rental of apartments and parking stalls, is not generally permitted. Following are bulletin board guidelines:

- a. The use of the bulletin board is restricted for the use of residents and Rental Agents.
- b. All postings must be approved by the Resident Manager.
- c. Postings are generally limited to 30 days, unless arrangements are made with the Resident Manager.
- d. Notices should be brief and placed on a 3x5 card.

H-2 No real estate signs, rental signs, etc., either on or fronting the premises is allowed, except in designated areas, and with advance approval of the Resident Manager.

H-3 All bicycles must be parked only in designated areas, registered with the Resident Manager's Office and must display an Association registration sticker.

**RULES
&
REGULATIONS**

**AOAO
of
THE TWENTY-ONE HUNDRED**

THE TWENTY-ONE HUNDRED

HOUSE RULES

Revised – May 27, 2005

Dear Twenty-One Hundred Date Street Residents:

Set forth within this booklet is the Revised House Rules of the Twenty-One Hundred, dated May 23, 2005. The purpose of these House Rules is to promote harmonious relations among owners and residents and allow maximum enjoyment of the premises.

Respectfully,

The Board of Directors of The Twenty-One Hundred

GENERAL AND EMERGENCY TELEPHONE NUMBERS

All emergencies: Fire, Ambulance, Police.....	911
Honolulu Police Department:.....	529-3111
Resident Manager: (Phone).....	944-1192
(Emergency Pager).....	641-2948
Security:.....	223-8247
Metropolitan Management:.....	536-3511
55 Merchant Street, Suite 2000	
Honolulu, Hawaii 96813	
Board of Water Supply:.....	572-5207
City and County Bulky Item and Dead Animal Pickup:.....	523-4685
Civil Defense:.....	523-4121
Poison Control:.....	1-800-222-1222
Elevators: (Keys fallen down elevator shaft or other elevator emergencies)	
Shindler Elevators:.....	483-0500
Emergency Plumbers:	
Alaka'i Plumbing:.....	834-1085
BJ Gentz:.....	373-4463
R&R Plumbing:.....	534-0065
Hawaiian Electric:.....	548-7961
Honolulu Towing:.....	839-9494
Oceanic Cable: (Customer Service).....	625-2100

A. GENERAL

- A-1 REGISTRATION: All residents are required to provide a completed registration form to the Resident Manager prior to occupancy.
- A-2 MOVES & DELIVERIES:
- a. Are permitted between the hours of 8:00 a.m. and 6:00 p.m., Monday thru Saturday. Moving and deliveries are **not** permitted on Sunday and holidays. All moves must be scheduled with the Resident Manager 48 hours in advance to reserve the elevator and install interior protective padding.
 - b. Are restricted to the service entrance located in the courtyard adjacent to the parking garage and must be scheduled with the Resident Manager, who will assign the elevator to be used as well as install protective wall covering.
 - c. Packing and crating materials shall be properly disposed of by the resident.
 - d. Any damage to the building or common areas caused by the moving of personal effects will be repaired at the expense of the unit causing such damage.
- A-3 USE OF APARTMENTS: All units shall be used for residential purposes only. No unit shall be used for any illegal purpose or used as a tenement, vacation rental, rooming house or in connection with the carrying on of any trade or business. Occupancy of the unit must comply with current zoning ordinances.
- A-4 UNIT ACCESS: An Agent, contractor or workman authorized by the Board of Directors, Managing agent or Resident Manager may enter any apartment unit in the building at any time in case of emergency, including, but not limited to fire, flooding or other similar cases. Management may enter units to conduct any necessary maintenance or inspections, or pest control treatment.
- A-5 ENTRY KEYS: Security entry keys may be obtained at the Resident Manager's Office. The deposit amount for a new key is \$75.00. Only money orders or checks will be accepted. A receipt must accompany all deposit refund requests.

- A-6 **KEY BOX POLICY:** Except as specifically approved in advance by the Resident Manager, key boxes are not permitted on apartment unit doors or on or about any common element of the property.
- A-7 **RULE CHANGES.** Any changes to these rules and regulations may be made at any time by resolution of the Board of Directors, or as may otherwise be permitted by the Association's Declaration and/or Bylaws, and any amendments thereto.
- A-8 **COMPLAINTS.** Complaints and suggestions regarding the building shall be made in writing to the Board of Directors, Resident Manager or the Managing Agent.
- A-9 **FIREWORKS:** Any use or display of fireworks of any type is not permitted at any time within or around the building.
- A-10 **PERSONAL SERVICES BY ASSOCIATION EMPLOYEES.** No occupant of the building shall be permitted to utilize or make a request of any employee of the Association or the Managing Agent to perform any personal services unrelated to the employee's duties for the Association.

B. COMMON AREAS

- B-1 **COMMON AREA ACCESS:** All common areas including but not limited to grounds, walkways, entry alcoves, stairways, elevators, building entrances, driveways, parking garage, and recreation areas are considered common elements. These areas shall be used strictly for ingress and egress and must be kept free of obstructions. No trash or personal property of any type may be placed or stored in (or on) any common element, except footwear, not to exceed four (4) pairs in entrance alcove. Plants or other objects will not be permitted in the hallway or apartment entry alcove.
- B-2 **PROTECTION OF COMMON AREAS:** Furniture, furnishings and equipment in the common elements have been provided for the safety, comfort and convenience of all residents and guests and, therefore, shall not be altered, extended, removed or transferred to other areas without permission from the Resident Manager.
- B-3 **RESPONSIBILITY FOR DAMAGE:** Each apartment owner or tenant shall be held personally responsible for any damage or destruction to any common or limited common element caused by himself/herself, his/her children, his/her guests, including deliveries, vendors or any other occupants of his/her apartment.

B-4 NON-MOTORIZED VEHICLE ACCESS. No bicycles, scooters, surfboards, skateboards, or similar vehicles shall be taken into or from the building through the main entrance. No bicycles, skate boards, or roller blades, or similar vehicles, shall be ridden or driven in hallways, parking garage, lobby, pool area, or recreation area or other common areas. When transporting surfboards or bicycles in and out of the elevators and common areas please be certain these items do not cause an inconvenience or injury to other elevator occupants and are free of debris.

B-5 SMOKING AND LITTERING. In accordance with the revised ordinances, City and County of Honolulu, 41-21.2(i), no smoking is permitted in any common area of the building, including walkways, elevators, stairways and the recreation room except for the designated smoking area in the pool area. No cigarettes may be discarded, extinguished or thrown over a lanai, in potted plants, parking lot, corridors, elevators, stairways, yard, or in any other common area. *Littering anywhere on the common elements is not permitted.*

B-6 SOLICITING: No soliciting of goods and services, or religious or political activities shall be permitted on the premises.

B-7 POOL RULES

Pursuant to State Board of Health Requirements:

All persons known to be or suspected of being afflicted with an infectious disease, suffering from a cough, cold or sores or wearing bands or bandages, shall be excluded from bathing in the pool.

Spitting, spouting of water, blowing the nose in the pools and spas is prohibited.

All swimmers must shower before entering the pools or spas or reentering after using the bathroom.

- a. The pool and surrounding area is for the exclusive use of residents and their guests between the hours of 8:00 a.m. and 10:00 p.m., including weekends and holidays.
- b. All suntan lotion, hair pins, and other material shall be removed prior to entering the pool. No rafts, snorkels, fins, rings, balls, kickboards or

other loose objects are allowed in the pool, except devices strapped or fastened to a person's body for safety.

- c. Children under the age of 13 are not allowed in the pool unless accompanied by an adult responsible for said child. Parents or guardians are completely responsible for their children or wards and shall not permit them to enter the pool area, regardless of age, if they are not competent swimmers. All guests must be accompanied by a resident.
- d. "Horseplay" including running, splashing, and boisterous conduct that creates a nuisance to other residents is not allowed in the pool area.
- e. Residents under the age of 18 are not permitted to have guests in the pool area unless under the supervision of a parent or occupant guardian of the minor.
- f. Food and drinks in any glass or breakable container shall not be allowed in the immediate pool area. Such items are allowed only in the recreation room.
- g. All personal items such as towels, books, suntan lotion, etc., shall be removed upon leaving the pool area.
- h. Having more than four guests per unit requires written approval of the Resident Manager.
- i. Only appropriate swimwear is allowed in the pool area. G-string/thongs, walking shorts, cut-offs, pants or street cloths are not permitted in the pool. Babies and toddlers must be in rubber pants swimming suits.
- j. The decibel level of radios must be set that they do not create a nuisance to other residents.
- k. There is no lifeguard on duty, therefore, all residents and their guests swim at their own risk.
- l. All persons using suntan oil or lotion must prevent transfer of same onto Association furniture.

C. LIMITED COMMON ELEMENTS/AREAS

- C-1 Lanais and parking stalls assigned to a particular unit are considered limited common elements and are the responsibility of the owner.
- C-2 Repairs or replacement of ducts, electrical apparatus, wiring and plumbing and only serving a specific unit are the owner's responsibility.
- C-3 Parking stalls assigned to a unit must be kept clean and free of debris at all times in accordance with Section F of these House Rules.

D. RULES & REGULATIONS FOR INDIVIDUAL UNITS

- D-1 **EXTERIOR AWNINGS, SHADES & LIGHTING:** No awning, shades, or window guards shall be attached to or hung from the exterior of the building or lanai or protruding through the walls, windows or roof thereof. No notice, advertisement, poster, or sign (illuminated or otherwise) shall be inscribed or posted on or about the project, regardless whether it is visible or not from outside of the project, except those which have been approved in writing by the Board of Directors or the Managing Agent or the Resident Manager.
- D-2 **NAMEPLATES:** Nameplates and names shall be placed only in places and in the form approved by the Board of Directors, including mailboxes.
- D-3 **APARTMENT MAINTENANCE:** The repair and maintenance of apartment interiors is the responsibility of the individual owners. It is the responsibility of the respective occupants to maintain their apartment in a clean and sanitary condition at all times.
- D-4 **INTERIOR ELECTRICAL EQUIPMENT:** All radio, television and other electrical equipment of any kind or nature installed or used in each apartment unit shall fully comply with all rules, regulations, requirements or recommendations of the public authorities having jurisdiction, and the apartment owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment in such apartment owner's unit. Special note for satellite reception dishes: The installation of satellite reception dishes is controlled by rules established by the Federal Communications Commission known as Regulations for Over The Air Reception Devices ("OTARD"). Owners desiring to install satellite dishes are strongly encouraged to consult with the Resident Manger prior to any proposed installation to avoid incurring future expenses in connection the removal of a satellite dish improperly installed on the common elements.

- D-5 NOISE: No resident shall make or permit any disturbing noises in the building or on the grounds by himself/herself, family, guests, or employees, nor do or permit anything to be done by such persons that will interfere with the rights, comforts, or conveniences of other residents. All noises from whatever source shall be discriminately controlled, so as not to disturb or annoy other residents of the building.
- D-6 OWNER RESPONSIBILITY FOR TENANTS AND GUESTS: The unit owner is responsible at all times for the reasonable conduct of his/her guests and/or tenants. Any resident who is requested by the Resident Manager to take action respecting the conduct of himself/herself or his/her guests shall promptly comply therewith. Any guests who will be temporarily residing in the unit for two weeks or more must register with the Resident Manager's Office.
- D-7 EMERGENCIES: If the immediate services of the Honolulu Police Department, the Fire Department, an ambulance or doctor are required, call 911 directly. Any emergency such as flooding, electrical, theft, etc., should be brought to the immediate attention of the Resident Manager. If the Resident Manager is unavailable, please refer to the emergency numbers listed in the front of this document and inform the Resident Manager at your earliest opportunity. **All leaks must immediately be reported to the Resident Manager.**
- D-8 WINDOW AND DOOR COVERINGS: All draperies and curtains placed against the windows or sliding doors or openings facing the exterior of the building shall be neutral in color (i.e. white or beige), to enhance the uniform exterior appearance of the building.
- D-9 DELIVERIES: Neither agent, Board of Directors nor Resident Manager is responsible for packages or other deliveries left in halls, service lockers, at doors of units or any non-designated place on the premises, for articles left with any employee, or for any personal property placed or left in or about the building.
- D-10 COMBUSTIBLE OR EXPLOSIVE MATERIALS: No occupant shall use or permit to be brought into the building or common areas anything deemed hazardous to life, limb or property, such as gasoline, kerosene or other combustibles. All explosives, including but not limited to gunpowder and fireworks, are prohibited.
- D-11 PETS: No livestock, poultry, or other animals whatsoever shall be allowed or kept in any part of the building, except that dogs or cats, and other household pets (i.e., birds or fish in an aquarium not to exceed 50 gallons) are allowed. Such dogs, cats, and other household pets shall be limited to two and shall not be kept, bred or used therein for any commercial

purposes nor allowed on any common elements except in transit. If a pet defecates in any common area, the owner will be required to properly dispose of all waste material in a sealed plastic bag. All dogs and cats must be on a leash, not to exceed five feet, controlled by a responsible person at all times while on the property in the common elements. Any pet causing a nuisance, unreasonable disturbance, threatening any other occupant, and/or causing damage to the property of other residents and/or any portion of the common or limited common elements as well as any pet owner that does not adhere to any of the aforementioned House Rules, may be subject to permanent removal of said pet from the building upon written notice given by the Board of Directors or Managing Agent. **However, nothing in these House Rules shall limit or restrict the Association's right to seek a court order for immediate removal of any pet which poses a threat to the safety of residents.**

D-12 **USE OF SINKS & TOILETS:** All sink and toilet drains shall not be used for any purpose other than those for which they were designed. No sweepings, rubbish, rags, or any other similar items shall be thrown into the same. Any damage resulting from misuse of any drain in an apartment unit shall be repaired and paid for by the owner of such apartment unit.

D-13 **GARBAGE/TRASH:** Apartment owners shall observe the following procedures at all times, with respect to the use of the trash chute:

- a. Double bag soft food waste when disposing of same in the trash chute.
- b. Bottles, large cans and boxes shall not be disposed of in the trash chute. Please carry items of this type to the trash room on the ground floor of the parking structure.
- c. Do not deposit waste of an explosive or inflammable nature in the trash chute, including full or empty paint cans.
- d. Use of the trash chute is limited between the hours of 8:00 a.m. and 10:00 p.m.

D-14 Construction or remodeling of individual units is permitted only between the hours of 8:00 a.m. and 4:30 p.m., Monday thru Saturday.

E. **LANAIS**

- E-1 Nothing shall be shaken or hung from windows or lanais, stairway or fire areas of the building. Dust, rubbish, or litter shall not be swept into the hallway or disposed of from the lanai.
- E-2 Lanais may be furnished appropriately with chairs, lounges, and small tables and kept in an orderly manner. Refrigerators, electrical appliances and other articles not usually considered as normal lanai furniture will not be permitted on lanais. Lanais shall not be used as storage areas.
- E-3 **POTTED PLANTS:** Only small potted plants may be placed on private lanais. Porcelain or other suitable containers shall be placed under all flower pots as necessary to prevent leaking of any water. The watering of plants and the sweeping and mopping of lanais shall be accomplished in such a manner as not to create a nuisance to persons residing in adjacent or lower apartment or to persons on the grounds of the premises.
- E-4 Cooking is not permissible on the lanais.
- E-5 Drying of laundry is not permitted on the lanai.

F. **PARKING GARAGE:**

CAUTION SHOULD BE USED AT ALL TIMES IN THE PARKING GARAGE. BE AWARE OF PEDESTRIANS.

- F-1 Only resident vehicles, including motorcycles and mopeds, registered with the Resident Manager's Office are permitted to enter and park in assigned parking stalls. *Note:* A "C" stenciled in the parking stall designates compact car. Vehicles must be centered in the stalls so no part thereof protrudes beyond painted lines, and/or encroaches on neighboring stalls or common elements.
- F-2 Damage to other vehicles, objects or common areas are the responsibility of the resident creating the damage.
- F-3 No major repair to motor vehicles is permitted on the premises. The racing of motors, loud mufflers, loud radios, etc. is not permitted.
- F-4 Residents may not hose-wash motor vehicles in the parking stalls nor use area for recreation, or any other purpose other than as a parking stall for motor vehicles. Vehicles may be washed only in the designated car wash area only.

- F-5 Residents are responsible for the cleanliness of their respective stalls, including the removal of any grease buildup. All vehicle leaks must be corrected immediately. The use of drip pans is prohibited. Owners are responsible for clean-up and removal of any motor vehicle fluid from their respective parking stall. Should any owner fail to clean their respective parking stall following the deadline stated in a written citation issued by the Association, the owner shall be responsible for all costs incurred by the Association to clean the parking stall in addition to the assessed fine.
- F-6 Only motor vehicles may be parked in stalls. No personal items such as campers, boats, lumber, furniture, textiles or boxes shall be permitted in the parking area.
- F-7 No parking is allowed in the service driveway. Any vehicle in non-compliance with these rules and regulations will be towed away at vehicle owner's expense.
- F-8 Vehicles shall not exceed the posted 5-mph speed limit. Drivers are expected to observe all traffic signs for the safety of all. Any resident speeding in the parking garage is subject to an immediate fine.
- F-9 Use of visitor parking stalls by residents having regularly assigned stalls is prohibited, except with special permission from the Resident Manager. There will be no overnight parking in visitor stalls. To ensure this, ALL vehicles in visitor parking between the hours of 2:00 a.m. and 6:00 a.m. will be towed away at vehicle owner's expense. **There is a six hour maximum time limit for visitor parking.**
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- a. A written statement of the alleged violation shall be provided to any owner against whom such charges are made, and such written statement shall provide a date on which the charges shall be heard;

- b. No proceeding under this Section shall be brought against any owner unless such owner shall have received a written statement of the charges at least thirty (30) days prior to the hearing;
- c. The Board of Directors shall appoint a panel of three (3) capable persons (one of whom shall be designated as chairman) who may or may not be owners and/or Board members, and who shall hear the charges and evaluate the evidence of the alleged violation;
- d. At such hearing, the owner so charged shall have the right to present oral and written evidence and to confront and cross-examine adverse witnesses;
- e. The panel shall deliver to the owner so charged within seven (7) days after the hearing a written decision which specifies the fines or penalties levied, if any, and the reasons therefore;
- f. In the event that an owner corrects an alleged violation prior to the hearing date, the Board of Directors may discontinue the proceedings.

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- a. Any violation(s) of the Declaration, Bylaws and/or House Rules occurring within a 12-month period may result in the following fines:

Initial Violation	Warning
Second Violation	\$25.00
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G-3 Any violation involving threatened property damage or the health or safety of apartment owners or any other person may be subject to the seeking of immediate legal or equitable relief, as permitted by common law, in addition to, and/or in lieu of the fines and procedures and set forth herein.

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HAWAIIAN PROPERTIES, LTD.

Property Management and Sales

1165 Bethel Street, 2nd Floor
Honolulu, Hawaii 96813
Mailing Address:
P.O. Box 38078
Honolulu, HI 96837-1078

Tel (808) 539-9777

Fax (808) 521-2714



November 2013

**Re: AOA The Twenty One Hundred
2014 Budget & Maintenance Fees & Capital Reserve Study**

Dear Association of Apartment Owners (AOAO) The Twenty One Hundred Owner,

There will be a **4.65% increase** in the Maintenance Fee for 2014. Effective January 1, 2014, your respective maintenance fee will be as follows:

<u>Apartment Type</u>	<u>% of Interest</u>	<u>2013 Unit Maint Fee</u>	<u>2014 Unit Maint Fee</u>	<u>Amt of Increase</u>
01	0.43%	\$ 370.94	\$ 388.20	\$ 17.26
02	0.59%	\$ 508.96	\$ 532.65	\$ 23.69
03	0.65%	\$ 560.72	\$ 586.82	\$ 26.10
04	0.57%	\$ 491.71	\$ 514.60	\$ 22.89
05	0.85%	\$ 733.25	\$ 767.38	\$ 34.13
Apt. Unit 105	0.77%	\$ 664.24	\$ 695.16	\$ 30.92
06	0.65%	\$ 560.72	\$ 586.82	\$ 26.10
07	0.43%	\$ 370.94	\$ 388.20	\$ 17.26

1) 2014 Budget & Maintenance Fees

The operating budget of the Association is for the day-to-day expenses of our Association. These expenses include the utilities, insurance, wages, refuse collection, building equipment repairs (hot water and elevators) and the basic maintenance of our residential tower and parking structure.

Even with the significant savings of re-financing the loan and switching insurance carriers last year, day to day expenses continue to increase.

A copy of the 2014 Budget is enclosed. The format is designed to provide a comparison between the 2013 budget, 2013 projected total expenses, and the amount budgeted for 2014.

2) 2014 Reserve Analysis:

In order to remain in compliance with Hawaii State law, the Association must make a contribution to reserves for future capital expenditures. The amount to be contributed is calculated by the 'Capital Reserve Study'. The 2014 monthly contribution to reserves, \$1,500.00, is the same amount as 2013. A copy of the 2014 Reserve Analysis is enclosed.

3) Fire Alarm Replacement, Elevator Modernization & Generator

The Board of Directors would like to thank everyone for their patience & cooperation during these major projects. Both the elevator modernization and fire alarm replacement projects are nearing completion. Unlike the elevator modernization and fire alarm replacement, the installation of the new generator will not even be noticed by the majority of residents.

Sincerely,

The Board of Directors of The
AOAO of The Twenty One Hundred

Hawaiian Properties, Ltd.
Managing Agent for
The AOAO of The Twenty One Hundred

Enclosures

AOAO THE TWENTY ONE HUNDRED

Approved Budget for January 01 to December 31, 2014

		2013	2013	2014	2014
		APPROVED	PROJECTED	APPROVED	APPROVED
		Monthly Budget	Monthly Average	Monthly Budget	Annual Budget
RECEIPTS					
905-4100	Maintenance Fee	86,265	85,503	90,280	1,083,360
905-4103	Loan Funds	44,167	44,129	0	0
905-4110	Lease Rent	43	0	43	516
905-4120	Special Assessment	16,667	16,576	0	0
905-4140	Late Fee Income	0	100	0	0
905-4250	Interest Income	0	100	0	0
905-4900	Miscellaneous	0	0	0	0
905-4990	Deposits/Misc	0	140	0	0
TOTAL RECEIPTS		147,142	146,548	90,323	1,083,876
OPERATING EXPENSES					
UTILITIES					
905-5110	Electricity	11,850	11,027	12,165	145,980
905-5115	Gas	375	311	300	3,600
905-5120	Water	2,135	1,978	2,385	28,620
905-5121	Sewer	11,695	9,672	13,000	156,000
905-5126	Telephone	525	525	530	6,360
905-5510	Cable Television	5,630	5,580	5,875	70,500
TOTAL UTILITIES		32,210	29,094	34,255	411,060
ADMINISTRATIVE					
905-5308	Office/Admin Expense	1,000	1,263	1,000	12,000
905-5309	Onsite Office/Admin Expense	100	218	200	2,400
905-5401	Professional Mgmt Fees	2,778	2,778	2,836	34,032
905-5415	Audit/Tax Preparation	114	113	114	1,368
905-5417	Legal-Association	150	276	100	1,200
905-5418	Legal-Chargeback	0	95	400	4,800
905-5513	Annual/BOD Meeting	0	0	0	0
TOTAL ADMINISTRATIVE		4,142	4,743	4,650	55,800
CONTRACT SERVICES					
905-5125	Refuse Removal	760	868	910	10,920
905-5211	Elevator	1,815	940	1,080	12,960
905-5215	Pest Control	67	40	67	804
905-5600	Landscape	385	386	385	4,620
TOTAL CONTRACT SERVICES		3,027	2,233	2,442	29,304
REPAIRS AND MAINTENANCE					
905-5202	Building	1,500	1,521	1,500	18,000
905-5203	Plumbing	1,150	1,869	1,950	23,400
905-5218	Fire Systems	165	1,290	590	7,080
905-5207	Pool/Recreation	50	169	100	1,200
905-5210	Mechanical Equipment	2,000	2,581	2,000	24,000
TOTAL REPAIRS AND MAINTENANCE		4,865	7,430	6,140	73,680
SUPPLIES					
905-5301	Building	750	502	500	6,000
905-5302	Grounds	75	456	200	2,400
905-5303	Lighting	75	110	100	1,200
905-5305	Pool	75	57	75	900
905-5313	Janitorial	100	150	125	1,500
TOTAL SUPPLIES		1,075	1,273	1,000	12,000
SALARIES AND WAGES					
905-5402	Resident Manager	3,160	3,158	3,160	37,920
905-5403	Janitorial	2,035	1,459	2,080	24,960
905-5404	Watchman	4,845	4,179	4,990	59,880
905-5405	Maintenance	2,080	2,020	2,255	27,060
TOTAL SALARIES AND WAGES		12,120	10,815	12,485	149,820
PAYROLL BURDEN					
905-5406	Payroll Services	115	113	115	1,380
905-5407	HR-Personnel Expenses	0	0	135	1,620
905-5410	Insurance-Medical	3,000	2,171	2,400	28,800
905-5411	Insurance-Workers Comp	329	208	388	4,656
905-5416	Insurance-Life	4	4	4	48
905-5412	Insurance-TDI	85	70	80	960
905-5426	Payroll Taxes	1,175	1,069	1,175	14,100
TOTAL PAYROLL BURDEN		4,708	3,635	4,297	51,564

AOAO THE TWENTY ONE HUNDRED

Approved Budget for January 01 to December 31, 2014

		2013 APPROVED Monthly Budget	2013 PROJECTED Monthly Average	2014 APPROVED Monthly Budget	2014 APPROVED Annual Budget
INSURANCE					
905-5413	Property & Comm. General Liability	3,453	3,471	3,512	42,144
905-5414	Umbrella	207	207	207	2,484
905-5424	Flood	2,583	2,553	2,872	34,464
905-5437	Directors/Officers	162	181	190	2,280
905-5438	Fidelity Bond	48	48	48	576
905-5440	Boiler/Machinery- Equipment Breakdown	75	77	78	936
TOTAL INSURANCE		6,528	6,537	6,907	82,884
TAXES, PERMITS, LOAN, OTHER					
905-5512	Fees, Licenses	105	243	40	480
905-5425	General Excise Tax	50	25	70	840
905-5812	B of HI- 1st Facility Loan-Interest	1,193	656	1,146	13,752
905-5813	B of HI- 1st Facility Loan-Principal	4,685	3,402	5,292	63,504
905-5814	B of HI- 2nd Facility Loan-Interest	2,029	2,026	1,781	21,372
905-5815	B of HI- 2nd Facility Loan-Principal	7,988	7,983	8,225	98,700
905-5820	Lease Rent Transmittal	43	-4	43	516
905-5993	Deposit/Misc Refund	40	55	50	600
TOTAL TAXES, PERMITS, LOAN, OTHER		16,133	14,386	16,647	199,764
TOTAL OPERATING EXPENSES		84,808	80,146	88,823	1,065,876
CAPITAL EXPENDITURES					
905-5995	Major Project Expense	30,951	16,030	1,250	15,000
905-5997	Fire Alarm/Generator Replace-SA Funds	16,667	16,667	0	0
905-5998	Fire Alarm Replace- Loan Funds	44,167	44,129	0	0
TOTAL CAPITAL EXPENDITURES		91,785	76,826	1,250	15,000
RESERVE TRANSFERS					
905-5850	Transfer to Reserves	1,500	1,500	1,500	18,000
905-5851	Transfer from Reserves	-30,951	-15,379	-1,250	-15,000
905-5852	Interest Added to Reserves	0	98	0	0
TOTAL RESERVE TRANSFERS		-29,451	-13,781	250	3,000
DIFFERENCE		0	3,357	0	0

AOAO The Twenty One Hundred, Inc.

Per Unit Monthly Maintenance Fee - January 2014 to December 2014

Apartment Type	% of Interest	No. of Units	Total Per Unit Type	2013 Unit Maint Fee	2014 Unit Maint Fee	Amt of Increase	Percent of Increase
01	0.43%	24	10.32%	\$ 370.94	\$ 388.20	\$ 17.26	4.65%
02	0.59%	24	14.16%	\$ 508.96	\$ 532.65	\$ 23.69	4.65%
03	0.65%	24	15.60%	\$ 560.72	\$ 586.82	\$ 26.10	4.65%
04	0.57%	24	13.68%	\$ 491.71	\$ 514.60	\$ 22.89	4.65%
05	0.85%	23	19.55%	\$ 733.25	\$ 767.38	\$ 34.13	4.65%
Apt. Unit 105	0.77%	1	0.77%	\$ 664.24	\$ 695.16	\$ 30.92	4.65%
06	0.65%	24	15.60%	\$ 560.72	\$ 586.82	\$ 26.10	4.65%
07	0.43%	24	10.32%	\$ 370.94	\$ 388.20	\$ 17.26	4.65%
TOTAL		168	100.00%				

Capital Reserve Study 2014

AOAO THE TWENTY ONE HUNDRED



HAWAIIAN PROPERTIES, LTD.
Property Management & Sales

1165 Bethel St., 2nd floor
Honolulu, Hawaii 96813
Ph: 808-539-9777 Fax: 808-521-2714
www.hawaiianprop.com

Preface

What is A Reserve Study?

A reserve study is a detailed report that assists Association (AOAO or other Hawaii entity) in planning for long-term common area repair and replacement expenses. In most cases, an AOAO exists when there is individual ownership of a house or condominium along with the shared ownership or right of use to common areas. These common areas can include streets, roofs, recreational facilities and many other items. A reserve study includes two parts:

- 1) **The Physical Analysis** contains information about the condition and repair/replacement cost of the components that the AOAO maintains. The physical analysis should include a component inventory and quantity, estimated useful and remaining life, and estimated replacement cost.
- 2) **The Financial Analysis** evaluates the AOAO's reserve fund balance and income. The financial analysis calculates a AOAO's percent funded by comparing the actual reserve balance to a fully funded balance. The reserve study then estimates the total annual contribution necessary to defray the future costs.

Why Should a Reserve Study be performed?

Certain states, such as Hawaii, require that reserve studies be completed and that the board of directors inform owners of the reserve status annually. In addition, the board of directors of an AOAO has a legal and fiduciary duty to maintain the community in a good state of repair. Property Values are directly affected by the level of maintenance and upkeep of the common area components. Reserve studies create a maintenance plan, which keeps a development in good condition, therefore increasing property appreciation and value. The amount of funds in the reserve account also greatly affects property values. Reserve studies inform AOAO's how much they should have in their reserve account, which eliminates costly special assessments. Over time each member of a AOAO should contribute their fair share to the reserve account so when expenses arise the required funds are available. Reserve Studies can also help avoid litigation against AOAO board members.

Sections of this Reserve Study

Executive Summary - Provides the general information about the findings of the study.

Component Summary – List all components and their details in tabular form.

20 Year Funding Plans – Lists theoretical fully funded balance for the next 20 years. Other Options can include theoretical annual contribution, projected year-end balance, and percent funded for the current, recommended, and threshold funding plans. (Inflation and annual dues increase are taken into account)

Annual Expenses – Lists projected annual expenses for each component over the next 20 years in tabular form. (Inflation is taken into account)

20 Year Reserve Projection Graph – Displays the reserve account balance for the current, fully funded, threshold, and recommended funding plans over the next 20 years. (Inflation and annual dues increase are taken into account)

Projected Annual Expenses Graph – Displays projected annual expenses over the next 20 years in a bar graph. (Inflation is taken into account)

Category Cost % Chart – Provides the percentage of total annual depreciation for each reserve category in a pie graph.

Component Details – Provides detailed information on each component. Also includes pictures of selected components.

Where do Component Repair/Replacement Cost Estimates Come From?

The most accurate cost source is actual bids from contractors or to look at contracts from when the repair/replacement was last performed. In most cases bids or contracts are not available so unit costs for similar work done in the same local area are used. In addition, it is helpful to talk to local vendors who have knowledge of the work and can help with a cost estimate. A third source is to use construction cost estimators.

Many times the entire quantity of a component will not need to be replaced or repaired all at once. An example of this is concrete sidewalks. All sidewalks should never have to be replaced, but some sections may experience cracking. In this case an allowance can be created for their partial replacement.

In some instances The cost source number for each component is provided in the component summary and details. An explanation of each follows:

1. **Local Historical Cost** – Cost based on bids for similar work done in same area.
2. **HF Estimate** – Estimate or Allowance made by Hawaiian Properties Ltd. employee.
3. **Board/Manager Direction** – Cost estimate provided by board member or property manager.
4. **Bid/Contract** – Bid came from actual bid or contract.
5. **Cost Manual** – Cost came from estimating manual.
6. **Previous Study** – Cost came from previous reserve study.

What Procedures were used for calculation and establishment of reserves?

In this study the fully funded reserve balance for a component at a given time was computed using the component method. Using the component method the fully funded reserve balance equals the current cost of replacement or repair multiplied by the number of years the component has been in service divided by the useful life of the component.

For example if the cost of a boiler is \$10,000, the useful life is 10 years and the remaining life is 3 years. The recommended reserve balance would be:

$$\$10,000 \times ((10-3)/10) = \$7,000.$$

Glossary of Terms:

50% Threshold Reserve Contribution – Reserve contribution that should be allocated into reserves to keep reserve balance above a 50% funded during the next 20 years.

Cash Flow Threshold Reserve Contribution – Reserve contribution that should be allocated into reserves to keep reserve balance above a minimum amount during the next 20 years. (Minimum amount is 5% of total replacement cost unless otherwise noted)

Percent Funded – The percentage of the fully funded balance that the AOA has in reserve fund. (Projected Balance/ Fully Funded Balance)

Contingency – An allowance for miscellaneous components or unpredictable expenses. (5% of total current cost unless directed otherwise)

Current Budgeted Reserve Assessment – Amount currently being deposited into reserve account. Provided by Property Manager or Board Member.

Depreciation This Year – Amount that should be saved for a component during current year. Provided for each component and summed for all components. If the association is 100% funded this is the amount they should contribute to the reserve fund annually. $=(\text{Total Current Cost} / \text{Normal Useful Life})$

Fully Funded Balance – The total deprecation over the life of the component. In other words, the amount

that should have been saved during the life of the component. Provided for each component and summed for all components $=((\text{Normal Life} - \text{Remaining Life}) * \text{Deprecation This Year})$

Normal Useful Life – Typical useable life for a component.

Projected Balance – Projected balance at fiscal year end with current funding plan. Calculated using current reserve balance, remaining contributions to reserves before yearend, and planned expenses before year-end.

Recommended Reserve Contribution – Recommended amount that the AOA should allocate into reserves.

Remaining Life – Expected remaining useable life of component. (0 year remaining life means the component will be serviced in the upcoming fiscal year)

Replacement Year – Year that component is projected to be replaced or repaired.

Total Cost – Total cost to replace entire quantity of component in today's dollars. $= (\text{Quantity} \times \text{Unit Cost})$

Total Future Cost - Current cost adjusted to future cost taking into account inflation and replacement year. $= (\text{Current Cost} * (1 + \text{inflation rate})^{(\text{Replacement Year} - \text{Present Year})})$

Under Funded – Amount association is short of fully funded balance; also know as a deficit. $= (\text{Fully Funded Balance} - \text{Projected Balance})$

Unit Cost – Cost per Unit.

Unit of Measure – Unit used to measure component. (Explanations shown below)

SF – Square Feet

SY – Square Yard

LF – Linear Feet

Each – Per Single Unit

Lump Sum - Total cost for component

Allowance – Allowance for component repair or replacement

Contract – Cost obtained from actual contract or bid

Useful Life – Time in years component is expected to last.

If you have any questions feel free to contact us:

Hawaiian Properties Ltd.

1165 Bethel St., 2nd Fl.

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info@hawaiianprop.com

The Twenty One Hundred
Honolulu, HI
RA Current Assessment Funding Model Summary

Report Date	October 16, 2013
Account Number	905
Budget Year Beginning	January 01, 2014
Budget Year Ending	December 31, 2014
Total Units	168

<i>Report Parameters</i>	
Inflation	2.40%
Interest Rate on Reserve Deposit	0.50%
Tax Rate on Interest	4.70%
2014 Beginning Balance	\$403,960.00

Project Summary

A Reserve Study was prepared using the cash flow method of analysis for the fiscal year.

This funding plan provides for fully funded reserve fund balances and complies with HRS 514B-148, approved by the association's Board of Directors as part of the new Budget.

It is important to recognize that a reserve study is a financial forecast of future funds required to maintain the capital components of the project. Hawaii law requires directors of the association to use reasonable efforts to project inflation, interest income, component inventory, component life & remaining life, and replacement costs of the project's components for a 20 year period. From this information, reserve contributions are calculated to fund the statutory replacement reserves. By its nature, a Reserve Study is an estimate to be used for annual budgeting purposes. The Reserve Study is a requirement of HRS 514A-83.6 and HRS 514B-148. The reserve study is not an audit or quality inspection of the project.

This Reserve Study has adopted a funding plan based on the cash flow method that provides full funding. The Reserve Study reflects that the Association is fully funded and has complied with the reserve requirements of Hawaii State Law; provided however, the association implements the funding plan and the criteria used reflects the project's actual operating experience during the life of the funding plan.

Current Assessment Funding Model Summary of Calculations

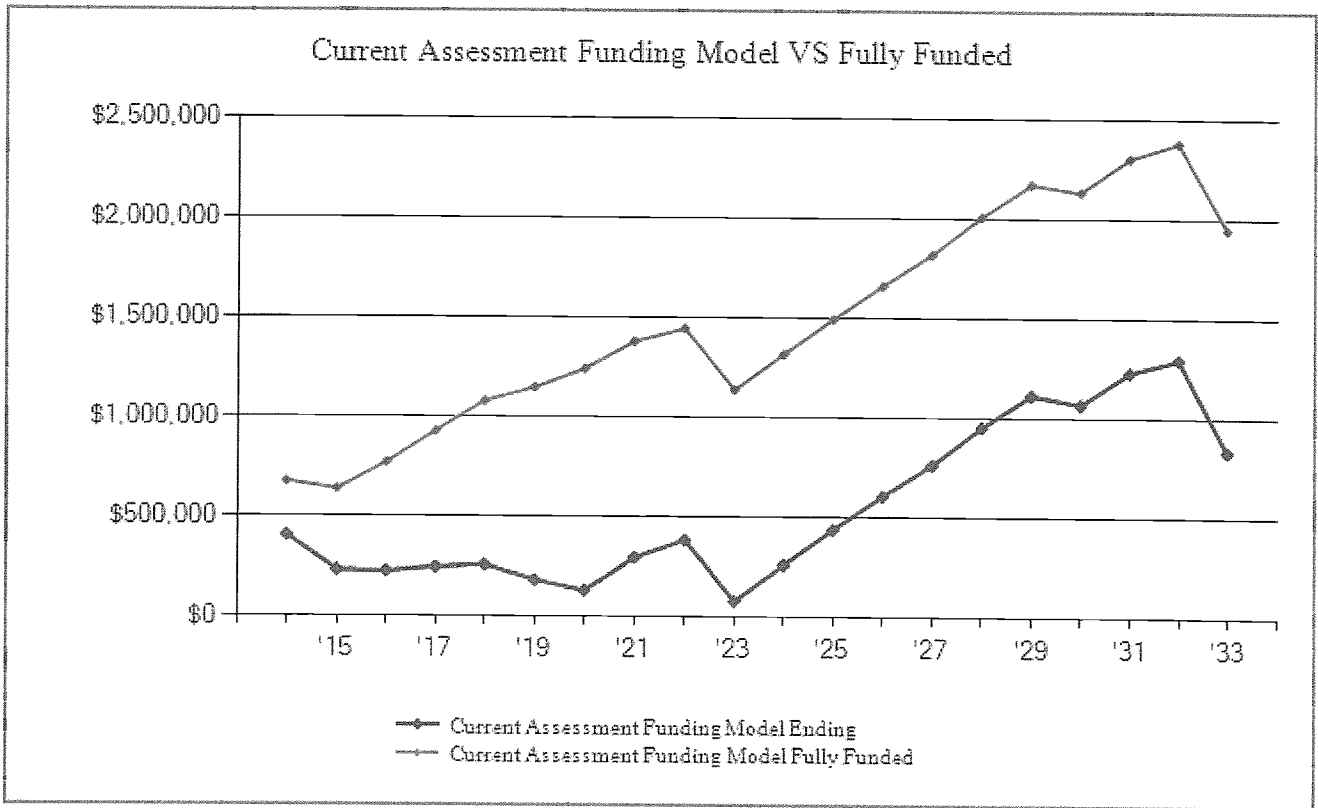
Required Monthly Contribution	\$1,500.00
<i>\$8.93 per unit monthly</i>	
Average Net Monthly Interest Earned	<u>\$158.66</u>
Total Monthly Allocation to Reserves	\$1,658.66
<i>\$9.87 per unit monthly</i>	

**The Twenty One Hundred
RA Current Assessment Funding Model Projection**

Beginning Balance: \$403,960

Year	Annual Contribution	Annual Interest	Annual Expenditures	Projected Ending Reserves
2014	18,000	1,904	15,000	408,864
2015	18,000	1,075	193,536	234,403
2016	18,000	1,053	23,593	229,863
2017	18,000	1,144		249,007
2018	18,000	1,207	6,047	262,167
2019	18,000	849	94,143	186,873
2020	18,000	603	70,328	135,148
2021	190,450	1,008	27,154	299,452
2022	190,450	1,426	103,968	387,360
2023	190,450		495,176	82,634
2024	190,450	841	9,507	264,418
2025	190,450	1,681	15,577	440,972
2026	190,450	2,486	23,527	610,380
2027	190,450	3,233	36,481	767,582
2028	190,450	4,131	5,575	956,588
2029	190,450	4,901	33,420	1,118,519
2030	190,450	4,682	241,148	1,072,503
2031	190,450	5,450	34,421	1,233,982
2032	190,450	5,756	131,795	1,298,393
2033	190,450	3,566	654,702	837,707

**The Twenty One Hundred
RA Current Assessment Funding Model VS Fully Funded Chart**



The Current Assessment Funding Model is based on the current annual assessment, parameters, and reserve fund balance. Because it is calculated using the current annual assessment, it will give the accurate projection of how well the association is funded for the next 30 years of planned reserve expenditures.

**The Twenty One Hundred
RA Spread Sheet**

Description	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Back Flow Preventer		6,144								
Chain Link Fence						5,629				
Doors						9,458				
Elevator Modernization						2,269				
Enteiphone						6,755				
Exhaust Fans - Rooftop										
Fire Alarm System										
Fire Booster Sprinkler Pump		20,480								
Fire Control Equipment	<i>Unfunded</i>									
Fire Sprinkler System	5,000									
Floor Scrubber			2,621							
Flooring - Paver Tile		2,048								
Furniture - Recreation Room	<i>Unfunded</i>									
Gas Heaters- Back Up					3,848					
Gas Line						50,665				
Generator - Emergency										
Heat Pumps		133,120					18,447			
Hot Water Storage Tanks										
Kitchen Equipment	<i>Unfunded</i>									
Lobby										
Lobby Lighting	7,500									
Lobby Refurbishment										
Mailboxes		5,120				2,252				
On Site Office										
Painting - Exterior										
Parking Deck Coating - Upper									58,028	
Parking Lot Light Fixtures										
Parking Structure Gates								23,612		
Plumbing Lines - Parking Structure		20,480					6,918			
Pool Deck Coating		3,072								
Pool Equipment	2,500									
Pool Furniture										
Pool Interior Tile										
Pump - Main Booster										17,294
Pumps - Bak Up Booster										17,294

**The Twenty One Hundred
RA Spread Sheet**

Description	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Railings										
Recreation Room - Restrooms										
Resident Manager Unit - Appliances							6,918	3,542		
Resident Manager Unit - Refurbish						17,114				
Roof - Coating							3,459			
Security Camera System		3,072								
Signs										
Spalling - Concrete Repairs										
Trash Compactor										
Walkway Deck Coating									45,939	
Year Total:	15,000	193,536	23,593		6,047	94,143	70,328	27,154	103,968	495,176

**The Twenty One Hundred
RA Spread Sheet**

Description	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Back Flow Preventer		7,788								
Chain Link Fence										
Doors						7,136				
Elevator Modernization						11,989				
Enterphone						2,877				
Exhaust Fans - Rooflop						8,563				
Fire Alarm System										
Fire Booster Sprinkler Pump										
Fire Control Equipment										
Fire Sprinkler System										
Floor Scrubber			3,323							
Flooring - Paver Tile							2,923			
Furniture - Recreation Room										
Gas Heaters- Back Up										
Gas Line										
Generator - Emergency										
Heat Pumps							189,995			
Hot Water Storage Tanks										
Kitchen Equipment										
Lobby										
Lobby Lighting				5,445						
Lobby Refurbishment										
Mailboxes										
On Site Office						2,854				
Painting - Exterior										
Parking Deck Coating - Upper									73,560	627,710
Parking Lot Light Fixtures										
Parking Structure Gates										
Plumbing Lines - Parking Structure										29,932
Pool Deck Coating		3,894								
Pool Equipment										
Pool Furniture										
Pool Interior Tile										
Pump - Main Booster							21,923			
Pumps - Bak Up Booster							21,923			

The Twenty One Hundred
RA Spread Sheet

Description	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Railings					5,575					
Recreation Room - Restrooms								4,490		
Resident Manager Unit - Appliances										23,853
Resident Manager Unit - Refurbish			20,204				4,385			
Roof - Coating		3,894								
Security Camera System										
Signs										
Spalling - Concrete Repairs				31,036						
Trash Compactor									58,235	
Walkway Deck Coating										
Year Total:	9,507	15,577	23,527	36,481	5,575	33,420	241,148	34,421	131,795	654,702

Disclaimer

This report attempts to determine the estimated remaining useful life of the components that can be visually observed. This report is expressly for the use of the client and only for the purpose of establishing reserve funding requirements. The study is not a guarantee or warranty, or a recommendation to purchase. Estimated remaining useful lives are calculated with reasonable consideration for weather conditions. Natural disasters, including seismic activity will not be addressed in this report. Reserve Funding for earthquake damages and other disasters exceeds the scope of the study. We recommend the development consider additional insurance to cover unforeseen disasters. We assume the components of the association will receive proper maintenance. The report is expressly for the use of the client and only for the purpose of establishing reserve funding requirements.

In providing the opinions of probable construction costs, the client understands that HAWAIIAN PROPERTIES, LTD. has no control over costs or the price of labor, equipment or materials, or over the contractor's method of pricing, and that the opinions of probable construction costs provided herein are to be made on the basis of HAWAIIAN PROPERTIES, LTD.'s qualifications and experience. HAWAIIAN PROPERTIES, LTD. makes no warranty, expressed or implied, as to the accuracy of such opinions as compared to bid or actual costs.

Because the reserve study is a projection, the estimated lives and costs of components will likely change over time depending on a variety of factors such as future inflation rates and levels of maintenance applied by future boards, unknown defects in materials that may lead to premature failures, etc. As a result, some components may experience longer lives while others will experience premature failures. Some components may cost less at the time of replacement due to changes in manufacturing methods while others may cost more due to material shortages or high demand. All future projections are therefore theoretical and reserve studies should be updated annually.

HAWAIIAN PROPERTIES, LTD. has made a reasonable effort to ensure that the report is accurate. This study does not preclude errors resulting from unforeseen conditions or circumstances. The scope of this report is expressly limited to the components described herein. HAWAIIAN PROPERTIES, LTD. has obtained certain information, documentation and materials from the Association files and the reserve study is based upon the accuracy of such information. Material inaccuracies could adversely affect the reserve study. HAWAIIAN PROPERTIES, LTD. is not responsible for such inaccuracies. This study is limited to a visual observation. There has been neither destructive testing nor inspection of the interior of private units; floors, wall or ceiling cavities, or structural elements. It is assumed that the components have been constructed per original construction documents and comply with applicable codes. This study is not designed to uncover latent or patent defects. Estimates represent replacement of a component with similar materials unless otherwise noted. Local building codes have not been researched to determine whether or not current ordinances will permit the replacement of any component with components of like material. The estimates do not take into account the abbreviated useful life of a component as a result of its original construction, installation, or design. HAWAIIAN PROPERTIES, LTD. is not responsible for any claims, demands, or damages arising out of the discovery of asbestos, radon or any environmental claims, demands or damages. We do not assume any liability for damages which may result from this study. We are not responsible for conditions this report fails to disclose. The information contained in this study is deemed reliable as of the date of this study, but is not guaranteed.

HAWAIIAN PROPERTIES, LTD. has provided the Association with the Reserve Study FREE OF CHARGE. The Association, by accepting this study, agrees to release HAWAIIAN PROPERTIES, LTD. from any claims, demands or damages. The Association, in consideration of HAWAIIAN PROPERTIES, LTD. performing the reserve study, hereby agrees to indemnify, defend and hold harmless HAWAIIAN PROPERTIES, LTD. from and against any and all liability, damages, losses, claims, demands, or lawsuits arising out of or relating to this reserve study.

The information contained within the report is assembled in conjunction with the client and is intended to assist the client with its reserve planning. HAWAIIAN PROPERTIES, LTD. does not guarantee, either explicitly or implied, that all repair and replacement items have been identified, the accuracy of the probable costs or the product lives associated with these items.



HAWAIIAN PROPERTIES, LTD.

Building Relationships that Last

1165 Bethel Street, 2nd Floor ♦ Honolulu, Hawaii 96813
Mailing Address: P.O. Box 38078 ♦ Honolulu, Hawaii 96837-1078
Phone: (808) 539-9777 ♦ Fax: (808) 521-2714

November 2013

AOAO The Twenty One Hundred Payment Instructions & Policies

If you are enrolled with Hawaiian Properties, Ltd. Electronic Bill Payment (SurePay) program:

Your maintenance fee will be deducted from your account on the 10th day of every month, for that month's maintenance fee. Your payment amount will be automatically adjusted to the new amount.

If you make your monthly payment by check:

Enclosed please find your monthly payment coupons. Please remit your payment with the coupon in the envelopes provided and remember to make your payment to "AOAO The Twenty One Hundred." If you prefer to change your payment method to the Hawaiian Properties, Ltd. Electronic Bill Payment (SurePay) program, please complete the enclosed application and return it to Hawaiian Properties, Ltd. in the envelope, which is also provided for your convenience. Additional information and complete instructions for enrollment are on the application.

If you use any other bill paying service:

Please inform them of the new monthly amount.

The AOA of The Twenty One Hundred has an established Priority of Payment Plan. This ensures that the Association is reimbursed first for expenses incurred or services provided to individual owners. All payments received will be applied to charges on your account in the following order: Legal Charges, Late Fees, Miscellaneous Charges, Non-Sufficient Funds (NSF) and Coupon Charges, Special Assessments, and regular monthly Maintenance Fees*.

*The balance remaining, if any, toward the payment of Regular Monthly Assessments (Maintenance Fees), applied to oldest balances first. Acceptance and applications of such payments will not be construed as a waiver of any rights the Association shall have against the delinquent owner.

Your payments are due and payable on the first day of each month. The AOA of The Twenty One Hundred allows a grace period of **15 days**. If your payment is not **received** by the **15th** of each month, the Association shall assess a Late Fee of **\$10.00**. In addition, all delinquent assessments shall bear interest at the rate of one percent (1%) per month from the assessment due date as per the Restated Bylaws of the Association.

Any changes to your account, such as address, phone, etc, *must be in writing* and mailed to:

**AOAO The Twenty One Hundred
c/o Hawaiian Properties, Ltd.
P.O. Box 38078
Honolulu, HI 96837-1078**

If you have a question about your account, please call (808) 539-9777. Please send any correspondence to the same address above, but not with your monthly payment.

Hawaiian Properties, Ltd.
Managing Agent for
The AOA of The Twenty One Hundred

**AOAO THE TWENTY ONE HUNDRED
MINUTES of the
2013 ANNUAL MEETING
Wednesday, March 27, 2013**

PLACE: On-Site Recreation Room
2100 Date Street
Honolulu, Hawaii 96826

I. CALL TO ORDER

The Chair called the Meeting to order at 7:00 p.m. 55.64% of the Ownership was represented at the Meeting in person or by proxy.

II. PROOF OF NOTICE OF MEETING

Pursuant to Article II, Section 11 of the By-Laws, Proof of Notice of the Meeting was sent to all owners of record on February 01, 2013.

III. APPROVAL OF MINUTES

There being no objection, the Minutes of the 2012 Annual Meeting were approved as written.

IV. REPORT OF OFFICERS

Auditor's Report:

The Annual Audit for the fiscal year ending December 31, 2012 was included in the owner check-in packet.

V. APPOINTMENT OF INSPECTORS FOR ELECTION

There being no objection, Stephen Choy and Kathleen Okamura were appointed as Tellers to certify any counted vote for the Meeting.

VI. ELECTION OF DIRECTORS

Nominations and elections were conducted. Voting percentage necessary for election was greater than 26.8970%. The results are:

<u>Name</u>	<u>First Ballot</u>	<u>Result</u>
Yorita, Yasuo	7.670%	-----
Goto, Kevin	4.958%	-----
Okamura, Deborah	40.880%	2 year term (expires in 2015)
Arasato, Isaac	36.132%	2 year term (expires in 2015)

The Board of Directors approved these minutes for form and content at the Regular Board of Directors Meeting held on July 29, 2013.

**AOAO THE TWENTY ONE HUNDRED
MINUTES of the
2013 ANNUAL MEETING
Wednesday, March 27, 2013**

VII. NEW BUSINESS

Tax (Rollover) Resolution: The following resolution was adopted by unanimous consent of the Owners:


“Resolved by the Owners of the Association that the amount by which each Member’s assessment in 2013 exceeds the total payments of the Association for maintenance, repairs, and other expenses and capital expenditures of the Association as the Board of Directors has appropriately paid or determined payable, shall be applied to regular Member assessments in the year 2014.”

VIII. ADJOURNMENT

The Annual Meeting was adjourned at 7:45 PM.

An Owner’s Forum was conducted after adjournment of the Meeting.

Submitted:



John Brewer, CMCA®
Recording Secretary

Hawaiian Properties, Ltd.
Managing Agent for
AOAO The Twenty One Hundred

The Board of Directors approved these minutes for form and content at the Regular Board of Directors Meeting held on July 29, 2013.

OFFICE OF THE
ASSISTANT REGISTRAR, LAND COURT
STATE OF HAWAII
(BUREAU OF CONVEYANCES)

The subject of this document was

2117163

DATE: FEB 12 1994 1:35 pm

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210.0
PROJECT
DOCUMENTS
4114794
AG

LAND COURT SYSTEM

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL () PICKUP () TO:

JOHN A. MORRIS, ESQ.
Iwai, Motooka, Goto & Morris
Suite 502, Haseko Center
820 Mililani Street
Honolulu, HI 96813-2935
Tel: (801) 537-1935

MORRIS\DOCS\2100.1ST

FIRST AMENDMENT OF THE
RESTATED BY-LAWS OF THE TWENTY ONE HUNDRED

WHEREAS, by Declaration of Horizontal Property Regime dated January 24, 1979, recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 920759 (the "Declaration"), the property described in the Declaration and Condominium Map 358 was submitted to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes to establish the Twenty One Hundred condominium; and

WHEREAS, the Declaration, as amended, provided for the organization of the ASSOCIATION OF APARTMENT OWNERS OF THE TWENTY

ONE HUNDRED (the "Association") in accordance with the By-Laws attached to the Declaration; and

WHEREAS, on July 15, 1991, the Declaration and By-Laws were restated and filed separately as Document Nos. 1835543 and 1835544, respectively, each being dated August 21, 1990 and noted on the Transfer Certificate of Title Nos. shown on the attached exhibit; and

WHEREAS, Section 514A-82(b)(2), Hawaii Revised Statutes provides that the By-Laws may be amended by the vote of sixty-five percent (65%) of the apartment owners; and

WHEREAS, have given more than sixty-five percent (65%) of the owners of apartments have given their written consent to amend the By-Laws, as stated below; and

NOW, THEREFORE, the By-Laws of the Association are amended as follows:

AMENDMENT NUMBER ONE:

Article X, Subsection 1(a) of the By-Laws is amended to read as follows:

(a) The Board in its discretion shall establish such House Rules as are consistent with existing law, these Bylaws and the Declaration.

AMENDMENT NUMBER TWO:

Article X, Subsection 1(b) of the By-Laws is amended to read as follows:

(b) The Board in its discretion shall establish a schedule of specific fines and penalties for the violation by any Owner, tenant, and any other person using or coming upon the project or any part thereof for any purpose whatsoever of the provisions of these Bylaws, the Declaration or the House Rules. Such fines and penalties

shall be binding on all Owners, tenants, and other persons in accordance with such schedule. The Board may authorize the managing agent and/or resident manager, if any, to impose fines upon apartment owners, tenants, and other persons in accordance with that schedule. Those fines shall constitute a lien against such owner's apartment which may be foreclosed in the same manner as a lien for common assessments. The Board shall be empowered to collect any unpaid fines in the same manner as provided herein, in the Act, and in the Declaration for unpaid assessments. Such a remedy shall not be deemed to be exclusive and the Board shall have such other remedies as are provided for by applicable law, these Bylaws, the Declaration and the House Rules.

In all other respects, the By-Laws of the Association, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The undersigned officers of the Association hereby certify that the foregoing amendments were adopted with the written consent of more than sixty-five percent (65%) of the members of the Association.

IN WITNESS WHEREOF, the undersigned have executed this instrument on this 13 day of January, 1994.

ASSOCIATION OF APARTMENT OWNERS
OF THE TWENTY ONE HUNDRED

D. Bart Aronoff
President

By

Its

D Bart Aronoff
President

Stanley H. Fujiyama
Treasurer

By

Its

Stanley H. Fujiyama
Treasurer

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

On this 13th day of January, 1994,
before me appeared D. Bart Aramoff, to me personally
known, who, being by me duly sworn, did say that he is the
President of the ASSOCIATION OF APARTMENT
OWNERS OF THE TWENTY ONE HUNDRED, an unincorporated association
which has no seal, and that said instrument was signed and sealed
on behalf of the association by authority of its Board of
Directors and that said officer acknowledged said instrument to
be the free act and deed of the association.

Conni J. Chang
Notary Public, State of Hawaii
My Commission expires: 4-23-96 U

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

On this 13th day of January, 1994,
before me appeared Stanley H. Fujiyama, to me personally
known, who, being by me duly sworn, did say that he is the
Treasurer of the ASSOCIATION OF APARTMENT
OWNERS OF THE TWENTY ONE HUNDRED, an unincorporated association
which has no seal, and that said instrument was signed and sealed
on behalf of the association by authority of its Board of
Directors and that said officer acknowledged said instrument to
be the free act and deed of the association.

Conni J. Chang
Notary Public, State of Hawaii
My Commission expires: 4-23-96 U

OFFICE OF THE
ASSISTANT REGISTRAR, LAND COURT
STATE OF HAWAII
(Bureau of Conveyance)

FILE
PROJECT: 2100
SUBJECT: DOCUMENTS
DATE: 8/5/91
INITIALS: J.K.

"The original of this document was recorded as follows:

DOCUMENT NO. 1835544
DATE 7/15/91 TIME 1:40

LAND COURT SYSTEM

REGULAR SYSTEM

Return by Mail () Pickup (XXX) To:

GAIL C. NAKATANI
DINMAN, NAKAMURA, ELISHA & NAKATANI
Ocean View Center, Penthouse One
707 Richards Street
Honolulu, Hawaii 96813
Telephone: 523-7021

RESTATED BYLAWS OF ASSOCIATION

OF APARTMENT OWNERS OF

THE TWENTY ONE HUNDRED

RECITALS:

A. FIRST HAWAIIAN BANK, the Trustee under that certain Trust Agreement dated October 27, 1978, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 911176, and noted on Transfer Certificate of Title No. 206366, (the "Lessor"), owns in fee the land (the "Land") described in Exhibit "A" to the Declaration of Horizontal Property Regime (the "Declaration") and a copy of which is attached hereto as Exhibit "A"; and

B. BLACKFIELD HAWAII CORPORATION ("Developer") leased the Land from the Lessor and developed the Land as a condominium project (the "Project") as described in the Declaration in accordance with plans recorded in the Bureau as Condominium Map No. 358; and

C. Whereas the subject property was sold to individual

owners as indicated by the referenced Certificate of Title as listed on Exhibit "B", attached hereto and made a part hereof.

D. The Lessor and Developer submitted the Land and the Project thereon to a horizontal property regime by filing that certain instrument dated January 24, 1979, filed in the Office of the Assistant Registrar of the Land Court as Document No. 920759, (hereinafter called "Declaration") and adopted the Bylaws which were annexed to and made a part of the Declaration all as provided for by Chapter 514A, Hawaii Revised Statutes, as amended (hereinafter referred to as Chapter 514A).

WHEREAS, the Lessor and Developer declared that the Land and the Project are held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the Bylaws all of which were declared and agreed to be in furtherance of the plan set forth in the Declaration, to constitute said property a Horizontal Property Regime or Condominium under the Act and established and agreed upon for said purposes and for the purposes of enhancing and perfecting the value, desirability and attractiveness of said property, and further declared that the Bylaws shall run with the Land and apartments and were to be binding upon all parties having or acquiring any right, title or interest therein; and

WHEREAS, the subject property was sold to the individual owners as indicated by the referenced certificates of title as listed on Exhibit "A" hereto and made a part hereof; and

WHEREAS, Section 514A-82.2, Hawaii Revised Statutes, empowers the Board of Directors of the Association established by the Bylaws to restate the Bylaws to set forth amendments thereto, and to conform the provisions thereof to the provisions of Chapter 514A, Hawaii Revised Statutes, and any other statute, ordinance, rule, or regulation enacted by any governmental authority, by a resolution adopted by the Board of Directors; and

WHEREAS, the Board of Directors resolved to restate the Bylaws, pursuant to Section 514A-82.2, Hawaii Revised Statutes, in the manner set forth herein;

NOW, THEREFORE, the Bylaws are hereby restated to read as follows:

ARTICLE I

INTRODUCTORY PROVISIONS

SECTION 1. Definitions. The terms used herein shall have the meanings given to them in Chapter 514A, as amended from time to time, except as expressly otherwise provided herein. "Common element(s)" means those element(s) designated in the Declaration

as common element(s) and limited common element(s). "Project" shall include the Land, the buildings and all other improvements thereon (including the Apartments and the common elements) and all easements, rights and appurtenances belonging thereto, and all other property affixed thereto and intended for use in connection therewith. "Rules and Regulations" refers the Rules and Regulations or House Rules for the conduct of occupants of the buildings adopted by the Board of Directors as hereafter provided. "Owner" or "Apartment Owner" means the person owning, or the persons owning jointly or in common, an apartment and the common interest appertaining thereto, to the extent of such interest so owned; provided that to such extent and for such purposes, including the exercise of voting rights, as shall be provided by lease registered under Chapter 501 or recorded under Chapter 502, a lessee of apartment shall be deemed to be the Owner of such apartment or interest therein.¹ "Apartment" as used herein has the same meaning and definition as contained in Chapter 514A and is sometimes hereinafter called a condominium unit or units and includes each of the apartments of the Project. "Association" means the Association of Apartment Owners. "Apartment lease" means the instrument issued by Lessor demising to each Apartment Owner his apartment and undivided interest in the land within the Horizontal Property Regime. "Board" means the Board of Directors of the Association of Apartment Owners.

SECTION 2. Conflicts. These Bylaws are set forth to comply with the requirements of Chapter 514A. In case any of these Bylaws conflict with the provisions of Chapter 514A, that certain Declaration of Restrictive Covenants (Park), dated November 3, 1978, filed in the office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 913855 (the "Covenants"), or the Declaration, the provisions of the Act, the Covenants or the Declaration, as the case may be, shall control.

SECTION 3. Application. All present and future owners, mortgagees, vendees under agreements of sale, tenants and occupants of Apartments and their employees, and any other persons who may use any part of the Project in any manner are subject to these Bylaws, the Declaration and the Rules and Regulations. The acceptance of an assignment of lease or conveyance or mortgage or agreement of sale or the entering into of a lease or the act of occupancy of an Apartment shall constitute an agreement that these Bylaws, the House Rules and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

ARTICLE II

ASSOCIATION OF OWNERS

SECTION 1. Purpose and Voting. The Association shall be organized and operated for the purposes of managing, maintaining, acquiring, constructing and caring for the Association property, and it is intended that the Association shall qualify as a "Homeowner's Association" within the meaning of Section 528 of the Internal Revenue Code. The Association property includes the common elements of the Project, as well as the Project itself, property held by the Association, property commonly held by its members, property within the Association and/or Project privately held by its members but which may be subject to a common maintenance assessment by the Association for such purposes as insurance, and property owned by a government agency and used for the benefit of the Association's members. Each Apartment Owner shall be a member of the Association and shall be entitled to that fraction of the total vote of all of the Apartment Owners which equals the percentage of the common interest appurtenant to such Apartment as set forth in the Declaration. Votes may be cast in person or by proxy by the respective Apartment Owners. The purchaser of an Apartment pursuant to an agreement of sale recorded in said Office shall have the right to vote unless the vote is retained by the seller as may be provided in the agreement of sale pursuant to Section 514A-83 of Chapter 514A. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association, the percentage of vote for any Apartment owned or controlled by him in such capacity, provided that he shall first present evidence satisfactory to the Secretary that he owns or controls such Apartment in such capacity. The vote for any Apartment owned of record by two or more persons may be exercised by any one of them present at any meeting in the absence of protest by the other or others, and in case of protest each common owner shall be entitled to only a share of such vote in proportion to his share of ownership in such Apartment.

SECTION 2. Except as otherwise provided in these Bylaws, the presence in person or by proxy of Owners having over one-half (1/2) of the total authorized votes of all Apartment Owners shall constitute a quorum at all meetings of the Apartment Owners.

SECTION 3. Majority Vote. The vote of a majority of Apartment Owners at a meeting at which a quorum shall be present shall be binding upon all Apartment Owners for all purposes, except where a higher percentage vote is required in the Declaration or these Bylaws or by law.

SECTION 4. Majority of Apartment Owners. As used in these Bylaws, the term "majority of Apartment Owners" shall mean those

Apartment Owners having more than fifty percent (50%) of the total authorized votes present at any meeting of the Apartment Owners, and any specified percentage of the Owners means Owners having the specified percentage of the total votes.

SECTION 5. Cumulative Voting. The election of the Directors shall be by cumulative voting. Each Owner shall cumulate his votes, and may cast for any one or more nominees to the Board a vote equivalent to the votes which such Owner is entitled to multiplied by the number of Directors to be elected. Each Owner shall be entitled to cumulate his votes and give all thereof to one nominee or to distribute his votes in such manner as he shall determine among any or all of the nominees, and the nominees receiving the highest number of votes on the foregoing basis, up to the total number of Directors to be elected, shall be deemed elected.

SECTION 6. Proxies and Pledges. The authority given by any Apartment Owner to another person to represent him at meetings of the Association shall be in writing and filed with the Secretary or Managing Agent, no later than 4:30 p.m. on the second business day prior to the date of the meeting to which it pertains, and must contain at least the name of the Association, the date of the meeting, the printed name of the Association, the date of the meeting, the printed name and signature of the person or persons giving the proxy, the Apartment or Apartments for which the proxy is given, the printed name of the person or entity to whom the proxy is given, and the date that the proxy is given.²

No proxy shall be irrevocable unless coupled with a financial interest in the Apartment;³ and provided, further, that nothing in this subsection shall effect the holder of any proxy under a first mortgage of record encumbering an Apartment or under an agreement of sale affecting an Apartment.⁴

Proxies may be given to the Board; provided that they shall contain a box wherein the Apartment Owner may indicate that the Apartment Owner wishes the vote to be shared with each Board member receiving an equal percentage. Proxy forms which are not marked shall be considered a choice by the Apartment Owner that the vote be made on the basis of the preference of a majority of the Board.⁵

No office of the Board shall use Association funds to solicit proxies; provided that this shall not prevent an officer from exercising his right as an apartment owner under the following provisions of this subsection.⁶

No Resident Manager or Managing Agent employed by the Association shall solicit, for use by such Manager or Managing Agent, any proxies from any Apartment Owner, nor shall any Resident

Manager or Managing Agent employed by the Association cast any proxy vote at any Association meeting except for the purpose of establishing a quorum. No Board member who uses Association funds to solicit proxies shall cast any such proxy votes for the election or reelection of Board members at any Association meeting unless the proxy specifically authorizes the Board member to vote for the election or reelection of Board members and the Board first posts notice of its intent to solicit proxies in prominent locations within the project at least thirty days prior to its solicitation of proxies; provided that if the Board receives within seven days of the posted notice a request by any Apartment Owner for use of Association funds to solicit proxies accompanied by a statement, the Board shall either:

- (A) Mail to all Apartment Owners a proxy containing either the names of all Apartment Owners who have requested the use of Association fund for soliciting proxies accompanied by their statements; or
- (B) Mail to Apartment Owners a proxy form containing no names, but accompanied by a list of names of all Apartment Owners who have requested the use of Association funds for soliciting proxies and their statements.

The statement shall not exceed one hundred words, indicating the Apartment Owner's qualifications to serve on the Board and reasons for wanting to receive proxies.⁷

SECTION 7. Place of Meetings. All meetings of the Association shall be held at such place within the Project, or as close thereto as may be practical within the state, as may be designated by the Board.

SECTION 8. Annual Meetings. ⁸The annual meeting of the Association shall be held within three (3) months after the close of the fiscal year as selected by the Board or the Association. At such meetings the Board shall be elected by ballot of the Apartment Owners in accordance with the requirements of Section 4 of Article III of these Bylaws.⁹ The Apartment Owners may transact such other business at such meetings as may properly come before them.

SECTION 9. Regular Meetings. In addition to the annual meetings, the Board by resolution or a majority of all of the Apartment Owners by petition may establish regular meetings at semiannual, quarterannual, or other regular intervals.

SECTION 10. Special Meeting. Special meetings of the Owners of the Apartments may be held at any time upon the call of the

President or of any three (3) Directors, or upon the written request of not less than twenty-five percent (25%) of all of the Apartment Owners presented to the Secretary.

SECTION 11. Notice of Meetings and Other Notices. Written notice of all meetings, annual or special, stating the place, day and hour of the meeting and whether it is annual or special and stating briefly the business proposed to be transacted thereat and items on the agenda for such meeting, and a standard proxy form authorized by the Association, if any, and any other notices permitted or required to be delivered by these Bylaws shall be sent at least fourteen (14)¹⁰ days before the date assigned for the meeting, to the Owners of the Apartments at their address at the Project or at the address given to the Board for the purpose of service of such notices. A proxy form which accompanies a notice of meeting shall be valid for the meeting to which the notice pertains and its adjournment only, and may designate any person as proxy and may be limited as the Apartment Owner desires and indicates. Upon written request for notices delivered to the Board, the holder of any duly recorded mortgage or deed of trust from any Owner of an Apartment may obtain a copy of any and all notices permitted or required to be given to the Owner of an Apartment, whose interest is subject to said mortgage or deed of trust. Upon notice being given in accordance with the provisions hereof, the failure of any Owner of an Apartment to receive actual notice of any meeting shall not in any way invalidate the meeting or proceedings thereat. Each such Owner shall keep the Board informed of any changes in address.

SECTION 12. Adjournment of Meetings. If any meeting of Apartment Owners cannot be held because a quorum has not attended, a majority in common interest of the Apartment Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

SECTION 13. Conduct of Meetings and Order of Business. The order of business at all meetings of the Apartment Owners shall be as follows¹¹:

- (a) Roll call;
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports of Officers;
- (e) Report of Board;
- (f) Reports of committees;
- (g) Election of inspectors of election (when so required);
- (h) Election of members of the Board (when so required);

- (i) Unfinished business; and
- (j) New business.

SECTION 14. Robert's Rules of Order. All Association and Board meetings shall be conducted in accordance with the most current edition of the Robert's Rules of Order.¹²

ARTICLE III

BOARD OF DIRECTORS

SECTION 1. Number and Qualification. The affairs of the Project shall be governed by a Board of Directors. The Board shall be composed of five (5) persons, each of whom shall be an Owner, a Co-Owner, a vendee under an agreement of sale, or an officer of any corporate Owner. The partners in a general partnership and the general partners of a limited partnership shall be deemed to be the Owners of an apartment owned by their partnership for the purposes of this Section. No resident manager of the Project shall serve on the Board of Directors.

SECTION 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Project and may do all such acts and things except as by law or by the Declaration or by these Bylaws may not be delegated to the Board by the Apartment Owners. A director shall not vote or cast any proxy at any Board meeting on any issue in which he has a conflict of interest. Such powers and duties of the Board shall include, but shall not be limited to, the following:

- (a) Enforcement of the provisions of the Declaration, these Bylaws and the House Rules;
- (b) Payment of all taxes and assessments which are or could become a lien on the Project, the common elements or limited common elements or some portion thereof. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and costs incurred by the Board by reason of such lien or liens;
- (c) Delegation of its powers to committees, agents, officers, representatives and employees;
- (d) Contracting for materials and/or services for the common elements or the Association;
- (e) Contracting for fire, casualty, liability and other insurance on behalf of the Association, pursuant to the provisions of Article VII hereof;

(f) Right of entry in or upon any privately owned Apartment at any time and from time to time and without liability to any Owner for trespass, damage (except damage caused by the negligence of the Board or its agents) or otherwise, but only where necessary (in connection with construction, maintenance or repair) to protect the common elements and limited common elements, or any other portion of the buildings, if for any reason an Owner fails or refuses to maintain and repair such Apartment within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Owner or Owners, provided that the Board shall levy a special assessment against such apartment for the cost of said maintenance or repair;

(g) Determination of the common expenses required for the affairs of the Project, including, without limitation, the operation and maintenance of the property;

(h) Collection of the common expenses and assessments from the Apartment Owners;

(i) Employment and dismissal of the personnel necessary for the maintenance, operation, repair and replacement of the common elements;

(j) Subject to the provisions of Section 1 of Article X of these Bylaws, adoption and amendment of Rules and Regulations covering the details of the operation and use of the Project;

(k) Opening of bank accounts on behalf of the Association of Owners and designating the signatories required therefor;

(l) Purchasing or leasing or otherwise acquiring in the name of the Board or its designee, corporate or otherwise, on behalf of all Apartment Owners, Apartments offered for sale or lease, but only with prior approval of Apartment Owners owning not less than seventy-five percent (75%) of the common interests;

(m) Purchasing of Apartments at foreclosure or other judicial sale in the name of the Board or its designee, corporate or otherwise, on behalf of all Apartment Owners, but only with prior approval of Apartment Owners owning not less than seventy-five percent (75%) of the common interests;

(n) Selling, subleasing, mortgaging, voting the votes appurtenant to (other than for the election of members of the Board), or otherwise dealing with Apartments acquired by the Board or its designee, corporate or otherwise, on behalf of all Apartment Owners;

(o) Organizing corporations to act as designees of the Board in acquiring title to or leasing of Apartments on behalf of all Apartment Owners;

(p) Making of repairs, additions and improvements to or alterations of the Project and repairs to and restoration of the Project in accordance with the other provisions of these Bylaws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(q) Procuring legal and accounting services necessary or proper in the operation of the buildings or enforcement of these Bylaws;

(r) Payment of all common expenses which the Board is required to pay for pursuant to the terms of these Bylaws or by law or which in its opinion shall be necessary or proper for the operation of the buildings as apartment buildings or for the enforcement of these Bylaws, provided that if any such payment is required because of the particular actions or negligence of the Owners of particular Apartments, the cost thereof shall be specially assessed to the Owners of such Apartments;

(s) Administration of the timely collection of ground lease rentals from the Apartment Owners and the timely payment of such rentals to Lessor; and

(t) Keeping, or causing the resident manager or managing agent to keep, an accurate and current list of members of the Association of Apartment Owners and their current addresses and names and addresses of the vendees under an agreement of sale, if any. The list shall be maintained at a place designated by the Board of Directors.

SECTION 3. Managing Agent and Manager.

(a) The Board shall at all times employ a responsible Hawaii corporation as Managing Agent to manage and control the Project, subject at all times to direction by the Board, with such administrative functions and powers as shall be delegated to said Managing Agent by the Board; provided that the term of any such management contract shall be limited to a duration of one (1) year, except with the approval of a majority of Apartment Owners.

(b) The Managing Agent shall have such powers and duties as may be necessary or proper in connection with (i) supervision of the immediate management and operation of the Project, (ii) maintenance, repair, replacement and restoration of the common elements and any additions or alteration thereto; (iii) purchase,

maintenance and replacement of any equipment, (iv) servicing of all utilities to the buildings and the various apartments, (v) employment, supervision and dismissal of such personnel as it deems necessary for the maintenance and operation of the Project, (vi) contracting with others for the furnishing of such services as it deems proper for the Project, (vii) preparation of a proposed budget and schedule of assessments, (viii) collection of assessments and ground lease rentals, and payment of bills to third parties and ground lease rentals to Lessor, (ix) purchase of such insurance as is contemplated by these Bylaws, and (x) custody and control of all funds and maintenance of books and records and preparation of financial reports.

(c) The Board may in its discretion limit any of the powers herein granted to the Managing Agent or grant additional powers to the Managing Agent.

(d) Upon written request of any Apartment Owner or lessee of any Apartment Owner or any mortgagee of any Apartment Owner or lessee, the Managing Agent shall deliver a certified statement of the status of the account of such Apartment Owner or lessee each month to the mortgagee of such Apartment Owner or lessee.

(e) The appointment and terms of compensation of the Managing Agent shall be submitted to the Association for approval by a majority of a quorum of the Apartment Owners attending any annual or special meeting of the Association. Any contract therefor shall be subject to such approval, and, until first approved by the Association, may be terminated by either the Board or the Managing Agent upon thirty (30) days' written notice thereof to the other, and any contract failing such approval shall terminate thirty (30) days thereafter, and the Board shall give prompt written notice thereof to the Managing Agent and appoint a qualified successor subject to such approval by the Association.

(f) The Managing Agent, subject to the direction of the Board, may represent the Apartment Owners or any two or more Apartment Owners similarly situated, as a class, in any action, suit, or other proceeding concerning the Apartment Owners, the common elements, one or more Apartments, or the Association.

SECTION 4. Election and Term of Office. At the first annual meeting of Apartment Owners two (2) Directors shall be elected for a term of one (1) year, and three (3) Directors shall be elected for a term of two (2) years. At the expiration of the term of office of each Director, his successor shall be elected to serve a term of two (2) years. Each member of the Board shall continue to exercise the powers and duties of the office until his successor shall have been elected by the Apartment Owners in case of delay

in the election of a successor.

SECTION 5. Removal of Members of the Board. At any regular or special meeting of Apartment Owners, any one or more of the members of the Board may be removed with or without cause by a majority of the Apartment Owners, and a successor shall then and there be elected for the remainder of the term to fill the vacancy thus created; provided that an individual Director shall not be removed (unless an entire Board is removed) if Owners having sufficient votes to elect one Director by cumulative voting present at such meeting shall vote against his removal. Any member of the Board whose removal has been proposed by the Apartment Owners shall be given an opportunity to be heard at the meeting. If such removal and replacement is to occur at a special Association meeting, the call for such meeting shall be by the President or by a petition to the Secretary or Managing Agent signed by not less than twenty-five percent (25%) of the Apartment Owners as shown in the Association's record of ownership; and provided further that if the Secretary or Managing Agent shall fail to send out the notices for the special meeting within fourteen (14) days of receipt of the petition, then the petitioners shall have the authority to set the time, date and place for the special meeting and to send out the notices for the special meeting in accordance with the requirements of the Bylaws. Except as otherwise provided herein, such meeting for the removal and replacement from office of directors shall be scheduled, noticed, and conducted in accordance with the Bylaws.¹³

SECTION 6. Vacancies. Vacancies in the Board caused by any reason other than the removal of a member thereof by a vote of the Apartment Owners, shall be filled by a vote of a majority of the remaining members at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board for the remainder of the term of the member whose vacancy he filled (unless sooner removed). Death, incapacity, or resignation of any Director, or his ceasing to be an Owner, common Owner, or vendee under an agreement of sale of an Apartment, shall cause his office to become vacant.

SECTION 7. Organization Meeting and Conduct of Meetings. The first meeting of the members of the Board shall be held immediately after the first annual meeting of the Apartment Owners and no notice shall be necessary to the newly elected members of the Board in order legally to constitute such meeting, providing a majority of the whole Board shall be present thereat. All meetings of the Board (whether organization, regular or special) shall be conducted in accordance with Roberts Rules of Order.

SECTION 8. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the members of the Board, but at least four (4) such meetings shall be held during each calendar year. Notice of regular meetings of the Board shall be given to each member of the Board personally or by mail, telephone, or telegraph at least seven (7) business days (fourteen (14) business days for the first such meeting of each calendar year), if practicable, prior to the day named for such meeting.

SECTION 9. Special Meetings. Special meetings of the Board may be called by the President on forty-eight (48) hours' notice to each member of the Board, given personally or by mail, telephone, or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) members of the Board.

SECTION 10. Waiver of Notice. Any member of the Board may at any time waive notice of any meeting of the Board in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

SECTION 11. Quorum of Board. At all meetings of the Board, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board present at a meeting at which a quorum is present shall constitute the decision of the Board. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice.

SECTION 12. Fidelity Bonds. The Board shall secure annually a fidelity bond in the amount of \$100,000.00 or such greater amount as may be required by law from time to time, to cover all officers, directors, employees, and Managing Agents who handle the Association's funds. The bond shall protect the Association against fraudulent or dishonest acts by persons, including the Managing Agent handling the Association's funds. The premium on such bonds shall be paid by the Association.¹⁴

SECTION 13. Compensation. No member of the Board shall¹⁵ expend Association funds for their travel, director's fees, or per

diem, unless the Apartment Owners are informed and a majority approves of these expenses.

SECTION 14. Liability and Indemnity of the Board and Officers. The members of the Board and Officers shall not be liable to the Apartment Owners for any mistake of judgment or otherwise except for their own individual gross negligence or willful misconduct. The Association shall indemnify each Director and Officer of the Association against all costs, expenses and liabilities, including the amount of judgments, amounts paid in compromise settlements and amounts paid for reasonable attorneys' fees and other related expenses which may be incurred by or imposed on him in connection with any claim, action, suit, proceeding, investigation or inquiry hereafter made, instituted, or threatened in which he may be involved as a party or otherwise by reason of his being or having been such Director or Officer, or by reason of any past or future action taken or authorized or approved by him or any omission to act as such Director or Officer, whether or not he continues to be such Director or Officer at the time of the incurring or imposition of such costs, expenses or liabilities, except such costs, expenses or liabilities as shall relate to matters as to which he is liable by reason of his gross negligence or willful misconduct toward the Association in the performance of his duties as such Director or Officer. As to whether or not a Director or Officer was liable by reason of gross negligence or willful misconduct toward the Association in the performance of his duties as such Director or Officer, in the absence of such final adjudication of the existence of such liability, the Board and each Director and Officer may conclusively rely upon an opinion of legal counsel selected by the Board. The foregoing right of indemnification shall not be exclusive of other rights to which any such Director or Officer may be entitled as a matter of law or otherwise, and shall inure to the benefit of the heirs, executors, administrators and assigns of each such Director and Officer. Furthermore, the members of the Board of Directors may, to the extent allowed by law, elect to secure at the expense of the Association an Errors and Omissions Insurance Policy providing similar coverage to that which may be made available to corporate directors under Hawaii law.

SECTION 15. Conflict of Interest. A Director who has a conflict of interest on any issue before the Board shall disclose the nature of the conflict of interest prior to a vote on that issue at the Board meeting, and the minutes of the meeting shall record the fact that a disclosure was made. A Director shall not vote at any Board meeting on any issue in which the Director has a conflict of interest.¹⁵

SECTION 16. Posting of Notice. Whenever practicable, notice of all Board meetings shall be posted by the Resident Manager or

a member of the Board in prominent locations within the project seventy-two (72) hours prior to the meeting or simultaneously with notice to the Board of Directors.¹⁷

SECTION 17. Documents to be Given to Directors. The Association at its own expense shall provide all Board members with a current copy of the Declaration, Bylaws, Rules and Regulations, and, annually, a copy of Chapter 514A, Hawaii Revised Statutes, with amendments.¹⁸

SECTION 18. Minutes of Meetings. Meetings of the Board of Directors and the Association of Apartment Owners shall include the recorded vote of each Board member on all motions except motions voted on in executive session.¹⁹

SECTION 19. Resident Manager Shall Not Serve on the Board of Directors.²⁰ No resident manager shall serve on the Board of Directors.

ARTICLE IV

OFFICERS

SECTION 1. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board. The Board may appoint an Assistant Treasurer, an Assistant Secretary, and such other officers as in its judgment may be necessary. All such officers are referred to in these Bylaws collectively as "Officers" and individually as "Officer". The President and Vice President shall, but no other officers need be, members of the Board. The Secretary and the Treasurer may be the same person, and also the Assistant Secretary and Assistant Treasurer may be the same person.

SECTION 2. Election of Officers. The officers of the Association shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure of the Board.

SECTION 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board, or at any special meeting of the Board, called for such purpose.

SECTION 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board. He shall have all

of the general powers and duties which are incident to the office of a president of a stock corporation organized under Hawaii law, including but not limited to the power to appoint committees from among the Apartment Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

SECTION 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board or by the President.

SECTION 6. Secretary. The Secretary shall keep the Minutes Book wherein all resolutions shall be recorded and shall keep the minutes of all meetings of the Apartment Owners and of the Board; he shall have charge of such books and papers as the Board may direct; and he shall, in general, perform all the duties incident to the office of Secretary of a stock corporation organized under the laws of the State of Hawaii.

SECTION 7. Treasurer. The Treasurer shall be responsible for the keeping of full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He shall be responsible for the deposit of all moneys and other valuable effects in such depositories as may from time to time be designated by the Board, and he shall, in general, perform all the duties incident to the office of Treasurer of a corporation.

SECTION 8. Audits. The Association shall require a yearly audit of the Association's financial accounts and no less than one yearly unannounced verification of the Association cash balance by a public accountant; provided that the yearly audit and the yearly unannounced cash balance verification may be waived by a majority vote of all apartment owners taken at an Association meeting.²¹

SECTION 9. Execution of Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by any two of the President, Vice President, Secretary or Treasurer, or by such other person or persons as may be designated by the Board.

SECTION 10. Compensation of Officers. No officer shall receive any compensation from the Association for acting as such.

SECTION 11. Officers Shall Not Be Employees of the Managing

Agent. An Apartment Owner who is an employee of the Managing Agent shall not serve as an officer.²²

ARTICLE V

REPAIR AND MAINTENANCE AND USE

SECTION 1. Repair and Maintenance.

(a) Every Owner from time to time and at all times shall perform promptly all repair, maintenance and alteration work within his Apartment the omission of which would adversely affect any common element or any other Apartment, and shall be responsible for all loss and damage caused by his failure to do so.

(b) All repairs of internal installations within each Apartment such as water, light, gas, power, sewage, telephone, air conditioning, sanitation, doors, windows, lamps, and all other fixtures and accessories belonging to such Apartment, including non-load bearing interior walls and partitions and the inner decorated or finished surfaces of the perimeter, party and load bearing walls, the floors, and the ceilings of such Apartment, shall be at the Owner's expense.

(c) Every Owner shall reimburse the Managing Agent for any expenditures incurred in repairing or replacing any common elements or furniture, furnishings, and equipment thereof damaged or lost through the fault of such Owner or any person using the Project under him, and shall give prompt notice to the Managing Agent or Manager of any such damage, loss, or other defect when discovered.

(d) No Owner shall produce or keep anything on the grounds or any other common elements which would in any way hinder the full use and enjoyment thereof by any other Owner or occupant. Every Owner shall be responsible for the care and maintenance including any costs of such care and maintenance of any lanai adjacent to and for the use of their respective Apartments, as well as the care and maintenance of any fence or railing which adjoins a lanai. It is intended that the exterior of the building shall present a uniform appearance, and to effect that end the Owners of the Apartments hereby agree that the Board may arrange for the painting or repair of each lanai, patio, outside doors, windows, trim, fences, railings and other exterior portions of the building and regulate the type and color of paint to be used. The Board is authorized to contract for said painting and repair and to assess each Owner for his proportionate share of such painting and repair, subject to direct charges for negligence, misuse or neglect, as provided in Section 4 of Article X.

SECTION 2. Use. (a) Except as permitted by the Declaration and the Covenants, no Owner or occupant of an Apartment shall post any advertisement, bill, poster, or other sign on or about the Project, except as authorized by the Board.

(b) All Owners and occupants shall exercise extreme care about causing or permitting excessive noises that may disturb other occupants.²³

(c) No garments, rugs, or other objects shall be hung from the lanais, patios, windows, or facades of the Project; nor shall they be dusted or shaken from the lanais, patios or windows or cleaned by beating or sweeping on the grounds of the Project.

(d) No garbage, refuse, or trash of any kind shall be thrown, placed or kept on any common element other than disposal facilities provided for such purposes.

(e) No Owner or occupant, except as otherwise permitted by the Declaration, shall install any wiring or other device for electrical or telephone installations, television, antenna, machines, or other equipment or appurtenances on the exterior of the building or protruding through the walls, windows, or roof thereof, without the prior written consent of the Board.

(f) Nothing shall be allowed, done, or kept in any Apartment or common element which will overload or impair the floors, walls, or roofs of the buildings, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance maintained by or for the Board with respect thereto, nor shall any noxious or offensive activity or nuisance be made or suffered thereon.

ARTICLE VI

COMMON EXPENSES, APARTMENT EXPENSES AND TAXES

SECTION I. Common Expenses.

(a) As provided in the Declaration, the Owner of each Apartment shall be liable for and pay a share of the common expenses in proportion to his interest in the common elements appurtenant to his Apartment. In addition to the provisions for common expenses contained in the Declaration, common expenses shall include all charges, costs and expenses whatsoever incurred by the Association for and in connection with the administration and operation of the Project, including without limitation all charges for taxes (except real property taxes and other such taxes which

are or may hereafter be assessed separately on each apartment and the common interest in the common elements appertaining thereto or the personal property or any other interest of the Owner), assessments, insurance, including fire and other casualty and liability insurance, any liability whatsoever for loss or damage arising out of or in connection with the common elements or any fire, accident or nuisance thereon, cost of repair, reinstatement, rebuilding and replacement of the premises, yard, janitorial, and other similar services, wages, accounting and legal fees, management fees, start-up fees and other necessary expenses of upkeep, maintenance, management and operation actually incurred on or for the common elements, excluding limited common elements, and the cost of all utility services, including water, electricity, gas, garbage disposal, telephone, and any other similar services, unless separately metered or otherwise separately attributable to an Apartment in which case the amounts charged or attributable to each Apartment as determined by the Board with the advice of a certified public accountant, shall be payable by the Owner of such Apartment. The common expenses may also include such amounts as the Board may deem proper to make up any deficit in the common expenses for prior year. Payments of common expenses shall be made to the Board, as agent of the Owners of the Apartments, and the Board shall transmit said payments on behalf of each such Owner to the third person entitled to said payments from each Owner. If there should be any excess assessments on hand at the end of any year, they shall be used to pay common expenses in the following year.

(b) The Board shall establish and maintain a General Operating Reserve by monthly assessment against and payment by all Owners in proportion to their respective common interests, of such additional amount not exceeding that portion of the total monthly assessment for current common expenses, as the Board determines to be adequate to provide financial stability in the administration of the Project, which additional amount shall be deemed conclusively to be savings of the Owners held for their benefit for common expenses not payable from regular assessments. Said Reserve shall be deposited in a special account with a safe and responsible depository and may be in the form of a cash deposit or may be invested in obligations of, or fully guaranteed as to principal by, an agency of the United States of America. Said Reserve at the discretion of the Board may be used to meet any deficiencies in operating funds from time to time resulting from delinquency by Owners in the payment of assessments for common expenses but shall not operate to exempt any Owner from liability to contribute his proportionate share of such expenses or to pay any such assessments therefor, and any funds withdrawn from said Reserve for that purpose shall be reimbursed upon the payment of such delinquent assessments. The proportionate interest of each Owner in said Reserve shall not be withdrawn or assigned separately but shall be deemed to be transferred with each Apartment even though not

mentioned or described expressly in the instrument of transfer. If the Horizontal Property Regime established hereby is terminated or waived, said Reserve remaining after payment of all common expenses shall be distributed to all Owners, except for the Owners of Apartments reconstituted as a new Horizontal Property Regime, in proportion to their respective common interests. The unexpended reserve at the end of any year shall be applied toward current residential expenses in the following year, unless the Association votes to transfer such unexpended reserve to any of the Capital Improvements Reserve Funds.

(c) From time to time, as specifically directed by the Association at any annual or special meeting, the Board may establish and maintain one or more Capital Improvements Reserve Funds by the monthly assessment against and payment by all the Owners in proportion to their respective common interests. Each such Fund shall be earmarked for a specific capital improvement which shall have been specifically authorized by the Association at any annual or special meeting and the amount of such Fund shall be such annual amount as the Association determines to be adequate (but no more) to provide for the particular capital improvement, whether it be the repair, restoration, and replacement of the common elements and the furniture, fixtures, and mechanical equipment thereof, and for such other improvement as may be specifically authorized by the Association. The assessments for said Funds shall be deemed conclusively to be savings of the Owners held for their benefit for common expenses of a capital nature. Each such Fund shall be deposited in a separate account with a safe and responsible depository and may be in the form of a cash deposit or may be invested in obligations of or fully guaranteed as to principal by, an agency of the United States of America. Disbursements from said Fund shall be made only upon authorization of the Board. The proportionate interests of each Owner in said Fund and all interest earned thereon shall not be withdrawn or assigned separately but shall be deemed to be transferred with each Apartment even though Dot mentioned or described expressly in the instrument of transfer. If the Horizontal Property Regime established hereby is terminated or waived, or if the Fund exceeds the cost of the particular improvement, or if the planned improvement is for any reason not implemented within a reasonable time (in any event not more than ten CIO) years) after creation of said Fund, said Fund remaining shall be distributed to all Owners, except for the Owners of Apartments reconstituted as a new Horizontal Property Regime, in proportion to their respective common interests. The common expenses may also include such amounts as may be required, by special assessment, for the purchase or lease of any Apartment by the Board or its designee, corporate or otherwise, on behalf of the Association, as permitted under Hawaii law or these Bylaws; provided, however, that the Board may not purchase an Apartment and hold the same, or lease an Apartment

for a period in excess of one (1) year, without obtaining the approval of the Owners of at least seventy-five percent (75%) of the Apartments.

(d) Notification of Maintenance Fee Increases. The Manager or Board of Directors shall notify the apartment owners in writing of maintenance fee increases at least thirty days (30) days prior to such increase.

SECTION 2. Pavement as Agent. The Board will pay or cause to be paid, as agent for and on behalf of the Owners, all common expenses. The Board, on behalf of all Owners, will maintain or cause to be maintained, at the address of the Project or elsewhere within the City and County of Honolulu as determined by the Board, separate books of account of common expenses in accordance with generally recognized accounting practices, and will have such books of account available for inspection by each Owner or his authorized representative at reasonable business hours. The Board will annually render or cause to be rendered a statement to each Owner of all receipts and disbursements during the preceding year, which statement may, upon direction of the Association, be certified by an independent certified public accountant. Each Owner, as principal, shall be liable for and pay his share, determined as aforesaid, of all common expenses and the Board shall be responsible, as agent for each Owner, only to transmit the payments made by the Owner to third persons to whom such payments must be made by the Owner. The Board or Managing Agent collecting the common expenses shall not be liable for payment of said common expenses as a principal but only as the agent of all Owners to transmit said payments to third persons to whom such payments must be made by the Owner.

SECTION 3. Taxes and Assessments. Except as may be otherwise provided in the Declaration, each Owner of an Apartment shall be obligated to have the real property taxes for his own Apartment and its appurtenant interest in the common elements assessed separately by the proper governmental authority and to pay the amount of all such real property taxes so determined. The foregoing sentence shall apply to all types of taxes which now are or may hereafter be assessed separately by law on each Apartment and the common interest in the common elements appertaining thereto or the personal property or any other interest of the Owner. Each Owner shall execute such documents and take such action as may be reasonably specified by the Board to facilitate dealing with the proper governmental authority regarding such taxes, other taxes and assessments. Each Owner shall be obligated to pay to the Board his proportionate share of any assessment by the Board for any portion of taxes or assessments, if any, assessed against the entire premises or any part of the common elements as a whole and not separately, such payment to be made as directed by the Board. If,

in the opinion of the Board, any taxes or assessments may be a lien on the entire premises or any part of the common elements, the Board may pay such taxes or assessments and shall assess the same to the Owners in their proportionate share as determined by the Board. Such assessments by the Board shall be secured by the lien created by Section 5 of this Article VI.

SECTION 4. Ground Rent. All rental payments under the terms of the apartment leases held by Owners shall be paid by the Owners to such agent as the Lessor shall direct. Such agent may be the Managing Agent appointed from time to time by the Board. In such case, the Managing Agent shall act as the Owners' agent for transmittal to the Lessor.

SECTION 5. Default in Payment of Assessments. Each monthly assessment and each special assessment shall be separate, distinct and personal debts and obligations of the Owner against whom the same are assessed. If the Owner shall fail to pay his assessment when due, then he shall pay an additional assessment of ten dollars (\$10.00) or as established by the Board for each such failure and all delinquent assessments shall bear interest at the rate of one percent (1%) per month from the assessment due date. In the event of a default or defaults in payment of any such assessment or assessments, in addition to any other remedies herein or by law provided hereof, the Board may enforce each such obligation as follows:

(a) By suit or suits at law to enforce each such assessment obligation. Each such action must be authorized by a majority of the Board at a regular or special meeting thereof and any such suit may be instituted by any one member of the Board or by the Managing Agent if the latter is so authorized in writing. Each such action shall be brought in the name of the Board and the Board shall be deemed to be acting on behalf of all the Owners. Any judgment rendered in any such action shall include, where permissible under any law, a sum for reasonable attorneys' fees in such amount as the Court may adjudge against such defaulting Owner. Upon full satisfaction of any such judgment, it shall be the duty of the Board to authorize any two members thereof, acting in the name of the Board, to execute and deliver to the judgment debtor an appropriate satisfaction thereof.

(b) At any time within ninety (90) days after the occurrence of any such default, the Board (acting upon the authorization of the majority thereof at any regular or special meeting) may give a notice to the defaulting Owner, with a copy to the mortgagee of such Owner, if such mortgagee has furnished its name and address to the Board, which said notice shall state the date of the delinquency, the amount of the delinquency and make a demand for payment thereof. If such delinquency is not paid within

ten (10) days after delivery of such notice, the Board may elect to file a claim of lien against the Apartment of such delinquent Owner. Such claim of lien shall state (1) the name of the delinquent Owner or reputed Owner, (2) a description of the Apartment against which claim of lien is made, (3) the amount claimed to be due and owing (with any proper offset allowed), (4) that the claim of lien is made by the Board pursuant to the terms of these Bylaws and the Act, and (5) that a lien is claimed against said described Apartment in an amount equal to the amount of the stated delinquency. Any such claims of lien shall be signed and acknowledged by any two or more members of the Board or by the Managing Agent, and shall be dated as of the date of the execution by the Managing Agent or by the last such Board member to execute said claim of lien. Upon recordation of a duly executed original or copy of such claim of lien in the Bureau, the Board shall have all remedies provided in the Act. Each default shall constitute a separate basis for a claim of lien or a lien. If the foreclosure is under power of sale, the Board, or any person designated by it in writing, shall be entitled to actual expenses and such fees as may be allowed by law or as may be prevailing at the time the sale is conducted. The certificate of sale shall be executed and acknowledged by any two members of the Board or by the person conducting the sale.

(c) For the purposes of this Section 5, a certificate executed and acknowledged or made under penalty of perjury by any two members of the Board shall be conclusive upon the Board and the Owners in favor of any and all persons who rely thereon in good faith as to the matters therein contained, and any Owner shall be entitled to such a certificate setting forth the amount of any due and unpaid assessments with respect to his Apartment (or the fact that all assessments due are paid if such is the case) within fifteen (15) days after demand therefor and upon payment of a reasonable fee not to exceed ten dollars (\$10.00). In the event any claims of liens have been recorded, and thereafter the Board shall receive payment in full of the amount claimed to be due and owing, then upon demand of the Owner or his successor, and payment of a reasonable fee not to exceed ten dollars (\$30.00), the Board, acting by any two members, shall execute and acknowledge in the manner provided above a release of lien, stating the date of the original claim of lien, the amount claimed, the date, the Land Court document number (if any) or Bureau of Conveyances recording data of the claim of lien, the fact that the lien has been fully satisfied and that the particular lien is released and discharged, such release of lien to be delivered to Owner or his successor upon payment of the fee.

SECTION 6. Collection from Subtenant. If the Owner shall at any time rent or lease his Apartment and shall default for a period of thirty (30) days or more in the payment of the Owner's share of

the common expenses, the Board may, at its option, so long as such default shall continue, demand and receive from any renter or lessee (hereinafter in this paragraph referred to as "lessee") of the Owner occupying the Apartment, the rent due or becoming due from such lessee to the Owner up to an amount sufficient to pay all sums due from the Owner, including interest, if any, and any such payment of such rent to the Board by the lessee shall be sufficient discharge of such lessee, as between such lessee and the Owner to the extent of the amount so paid; but any such demand or acceptance of rent from any lessee shall not be deemed to be a consent to or approval of any lease by the Owner or a release or discharge of any of the obligations of the Owner hereunder or an acknowledgment of surrender of any rights or duties hereunder. If the Board makes demand upon the lessee as aforesaid, the lessee shall not have the right to question the right of the Board to make such demand, but shall be obligated to make the said payments to the Board as demanded by the Board with the effect as aforesaid, provided, however, that the Board may not exercise this right if a receiver has been appointed to take charge of the premises pending a mortgage foreclosure or if a mortgagee is in possession pending a mortgage foreclosure.

SECTION 7. Attorneys' Fees and Expenses of Enforcement. All costs and expenses, including reasonable attorneys' fees, incurred by or on behalf of the Association by the Board for:

- (a) Collecting any delinquent assessments against any Owner's Apartment;
- (b) Foreclosing any lien thereon;
- (c) Enforcing any provision of the Declaration, Bylaws, House Rules, and the Act; or
- (d) The rules and regulations of the Real Estate Commission of the State of Hawaii;

against an Owner or any occupant of an Apartment shall be promptly paid on demand to the Board by the Apartment Owner; provided that if the claims upon which the Board takes any action are not substantiated, all costs and expenses, including reasonable attorney's fees, incurred by the Apartment Owner as a result of the action of the Board, shall be promptly paid on demand to the Apartment Owner by the Board on behalf of the Association.

SECTION 8. Waiver. The failure of the Board to insist in any one or more instances upon a strict performance of or compliance with any of the covenants of the Owner hereunder or to exercise any right or option herein contained, or to serve any notice, or to institute any action or summary proceeding, shall not be construed

as a waiver, or a relinquishment for the future, of such covenant or option or right, but such covenant or option or right shall continue and remain in full force and effect. The receipt by the Board of any sum paid by the Owner hereunder, with or without knowledge by the Board of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver, express or implied by the Board of any provision hereof, shall be deemed to have been made unless expressed in writing and signed by the President pursuant to authority contained in a resolution of the Board.

ARTICLE VII

INSURANCE AND RESTORATION

SECTION I. Fire and Extended Coverage Insurance. The Association shall procure, purchase, and at all times maintain insurance from an insurance company or companies authorized to do business in the State of Hawaii and having a financial rating by Best's Insurance Reports of Class VI or better, which covers all buildings in the Project, including, without limitation, the common elements and, whether or not part of the common elements, all exterior and interior walls, floors, and ceilings, and (at the option of the Association) all exterior glass, in accordance with the as-built condominium plans and specifications, against loss or damage by fire sufficient to provide for the repair or replacement thereof in the event of such loss or damages. The insurance coverage shall be written in the name of the Association. Premiums shall be common expenses. The insurance policy ("Policy"):

(a) shall contain no provision limiting or prohibiting other insurance by the Owner of any Apartment, such right being provided by statute but, if obtainable, shall provide that the liability of the insurer shall not be affected by, nor shall the insurer claim any right of set-off, counterclaim, apportionment, proration, or contribution by reason of any such other insurance;

(b) shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the buildings, whether or not within the control or knowledge of the Association or Board or, if obtainable, shall contain no provision relieving the insurer from liability by reason of any breach of warranty or condition caused by the Lessor, the Association or the Board or the Owner or tenant of any Apartment or any other person under any of them, or by reason of any act or neglect of the Association or the Board or the Owner or tenant of any Apartment or any other person under any of them;

(c) shall provide that the Policy may not be cancelled

(whether or not requested by the Association) except by giving to the Lessor, the Association and the Board and to the Owner and any mortgagee of each Apartment who shall have requested such notice of the insurer in writing addressed to him at the premises, thirty (30) days' written notice of such cancellation;

(d) shall contain a provision waiving any right of subrogation by the insurer to any right of the Association, Board, Lessor or Owner against any of them or any other persons under them;

(e) shall contain a provision waiving any right of the insurer to repair, rebuild or replace if a decision is made pursuant to Section 5 of this Article VI I not to repair, reinstate, rebuild or restore the damage or destruction;

(f) shall provide that any loss shall be adjusted with the Association and the mortgagee of any Apartment directly affected by the loss;

(g) shall contain a standard mortgage clause which:

(i) shall name the holder of any mortgage affecting any Apartment whose name shall have been furnished to the Board;

(ii) shall provide that the insurance as to the interest of the mortgagee shall not be invalidated by any act or neglect of the Association, Board, Lessor or the Owner or tenant of any Apartment or any person under any of them;

(iii) shall waive any requirement invalidating such mortgagee clause by reason of the failure of the mortgagee to notify the insurer of any hazardous use or vacancy, any requirement that the mortgagee pay any premium (provided, however, in case the Association shall fail to pay the premium due or to become due under the policy, the mortgagee may pay the same prior to the effective date of the termination of the policy), any contribution clause, and any right to be subrogated to the right of any mortgagee against the Owner or lessee of any Apartment or the Association or the Board or to require an assignment of any mortgage to the insurer;

(iv) shall provide that without affecting the protection afforded to the mortgagee by such mortgagee clause, any proceeds payable under such clause shall be payable to a corporate trustee selected by the Board who shall be a substantial bank or trust company doing business in Hawaii, herein referred to as the "Insurance Trustee" or "Trustee";

(v) shall provide that any reference to a mortgagee

in the Policy shall include all mortgagees on any Apartment, in order of preference whether or not named therein;

(h) shall provide for payment of the proceeds to the Insurance Trustee; and

(i) shall contain a provision requiring the insurance carrier, at the inception of the Policy and on each anniversary date thereof, to provide the Board with a written summary, in layman's terms, of the Policy. The summary shall include the type of Policy, a description of the coverage and the limits thereof, amount of annual premium, and renewal dates. The Board shall provide this information to each Apartment Owner.

SECTION 2. Comprehensive Liability Insurance. The Association shall procure and maintain from a reputable company or companies authorized to do business in the State of Hawaii and having a financial rating by Best's Insurance Reports of Class VI or better, a policy or policies (herein called the "Policy") of Public Liability Insurance to insure the Lessor, the Association, the Board, each Apartment Owner, and the Managing Agent and other employees of the Association against claims for personal injury, death and property damage arising out of the condition of the Project or activities thereon or on sidewalks or contractors of construction work under a Comprehensive General Liability form to include but not to be limited to (1) Water Damage Legal Liability and (2) Fire Damage Legal Liability. The Policy:

(a) shall contain no provision relieving the insurer from liability because of loss occurring while the hazard is increased in the buildings, whether or not within the control or knowledge of the Association or the Board, or by any breach of warranty or condition caused by the Owner of any Apartment, or by any act or neglect of the Association, the Board, Lessor or the Owner of any Apartment or any persons under any of them; and

(b) shall provide that the Policy may not be cancelled (whether or not requested by the Association) except by giving to the Lessor, the Association and the Board and to the Owner of each Apartment and any mortgagee, who shall have requested such notice of the insurer in writing, thirty (30) days' written notice of such cancellation.

(c) shall contain minimum limits of not less than \$1,000,000.00 for injury to one or more persons in any one accident or occurrence and \$500,000.00 for property damage, or such higher limits as the Board may from time to time establish with due regard to then prevailing prudent business practice.

(d) to the extent reasonably obtainable, shall contain a waiver by the insurer of any right of subrogation to any right of the Association, the Board, Lessor, or the Owner of any Apartment against any of them or any other persons under them.

SECTION 3. Flood Insurance and Insurance Against Additional Risks. If the Project is located in an identified flood hazard area as designated by the federal Department of Housing and Urban Development, the Association shall procure, purchase and at all times maintain flood insurance under the provisions of the federal Flood Disaster Protection Act of 1973 with the same coverage and terms as required for fire insurance under Section 1 of this Article VII, but only to the extent required by law or otherwise deemed advisable by the Association. The Association may also procure insurance against such additional risks as the Association may deem advisable for the protection of the Apartment Owners of a character normally carried with respect to properties of comparable character and use in the State of Hawaii.

SECTION 4. Miscellaneous Insurance Provisions. All insurance required hereunder will be obtained and maintained by the Association acting through the Board. The Board shall review not less frequently than annually the adequacy of its insurance program and shall report in writing the Board's conclusions and action taken on such review to the Lessor and to the Owner of each Apartment, and to the holder of any mortgage on any Apartment who shall have requested a copy of such report. At the request of any mortgagee of any Apartment, the Board shall furnish to such mortgagee a copy of the Policy described in Section 1 of this Article and of any other Policy to which a mortgagee endorsement shall have been attached, and proof satisfactory to such mortgagee that payment of premiums on such policy has been made for the period for which the mortgagee may request such proof. Copies of every policy of insurance procured by the Board shall be available for inspection by any Apartment Owner (or purchaser holding a contract to purchase an interest in an Apartment) at the office of the Managing Agent. Any coverage procured by the Board shall be without prejudice to the right of the Owners of Apartments to insure such Apartments and the contents thereof for their own benefit at their own expense.

SECTION 5. Damage and Destruction. If the buildings are damaged by fire or other casualty which is insured against and said damage is limited to a single Apartment, the insurance proceeds shall be used by the Trustee for payment of the contractor employed by the Board to rebuild or repair such Apartment, including paint, floor covering and fixtures, in accordance with the original plans and I" specifications therefor. If such damage extends to two or more Apartments or extends to any part of the limited common elements or to the common elements:

(a) The Board shall thereupon contract to repair or rebuild the damaged portions of the building or buildings, including all Apartments so damaged, as well as the common elements, in accordance with plans and specifications therefor, which will restore the same to the design immediately prior to destruction, or if reconstruction in accordance with said design is not permissible under the laws then in force, in accordance with such modified plan as shall be previously approved as provided in the Apartment Leases and also by the Board and the mortgagee of record of any interest in an Apartment directly affected thereby; provided that in the event said modified plan or any decision not to rebuild made pursuant to the Declaration and Apartment Leases eliminates any Apartment and such Apartment is not reconstructed the Insurance Trustee shall pay to the Owner of said Apartment and/or said Owner's mortgagee, if any, the portion of said insurance proceeds allocable to said Apartment (less the proportionate share of said Apartment in the cost of debris removal) and shall disburse the balance of insurance proceeds as hereinafter provided for the disbursement of insurance proceeds. The insurance proceeds shall be paid by the Trustee to the contractor employed for such work, in accordance with the terms of the contract for such construction and in accordance with the terms of this Section 5. If the insurance proceeds are insufficient to pay all the costs of repairing and/or rebuilding such common elements, the Board is expressly authorized to pay such costs in excess of the insurance proceeds from the General Operating Reserve and, if the General Operating Reserve is insufficient for this purpose, the Board shall levy a special assessment on the Owners of Apartments in proportion to their respective common interests. Any costs in excess of the insurance proceeds for the repairing and/or rebuilding of any Apartment shall be specially assessed against such Apartment and said special assessment shall be secured by the lien created under Section 5 of Article VI hereof.

(b) The cost of the work (as estimated by the Board) shall be paid out from time to time or at the direction of the Board as the work progresses, but subject to the following conditions:

(i) An architect or engineer (who may be an employee of the Board) shall be in charge of the work.

(ii) Each request for payment shall be made on seven (7) days' prior notice to the Trustee and shall be accompanied by a certificate to be made by such architect or engineer stating that all of the work completed has been done in compliance with the approved plans and specifications and that the sum requested is justly required to reimburse the Board for payments by the Board to, or is justly due to, the contractor, subcontractors, material-

men, laborers, engineers, architects or other persons rendering services or materials for the work (giving a brief description of such services and materials), and that when added to all sums previously paid out by the Trustee the sum requested does not exceed the value of the work done to the date of such certificate.

(iii) Each request shall be accompanied by waivers of liens satisfactory to the Trustee, covering that part of the work for which payment or reimbursement is being requested and by a search prepared by a title company or licensed abstractor or by other evidence satisfactory to the Trustee, that there has not been filed with respect to the premises any mechanics' or other lien or instrument for the retention of title in respect of any part of the work not discharged of record.

(iv) The request for any payment after the work has been completed shall be accompanied by a copy of any certificate or certificates required by law to render occupancy of the premises legal.

(v) The fees and expenses of the Trustee as determined by the Board and the Trustee shall be paid by the Association as common expenses, and such fees and expenses may be deducted from any proceeds at any time in the hands of the Trustee.

(vi) Such other conditions not inconsistent with the foregoing as the Trustee may reasonably request.

(c) Upon the completion of the work and payment in full therefor, any remaining proceeds of insurance then or thereafter in the hands of the Board or the Trustee shall be paid or credited to the Owners of the Apartments (or to the holder of any mortgage on an Apartment if there be a mortgage) in proportion to their respective common interests.

(d) To the extent that any loss, damage or destruction to the buildings or other property is covered by insurance procured by the Board, the Board shall have no claim or cause of action for such loss, damage or destruction against any Apartment Owner or lessee. To the extent that any loss, damage or destruction to the property of any Apartment Owner or lessee is covered by insurance procured by such Owner or lessee, such Owner or lessee shall have no claim or cause of action for such loss, damage or destruction against the Board, the Managing Agent, any other Apartment Owner, or the Association. All policies of insurance referred to in this paragraph (d) shall contain appropriate waivers of subrogation.

ARTICLE VIII

MORTGAGES

SECTION 1. Notice to Board. An Apartment Owner who mortgages his interest in an Apartment shall notify the Board of the name and address of his mortgagee and within ten (10) days after the execution of the same shall file a conformed copy of the note and mortgage with the Board; the Board shall maintain such information in a book entitled "Mortgages of Apartments."

SECTION 2. Notice of Unpaid Common Expenses. The Board, whenever so requested in writing by a purchaser or mortgagee of an interest in an Apartment, shall promptly report any then unpaid assessments for common expenses due from the Owner of the Apartment involved.

SECTION 3. Notice of Default. The Board, when giving notice to an Apartment Owner of a default in paying common expenses or other default, shall send a copy of such notice to each holder of a mortgage covering such Apartment or interest therein whose name and address has theretofore been furnished to the Board.

SECTION 4. Examination of Books. Each mortgagee of an Apartment shall be permitted to examine the books of account of the Association at reasonable times, on business days, but not more often than once a month.

SECTION 5. Mortgage Protection. Notwithstanding all other provisions hereof:

(a) The liens created hereunder upon any Apartment and its appurtenant interests in the common elements shall be subject and subordinate to, and shall not affect the rights of, the holder of any indebtedness secured by any recorded mortgage under such interests made for value, provided, that after the foreclosure of any such mortgage the foreclosing mortgagee, the acquirer of title, his successors and assigns shall not be liable for the share of the common expenses or assessments by the Association of the Apartment Owners chargeable to the Apartment which became due prior to the acquisition of title to the Apartment by the acquirer but the unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the Apartment Owners, including the acquirer, his successors and assigns, and provided that after the foreclosure of any such mortgage there shall be a lien upon the interests of the purchaser at such foreclosure sale to secure all assessments, whether regular or special, assessed hereunder to such Apartment if falling due after the date of such foreclosure sale, which lien shall have the same effect and be enforced in the same manner as provided in Section 5 of Article VI hereof;

(b) No amendment to this Section 5 shall affect the rights

of the holder of any such mortgage recorded in the Bureau of Conveyances of the State of Hawaii prior to the filing of such amendment who does not join in the execution thereof.

SECTION 6. Record of Membership List. The resident manager or managing agent or Board of Directors shall keep an accurate and current list of members of the Association of Apartment Owners and their current addresses and the names of the vendees under an agreement of sale, if any. The list shall be maintained at a place designated by the Board of Directors and a copy shall be available, at cost, to any member of the association as provided in the Declaration or By-Laws or rules and regulations or, in any case, to any member who furnishes to the resident manager or managing agent or Board of Directors a duly executed and acknowledged affidavit stating that the list (A) will be used by such owner personally and only for the purpose of soliciting votes or proxies or providing information to other owners with respect to association matters and (B) shall not be used by such owner or furnished to anyone else for any other purpose.²⁵

ARTICLE IX

CONDEMNATION

SECTION 1. Condemnation. In the event of a taking in condemnation or by eminent domain of part or all of the common elements, all compensation payable for or on account of the taking of any building or improvements on the land shall be payable to a condemnation trustee, who shall be designated by the Board and who shall be a substantial bank or trust company doing business in Hawaii having net assets of not less than Five Million Dollars (\$5,000,000). The Board shall arrange for the repair and restoration of the buildings and improvements in accordance with the design thereof immediately prior to such condemnation or if such repair and restoration in accordance with said design are not permissible under the laws then in force, in accordance with such modified plan as shall be previously approved by the Board and the mortgagee of record of any interest in an Apartment directly affected thereby. In the event of a partial taking in which any Apartment is eliminated or not restored, the condemnation trustee shall disburse the portion of the proceeds of such award allocable to said Apartment (exclusive of such portion thereof as shall be allocable to the interest of said Apartment in the land), less the proportionate share of said Apartment in the cost of debris removal, to the Owner of said Apartment and his mortgagee, if any, as their interests may appear, in satisfaction of their interests in said Apartment. The condemnation trustee shall disburse the remainder of the proceeds of such award to the contractor engaged in such repair and restoration in appropriate progress payments and in the

event such proceeds are insufficient to pay the costs thereof the Board is expressly authorized to pay such excess costs from the Maintenance Fund and if the Maintenance Fund is insufficient for this purpose the Board shall levy a special assessment on the Owners of the Apartments in proportion to their common interest. In the event sums are received in excess of the cost of repairing and restoring the remaining buildings and improvements, or in the event all the buildings and improvements are so taken or condemned, such excess proceeds or said proceeds, as the case may be, shall be divided among the Owners of the Apartments in accordance with their interests in the common elements. If the condemnation occurs within the last ten (10) years of the lease term, the Lessor shall be entitled to a share in any compensation and damages payable on account of any improvements since such improvements would have reverted to the Lessor at the end of the term, such share to be ten percent (10%) in the tenth (10th) year prior to termination and to increase by ten percent (10%) in each year thereafter.

ARTICLE X
PROVISIONS

SECTION 1. Rules and Regulations Each Owner recognizes the right of the Board from time to time to establish and amend such uniform rules and regulations (herein called "House Rules") as the Board may deem necessary for the management and control of the Project, the common elements and limited common elements and the Apartments if necessary for the protection of the Project and the Owner agrees that the Owner's rights under this instrument shall be in all respects subject to appropriate House Rules consistent with a condominium-type project, which shall be taken to be a part hereof; and the Owner agrees to obey all such House Rules as the same now are or may from time to time be amended, and see that the same are faithfully observed by the invitees, guests, employees and under-tenants of the Owner; and the House Rules shall uniformly apply to and be binding upon all occupants of the Apartments. The following provisions shall govern the promulgation of the House Rules authorized herein, which shall include the establishment of a system of fines and penalties:

(a) The Board in its discretion shall recommend to the Owners such House Rules as are consistent with and in furtherance of existing law, these Bylaws and the Declaration. Upon the vote or written consent of a majority of the Owners, such House Rules shall take effect.

(b) The Board in its discretion shall recommend to the Owners a list of specific fines and penalties for the violation of any Owner of the provisions of these Bylaws, the Declaration and

the House Rules. Upon the vote or written consent of a majority of the Owners, such fines and penalties shall be binding on all Owners and shall be enforceable by the Board as a special assessment. Such a remedy shall not be deemed to be exclusive and the Board shall have such other remedies as are provided for by applicable law, these Bylaws, the Declaration and the Souse Rules.

(c) Any House Rules promulgated pursuant to this Section shall provide that no fine or penalty shall be levied without the following procedural safeguards:

(i) A written statement of the alleged violations shall be provided to any Owner against whom such charges are made, and such written statement shall provide a date on which the charges shall be heard;

(ii) No proceedings under this Section shall be brought against any Owner unless such Owner shall have received a written statement of charges at least thirty (30) days prior to that hearing;

(iii) No proceeding shall be brought against any Owner more than sixty (60) days after such Owner is provided a written statement of charges;

(iv) The Board shall appoint a panel of three (3) capable persons (one of whom shall be designated as chairman) who may or may not be Owners, and who shall hear the charges and evaluate the evidence of the alleged violation;

(v) At such hearing, the Owner so charged shall have the right to present oral and written evidence and to confront and cross-examine adverse witnesses;

(vi) The panel shall deliver to the Owner so charged within seven (7) days after the hearing a written decision which specifies the fines or penalties levied, if any, and the reasons therefor;

(vii) In the event that an Owner shall correct an alleged violation prior to the hearing date, the Board may discontinue the proceedings.

SECTION 2. Abatement and Enjoinment of Violations by Apartment Owners. The violation of any rule or regulation adopted by the Board, or the breach of any Bylaw contained herein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these Bylaws:

(a) to enter the Apartment in which, or as to which, such

violation or breach exists and to summarily abate and remove, at the expense of the defaulting Apartment Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; or

(b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, and all costs thereof, including attorneys' fees, shall be borne by the defaulting Apartment Owner.

SECTION 3. Maintenance and Repair of Apartments. All maintenance of and repairs to any Apartment Other than maintenance of and repairs to any common elements contained therein, and not necessitated by the negligence, misuse or neglect of the Owner of such Apartment) shall be made by the Owner of such Apartment.

SECTION 4. Maintenance and Repair of Common Elements. All maintenance, repairs and replacements to the common elements, whether located inside or outside of the Apartments, shall be made by the Board and be charged to all the Owners as a common expense, unless necessitated by the negligence, misuse or neglect of an Apartment Owner, in which case such expense shall be charged to such Apartment Owner. Maintenance of the yards and landscaping of the Project, is the responsibility of the Board and no Apartment Owner shall alter or affect the appearance thereof.

SECTION 5. Additions or Alterations by Board. Whenever in the judgment of the Board the common elements shall require additions or alterations costing less than ten thousand dollars (C\$10,000.00), the Board may proceed with such additions or alterations and shall assess all Owners for the cost thereof as a common expense. Any additions or alterations costing in excess of ten thousand dollars (\$10,000.00) may be made by the Board only after obtaining approval of the Owners of seventy-five percent (75%) of the interests in the common elements. If such approval shall be obtained, the cost thereof shall constitute part of the common expense.

SECTION 6. Additions or Alterations by Apartment Owners. No Owner shall make any addition or alteration in or to his Apartment which may affect the common elements or change the exterior appearance of the building, without the prior written consent thereto of the Board.

No apartment owner shall do any work which could jeopardize the soundness or safety of the property, reduce the value thereof, or impair any easement or hereditament, nor may any apartment owner add any material structure or excavate any additional basement or cellar, without in every such case the consent of seventy-five percent of the Apartment Owners, together with the consent of all

apartment owners whose apartments or limited common elements appurtenant thereto are directly affected, being first obtained; provided that nonmaterial structural additions to the common elements, including, without limitation, the installation of solar energy devices as defined by Section 468B-1, Hawaii Revised Statutes, or additions to or alterations of an apartment made within such apartment or within a limited common element appurtenant to and for the exclusive use of the apartment shall require approval only by the Board of Directors and such percentage, number, or group of apartment owners as may be required by the Declaration or this By-Laws. "Nonmaterial structural additions to the common elements", as used herein, shall mean a structural addition to the common elements which does not jeopardize the soundness or safety of the property, reduce the value thereof, impair any easement or hereditament, detract from the appearance of the project, interfere with or deprive any non-consenting owner of the use or enjoyment of any part of property, or directly affect any non-consenting owner. For purposes of this section, "solar energy device" means any new identifiable facility, equipment, apparatus, or the like which makes use of solar energy for heating, cooling, or reducing the use of other types of energy dependent upon fossil fuel for its generation; provided that if the equipment sold cannot be used as a solar device without its incorporation with other equipment, it must be installed in place and ready to be made operational in order to qualify as a "solar energy device".²⁶

SECTION 7. Right of Access. An Apartment Owner shall grant a right of access to his Apartment to the Manager and/or the Managing Agent and/or any other person authorized by the Board, the Manager or the Managing Agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his Apartment and threatening another Apartment or a common element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common elements in his Apartment or elsewhere in the buildings, provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right of entry shall be deemed granted, to be effective immediately, whether the Owner is present at the time or not.

SECTION 8. Owners May Incorporate. All of the rights, powers, obligations and duties of the Owners imposed hereunder may be exercised and enforced by a non-profit, membership corporation, formed under applicable laws for the purposes herein set forth by the Association. Said corporation shall be formed upon the written approval of a majority of the voting Owners. The formation of said corporation shall in no way alter the terms, covenants and conditions set forth herein and the Articles and Bylaws of said corporation shall be subordinated hereto and controlled hereby. Any

action taken by said corporation which said action is in violation of any or all of the terms, covenants or conditions contained herein shall be void and of no effect.

SECTION 9. Notices. All notices hereunder shall be sent by first class mail, postage prepaid, to the Board, c/o the Managing Agent or, if there be no Managing Agent, to the office of the Board or to such other address as the Board may hereafter designate from time to time, by notice in writing to all Owners and to all mortgagees of Apartments. All notices to any Owner shall be sent by first class mail, Postage prepaid, to the building or to such other address as may have been designated by him from time to time, in writing, to the Board. Except as otherwise expressly Provided in these Bylaws, all notices to mortgagees of Apartments shall be sent by first class mail, Postage Prepaid, to their respective addresses, as designated by them from time to time, in writing, to the Board. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

SECTION 10. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any Provisions thereof.

SECTION 11. Gender. The use of any gender in these Bylaws shall be deemed to include either or both of the other genders and the use of the singular shall be deemed to include the plural whenever the context so requires.

SECTION 12. Waiver. No restriction, condition, obligation or Provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

SECTION 13. Interpretation. The provisions of these Bylaws shall be liberally construed to effectuate the purpose of creating a uniform condominium complex whereby the Owners of Apartments shall carry out and pay for the operation and maintenance of the project as a mutually beneficial and efficient establishment.

SECTION 14. Amendment. The provisions of these Bylaws, other than this paragraph, may be amended by the vote or written consent of at least sixty-five percent (65%) interest the common element. Such amendment shall be effective upon recording in the Bureau of Conveyances, State of Hawaii;²⁷ provided, however, that each one of the particulars set forth in Section 514A-82 of Chapter 514A shall always be embodied in these Bylaws.

SECTION 15. Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or enforceability of any one provision shall not affect the validity or enforceability of any other provision hereof.

SECTION 16. Examination of Documents. Financial statements, general ledgers, the accounts receivable ledger, accounts payable ledgers, check ledgers, insurance policies, contracts, and invoices of the Association for the current and prior year, and a list of delinquencies of ninety (90) days or more shall be available for examination by Apartment Owners at convenient hours at a place designated by the Board; provided that (i) the Board may require such Apartment Owners to furnish a duly executed and acknowledged affidavit stating that the information is requested in good faith and for the protection of the interests of the Association or its members or both; and (ii) that such Apartment Owners pay for administrative costs in excess of eight hours per year incurred by the Association with respect to such examination. Copies of these items shall be provided to any Apartment Owner upon such Apartment Owner's request, subject to such Apartment Owner's payment of a reasonable fee for duplicating, postage, stationery, and other administrative costs associated with handling the request; provided, however, that the Association's most current financial statement shall be available to any Apartment Owner at no cost or on twenty-four loan at a convenient location designated by the Board.²⁸

Minutes of meetings of the Board and the Association for the current and prior year shall be available for examination by Apartment Owners at convenient hours at a place designated by the Board. Minutes of meetings shall include the recorded vote of each session. Copies of meeting minutes shall be provided to any Apartment Owner upon the Apartment Owner's request, provided that the Apartment Owner pay a reasonable fee for duplicating, postage, stationery, and other administrative costs associated with handling the request.²⁹

Apartment Owners shall also be permitted to view proxies, tally sheets, ballots, Apartment Owners' check-in lists, and the certificate of election for a period of thirty days following any Association meeting; provided that (i) the Board may require Apartment Owners to furnish to the Association a duly executed and acknowledged affidavit stating that the information is requested in good faith for the protection of the interest of the Association or its members or both; and (ii) that Apartment Owners pay for administrative costs in excess of eight hours per year.

Proxies and ballots may be destroyed following the thirty day period. Copies of tally sheets, Apartment Owners' check-in lists, and the certificates of election from the most recent Association meeting shall be provided to any Apartment Owner upon

the Apartment Owner's request, provided that the Apartment Owner pay a reasonable fee for duplicating, postage, stationery, and other administrative costs associated with handling the request.³⁰ Apartment Owners may file a written request with the Board to examine other documents. The Board shall give written authorization or written refusal with an explanation of the refusal within thirty calendar days of receipt of the request.³¹

SECTION 17. Association's Right of Entry. The Apartment Owners shall have the irrevocable right, to be exercised by the Board of Directors, to have access to each apartment from time to time during reasonable hours as may be necessary for the operation of the property or for making emergency repairs therein necessary to prevent damage to the common elements or to another apartment or apartments.³²

SECTION 18. Compliance with Covenants, By-Laws, and Administrative Provisions. Each apartment owner, tenants and employees of an owner, and other persons using the property shall comply strictly with the By-Laws and with the administrative rules and regulations (House Rules) adopted pursuant thereto, as either of the same may be lawfully amended from time to time, and with the covenants, conditions, and restrictions set forth in the Declaration. Failure to comply with any of the same shall be ground for an action to recover sums due, for damages or injunctive relief, or both, maintainable by the manager or Board of Directors on behalf of the Association of Apartment Owners or, in a proper case, by an aggrieved apartment owner.³³

SECTION 19. Handicapped Persons. Notwithstanding anything to the contrary contained in the Declaration, these By-Laws, or the Rules and Regulations, handicapped persons shall: (1) be permitted to make reasonable modifications to the Apartments and the common elements, at their expense, if such modifications are necessary to enable them to use and enjoy their Apartments or the common elements, as the case may be; and (2) be allowed reasonable exemptions from the Declaration, these By-Laws, and the Rules and Regulations, when necessary, to enable them to use and enjoy their Apartments and/or the common elements, provided that any handicapped person desiring to make such modifications or desiring such an exemption shall so request, in writing. That request shall set forth, with specificity, and in detail, the nature of the request and the reason that the requesting party needs to make such modification or to be granted such an exemption. 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 of the Board's receipt thereof.³⁴

IN WITNESS WHEREOF, the undersigned have executed this instrument this 21st day of August, 1990.

ASSOCIATION OF APARTMENT OWNERS
OF THE TWENTY ONE HUNDRED

By *Robert H. Hill*
Its president

By *Robert H. Tenaka*
Its TREASURER

FOOTNOTES

The following footnotes correspond to provisions in the By-laws which have been restated to conform to Chapter 514A, Hawaii Revised Statutes, and the Federal Fair Housing Act, as amended (42 U.S.C. Sections 3601 et seq.), and to integrate all amendments made to the By-Laws of the Association of Apartment Owners of The Twenty One Hundred Condominium Project, a Horizontal Property Regime. These Restated By-Laws correctly set forth without change the corresponding provisions of the original By-Laws of the Association of Apartment Owners of The Twenty One Hundred, as amended, and supersede the original By-Laws and all prior amendments thereto. This Restatement was made solely for purposes of information and convenience. In the event of a conflict, the Restated By-laws shall be subordinate to the cited statute.

1. To conform to Section 514A-3, HRS.
2. To conform to Section 514A-83.2(a), HRS.
3. To conform to Section 514A-83.2(b), HRS.
4. To conform to Section 514A-83.2(e), HRS.
5. To conform to Section 514A-83.2(c), HRS.
6. To conform to Section 514A-83.2(d), HRS.
7. To conform to Section 514A-82(b)(4), HRS.
8. Deleted as superfluous.
9. Deleted and relocated to Article IV, Section 8.
10. To conform to Section 514A-82(b)(3), HRS.
11. Deleted and relocated to Article II, Section 14.
12. To conform to Section 514A-82(A)(16), HRS.
13. To conform to Section 514A-82(b)(1), HRS.
14. To conform to Section 514A-95.1(a)(1), HRS.
15. To conform to Section 514A-82(b)(10), HRS.
16. To conform to Section 514A-82(a)(13), HRS.
17. To conform to Section 514A-82(b)(9), HRS.
18. To conform to Section 514A-82(b)(11), HRS.

19. To conform to Section 514A-83.4, HRS.
20. To conform to Section 514A-82(a)(14).
21. To conform to Section 514A-96, HRS.
22. To conform to Section 514A-82(b)(7), HRS.
23. To conform to the Fair Housing Act, as amended (42 U.S.C. Sections 3601 et seq.).
24. To conform to Section 514A-92.2, HRS.
25. To conform to Section 514A-83.3, HRS.
26. To conform to Section 514A-89, HRS.
27. To conform to Section 514A-82(b)(2), HRS.
28. To conform to Section 514A-83.5(A) and (c)(1) and (2), HRS.
29. To conform to Section 514A-83.5(b), HRS.
30. To conform to Section 514A-83.5(d)(1) and (2), HRS.
31. To conform to Section 514A-83.5(E), HRS.
32. To conform to Section 514A-82(b)(6), HRS.
33. To conform to Section 514A-88, HRS.
34. To conform to the Fair Housing Act, as amended (42 U.S.C. Sections 3601 et seq.).

EXHIBIT "A"

All of those certain parcels of land situate at Waikiki, Honolulu, City and County of Honolulu, State of Hawaii, described as follows:

FIRST:

Lot I, area 6,000.0 square feet, of Block 19, as shown on Map 8, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 279 (amended) of Guardian Trust Company, Limited.

SECOND:

- Lots: C, area 4,000.0 square feet, as shown on Map 8;
- B-2, area 500.0 square feet, as shown on Map 10;
- D, area 5,000.0 square feet, and
- E-1, area 4,914.0 square feet, as shown on Map 185;

In Block 19 of the "McCULLY TRACT", the Maps above referred to by numbers are filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with said Land Court Application No. 279 (amended).

THIRD:

Lot B-1, area 4,500.0 square feet, in Block 19, of the "McCULLY TRACT", as shown on Map 10, filed in said Office of the Assistant Registrar of the Land Court with said Land Court Application No. 279 (amended).

FOURTH:

Lot F, area 6,000.0 square feet, Block 19, as shown on Map 8, filed in said Office of the Assistant Registrar of the Land Court of the State of Hawaii with said Land Court Application No. 279 (amended).

As to parcels FIRST through FOURTH, being the same premises described in Transfer Certificate of Title No. 206366, issued to FIRST HAWAIIAN BANK, a Hawaii corporation, as Trustee under Trust Agreement dated October 27, 1978, filed in said Office as Document No. 911176.

SUBJECT, HOWEVER, to the following:

1. AS TO FIRST (LOT I): The terms, conditions and provisions of that certain Master Lease, dated August 8,

EXHIBIT "A"

PAGE 1 OF 3

1974, entered into by and between Kenneth Goo Akona and Hazel Lun Akona, husband and wife, as Lessor, and Blackfield Hawaii Corporation, a Hawaii corporation, as Lessee, and filed in said Office as Document No. 695243, as amended by instrument entitled "Amendment of Master Lease" dated October 20, 1978, filed in said Office as Document No. 911172, and noted on Transfer Certificate of Title 206366.

2. AS TO SECOND (LOTS C, B-2, D AND E-1): The terms, conditions and provisions of that certain Master Lease, dated July 26, 1974, entered into by and between James Hiroki Yamamoto, husband of Etsuko Yamamoto, Beverly Fusako Tanemura, wife of Richard Masuo Tanemura, Joseph Mitsuo Yamamoto, husband of Elly Yuriko Yamamoto, and Shigeo Yamamoto, husband of Violet Masako Yamamoto, as Lessor, and Blackfield Hawaii Corporation, a Hawaii corporation, as Lessee, and filed in said Office as Document No. 695235, as amended by instrument entitled "Amendment of Master Lease" dated October 20, 1978, filed in said Office as Document No. 911173, and noted on Transfer Certificate of Title 206366.

3. AS TO THIRD (LOT B-1): The terms, conditions and provisions of that certain Master Lease, dated August 22, 1974, entered into by and between Chung Wah Jung Gung Hui Realty Company, Limited, a Hawaii corporation, as Lessor, and Blackfield Hawaii Corporation, a Hawaii corporation, as Lessee, and filed in said Office as Document No. 695234, as amended by instrument entitled "Amendment of Master Lease" dated October 20, 1978, filed in said Office as Document No. 911174, and noted on Transfer Certificate of Title 206366.

4. AS TO FOURTH (LOT F): The terms, conditions and provisions of that certain Master Lease, dated August 23, 1974, entered into by and between Hideo Toda and Ann Shigeiko Toda, husband and wife, as Lessor, and Blackfield Hawaii Corporation, a Hawaii corporation, as Lessee, and filed in said Office as Document No. 695236, as amended by instrument entitled "Amendment of Master Lease" dated October 20, 1978, filed in said Office as Document No. 911175, and noted on Transfer Certificate of Title 206366.

5. AS TO EACH OF PARCELS FIRST THROUGH FOURTH, the terms, conditions and provisions of that certain Trust Agreement dated October 27, 1978 entered into by and between Kenneth Goo Akona and Hazel Lun Akona, husband and wife, James Hiroki Yamamoto, unmarried, Beverly Fusako Tanemura, wife of Richard Masuo Tanemura, Joseph Mitsuo Yamamoto, husband of Elly Yuriko Yamamoto, Shigeo Yamamoto, husband of Violet Masako Yamamoto, Chung Wah Jung Gung Hui Realty Company, Ltd., a Hawaii corporation, and Hideo Toda and Ann Shigeiko Toda, husband and wife, as Settlers, and First Hawaiian Bank, a Hawaii corporation, as Trustee, filed in said Office as Document No. 911176 and noted on Transfer Certificate of Title No. 206366 issued to First Hawaiian Bank, Trustee.

6. As to all of Parcels FIRST THROUGH FOURTH, the terms, conditions and provisions of that certain "Declaration of Restrictive Covenants (Park)" dated November 3, 1978, by and between First Hawaiian Bank, a Hawaii corporation, as Trustee, and Blackfield Hawaii Corporation, a Hawaii corporation, as Developer, filed in said Office as Document No.

913855, and noted on Transfer Certificate of Title
206366.

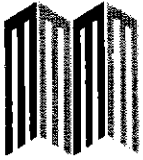
7. AS TO EACH OF PARCELS FIRST THROUGH FOURTH.
Condominium Map No. _____ filed in said Office.

NOTE: As to SECOND only:

Land Court Order No. 44252, filed April 15, 1976, sets
forth the divorce of James Hiroki Yamamoto from Etsuko
Yamamoto on March 13, 1964.

3.

EXHIBIT "A"
PAGE 3 OF 3



METROPOLITAN
MANAGEMENT, INC.

55 MERCHANT STREET, SUITE 2000
HARBOR COURT ■ HONOLULU, HAWAII 96813
PHONE (808) 536-3511 ■ FAX (808) 537-3655
www.metropolitancompanies.com

Association of Apartment Owners

OF THE

2100 DATE STREET

1st Amendment
of the By Laws

ONE HUNDRED (the "Association") in accordance with the By-Laws attached to the Declaration; and

WHEREAS, on July 15, 1991, the Declaration and By-Laws were restated and filed separately as Document Nos. 1835543 and 1835544, respectively, each being dated August 21, 1990 and noted on the Transfer Certificate of Title Nos. shown on the attached exhibit; and

WHEREAS, Section 514A-82(b)(2), Hawaii Revised Statutes provides that the By-Laws may be amended by the vote of sixty-five percent (65%) of the apartment owners; and

WHEREAS, have given more than sixty-five percent (65%) of the owners of apartments have given their written consent to amend the By-Laws, as stated below; and

NOW, THEREFORE, the By-Laws of the Association are amended as follows:

AMENDMENT NUMBER ONE:

Article X, Subsection 1(a) of the By-Laws is amended to read as follows:

(a) The Board in its discretion shall establish such House Rules as are consistent with existing law, these Bylaws and the Declaration.

AMENDMENT NUMBER TWO:

Article X, Subsection 1(b) of the By-Laws is amended to read as follows:

(b) The Board in its discretion shall establish a schedule of specific fines and penalties for the violation by any Owner, tenant, and any other person using or coming upon the project or any part thereof for any purpose whatsoever of the provisions of these Bylaws, the Declaration or the House Rules. Such fines and penalties

shall be binding on all Owners, tenants, and other persons in accordance with such schedule. The Board may authorize the managing agent and/or resident manager, if any, to impose fines upon apartment owners, tenants, and other persons in accordance with that schedule. Those fines shall constitute a lien against such owner's apartment which may be foreclosed in the same manner as a lien for common assessments. The Board shall be empowered to collect any unpaid fines in the same manner as provided herein, in the Act, and in the Declaration for unpaid assessments. Such a remedy shall not be deemed to be exclusive and the Board shall have such other remedies as are provided for by applicable law, these Bylaws, the Declaration and the House Rules.

In all other respects, the By-Laws of the Association, as amended, are hereby ratified and confirmed and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The undersigned officers of the Association hereby certify that the foregoing amendments were adopted with the written consent of more than sixty-five percent (65%) of the members of the Association.

IN WITNESS WHEREOF, the undersigned have executed this instrument on this 13 day of January, 1994.

ASSOCIATION OF APARTMENT OWNERS
OF THE TWENTY ONE HUNDRED

D. Bart Aronoff
President

By D Bart Aronoff
Its President

Stanley H. Fujiyama
Treasurer

By Stanley H. Fujiyama
Its Treasurer

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

On this 13th day of January, 1994,
before me appeared D. Bart Aronoff, to me personally
known, who, being by me duly sworn, did say that he is the
President of the ASSOCIATION OF APARTMENT
OWNERS OF THE TWENTY ONE HUNDRED, an unincorporated association
which has no seal, and that said instrument was signed and sealed
on behalf of the association by authority of its Board of
Directors and that said officer acknowledged said instrument to
be the free act and deed of the association.

Conni J. Cheng
Notary Public, State of Hawaii
My Commission expires: 4-23-96 U

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

On this 13th day of January, 1994,
before me appeared Stanley H. Fujiyama, to me personally
known, who, being by me duly sworn, did say that he is the
Treasurer of the ASSOCIATION OF APARTMENT
OWNERS OF THE TWENTY ONE HUNDRED, an unincorporated association
which has no seal, and that said instrument was signed and sealed
on behalf of the association by authority of its Board of
Directors and that said officer acknowledged said instrument to
be the free act and deed of the association.

Conni J. Cheng
Notary Public, State of Hawaii
My Commission expires: 4-23-96 C



HAWAIIAN PROPERTIES, LTD.

1165 Bethel St., 2nd Floor
Honolulu, HI 96813

Tel: (808) 539-9777
Fax: (808) 521-2714

AOAO THE TWENTY ONE HUNDRED

Unaudited Financial Statements

Period Ending May 31, 2014

John Brewer, CMCA®, AMS®
Association Manager

Contents:

Balance Sheet
Statement of Detailed Receipts & Disbursements
Reserve Accounts Summary

AOAO The Twenty One Hundred
Balance Sheet
May 31, 2014

Assets

Current Assets

Operating:

905-1000 Operating Cash	\$ 180,902.30
905-1020 Petty Cash	<u>350.00</u>

Total Operating	\$ 181,252.30
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Reserves:

905-1025 Territorial Savings	\$ 152,930.69
905-1068 HomeStreet Bank - M/M	<u>248,557.03</u>

Total Reserves	<u>\$ 401,487.72</u>
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Total Current Assets		\$ 582,740.02
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Long Term Assets

Total Long Term Assets

Total Assets

\$ 582,740.02

Liabilities and Equity

Current Liabilities

Total Current Liabilities

Long Term Liabilities

Long Term Liabilities
Total Liabilities

Equity

905-3100 Retained Earnings	\$ 638,712.13
Net Income	<u>(55,972.11)</u>

Total Equity		<u>\$ 582,740.02</u>
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Total Liabilities & Equity		<u>\$ 582,740.02</u>
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AOAO The Twenty One Hundred
 RECEIPTS AND DISBURSEMENTS STATEMENT
 Period: May 1, 2014 to May 31, 2014

	<-----THIS MONTH----->				<-----THIS YEAR----->			
	Current Actual	Current Budget	Current Var \$	Current Var %	YTD Actual	YTD Budget	YTD Var \$	YTD Var %
RECEIPTS								
905-4100 Maintenance Fee	\$ 91,570.85	\$ 90,280.00	\$ 1,290.85	1.43 %	\$ 448,141.41	\$ 451,400.00	\$ (3,258.59)	(.72) %
905-4110 Lease Rents	0.00	43.00	(43.00)	(100.00)	0.00	215.00	(215.00)	(100.00)
905-4140 Late Fees	96.16	0.00	96.16	0.00	388.84	0.00	388.84	0.00
905-4250 Interest Income	97.55	0.00	97.55	0.00	583.80	0.00	583.80	0.00
905-4990 Deposits/Misc	225.00	0.00	225.00	0.00	525.00	0.00	525.00	0.00
TOTAL RECEIPTS	\$ 91,989.56	\$ 90,323.00	\$ 1,666.56	1.85 %	\$ 449,639.05	\$ 451,615.00	\$ (1,975.95)	(.44) %
DISBURSEMENTS								
905-5110 Electricity	\$ 0.00	\$ 12,165.00	\$ (12,165.00)	(100.00) %	\$ 34,132.19	\$ 60,825.00	\$ (26,692.81)	(43.88) %
905-5115 Gas	2,503.74	300.00	2,203.74	734.58	10,304.07	1,500.00	8,804.07	586.94
905-5120 Water	1,917.62	2,385.00	(467.38)	(19.60)	9,981.76	11,925.00	(1,943.24)	(16.30)
905-5121 Sewer	9,271.44	13,000.00	(3,728.56)	(28.68)	46,699.21	65,000.00	(18,300.79)	(28.16)
905-5125 Refuse	861.35	910.00	(48.65)	(5.35)	4,039.74	4,550.00	(510.26)	(11.21)
905-5126 Telephone	210.93	530.00	(319.07)	(60.20)	1,997.77	2,650.00	(652.23)	(24.61)
905-5202 R & M, Building	987.93	1,500.00	(512.07)	(34.14)	3,524.84	7,500.00	(3,975.16)	(53.00)
905-5203 R & M, Plumbing	33.80	1,950.00	(1,916.20)	(98.27)	9,026.59	9,750.00	(723.41)	(7.42)
905-5207 R & M, Pool	0.00	100.00	(100.00)	(100.00)	0.00	500.00	(500.00)	(100.00)
905-5210 R & M, Equipment	1,914.05	2,000.00	(85.95)	(4.30)	8,157.37	10,000.00	(1,842.63)	(18.43)
905-5211 Elevator Maintenance	300.00	1,080.00	(780.00)	(72.22)	300.00	5,400.00	(5,100.00)	(94.44)
905-5215 Pest Control	0.00	67.00	(67.00)	(100.00)	15.43	335.00	(319.57)	(95.39)
905-5218 Fire System	30.63	590.00	(559.37)	(94.81)	7,959.46	2,950.00	5,009.46	169.81
905-5301 Building Supplies	624.43	500.00	124.43	24.89	3,360.21	2,500.00	860.21	34.41
905-5302 Ground Supplies	0.00	200.00	(200.00)	(100.00)	530.09	1,000.00	(469.91)	(46.99)
905-5303 Lighting Supplies	0.00	100.00	(100.00)	(100.00)	257.15	500.00	(242.85)	(48.57)
905-5305 Pool	83.42	75.00	8.42	11.23	137.06	375.00	(237.94)	(63.45)
905-5308 Administration Expense	615.31	1,000.00	(384.69)	(38.47)	4,882.32	5,000.00	(117.68)	(2.35)
905-5309 On site Office Expense	0.00	200.00	(200.00)	(100.00)	1,489.37	1,000.00	489.37	48.94
905-5313 Janitorial Supplies	77.35	125.00	(47.65)	(38.12)	476.80	625.00	(148.20)	(23.71)
905-5401 Property Management Fee	2,836.00	2,836.00	0.00	0.00	14,180.00	14,180.00	0.00	0.00
905-5402 Payroll - Resident Manager	3,157.18	3,160.00	(2.82)	(.09)	15,785.90	15,800.00	(14.10)	(.09)
905-5403 Payroll - Janitorial	1,848.00	2,080.00	(232.00)	(11.15)	4,969.00	10,400.00	(5,431.00)	(52.22)
905-5404 Payroll - Watchman	4,371.44	4,990.00	(618.56)	(12.40)	21,854.56	24,950.00	(3,095.44)	(12.41)
905-5405 Payroll - Maintenance	2,200.00	2,255.00	(55.00)	(2.44)	11,236.00	11,275.00	(39.00)	(.35)
905-5406 Payroll Services	115.18	115.00	.18	.16	560.20	575.00	(14.80)	(2.57)
905-5407 HR-Personnel Expenses	0.00	135.00	(135.00)	(100.00)	712.63	675.00	37.63	5.57
905-5410 Insurance - Medical	1,968.52	2,400.00	(431.48)	(17.98)	9,842.60	12,000.00	(2,157.40)	(17.98)
905-5411 Insurance - Work Comp	0.00	388.00	(388.00)	(100.00)	1,898.00	1,940.00	(42.00)	(2.16)
905-5412 Insurance - TDI	0.00	80.00	(80.00)	(100.00)	453.37	400.00	53.37	13.34
905-5413 Insurance - Package	3,157.00	3,512.00	(355.00)	(10.11)	15,785.00	17,560.00	(1,775.00)	(10.11)
905-5414 Insurance - Umbrella	0.00	207.00	(207.00)	(100.00)	0.00	1,035.00	(1,035.00)	(100.00)
905-5415 Audit /Tax Preparation	0.00	114.00	(114.00)	(100.00)	1,361.26	570.00	791.26	138.82
905-5416 Insurance - Life	3.80	4.00	(.20)	(5.00)	19.00	20.00	(1.00)	(5.00)
905-5417 Legal- Association	0.00	100.00	(100.00)	(100.00)	153.49	500.00	(346.51)	(69.30)
905-5418 Legal-Chargeback	122.45	400.00	(277.55)	(69.39)	1,296.42	2,000.00	(703.58)	(35.18)
905-5424 Insurance - Flood	0.00	2,872.00	(2,872.00)	(100.00)	32,798.00	14,360.00	18,438.00	128.40
905-5425 General Excise Tax	0.00	70.00	(70.00)	(100.00)	113.40	350.00	(236.60)	(67.60)
905-5426 Taxes - Payroll	885.62	1,175.00	(289.38)	(24.63)	5,250.49	5,875.00	(624.51)	(10.63)
905-5437 Insurance - D & O	0.00	190.00	(190.00)	(100.00)	0.00	950.00	(950.00)	(100.00)
905-5438 Insurance - Fidelity Bond	0.00	48.00	(48.00)	(100.00)	0.00	240.00	(240.00)	(100.00)
905-5440 Insurance-Boiler/Machinery	0.00	78.00	(78.00)	(100.00)	0.00	390.00	(390.00)	(100.00)
905-5510 TV Cable Service	5,844.81	5,875.00	(30.19)	(.51)	29,162.43	29,375.00	(212.57)	(.72)
905-5512 Fees, Licenses, Education	0.00	40.00	(40.00)	(100.00)	0.00	200.00	(200.00)	(100.00)
905-5600 Landscape Maintenance	356.04	385.00	(28.96)	(7.52)	3,083.22	1,925.00	1,158.22	60.17
905-5812 BoH 1st Fac. Loan-Interest P	1,148.41	1,146.00	2.41	.21	5,934.54	5,730.00	204.54	3.57
905-5813 BoH 1st Fac. Loan-Principal	5,289.59	5,292.00	(2.41)	(.05)	26,255.46	26,460.00	(204.54)	(.77)
905-5814 BoH 2nd Facility Loan-Interes	1,754.35	1,781.00	(26.65)	(1.50)	9,038.66	8,905.00	133.66	1.50
905-5815 BoH 2nd Facility Loan-Princip	8,251.65	8,225.00	26.65	.32	40,991.34	41,125.00	(133.66)	(.33)
905-5820 Lease Rent Transmittal	0.00	43.00	(43.00)	(100.00)	0.00	215.00	(215.00)	(100.00)
905-5993 Deposit/Misc Refunds	150.00	50.00	100.00	200.00	375.00	250.00	125.00	50.00
TOTAL DISBURSEMENT	\$ 62,892.04	\$ 88,823.00	\$ (25,930.96)	(29.19) %	\$ 400,381.40	\$ 444,115.00	\$ (43,733.60)	(9.85) %

AOAO The Twenty One Hundred
 RECEIPTS AND DISBURSEMENTS STATEMENT
 Period: May 1, 2014 to May 31, 2014

	<-----THIS MONTH ----->				<----- THIS YEAR ----->			
	Current Actual	Current Budget	Current Var \$	Current Var %	YTD Actual	YTD Budget	YTD Var \$	YTD Var %
NET OPERATIONS	\$ 29,097.52	\$ 1,500.00	\$ 27,597.52	1,839.83 %	\$ 49,257.65	\$ 7,500.00	\$ 41,757.65	556.77 %
RESERVE EXPENSES								
905-5995 Major Project Expense	\$ (20,000.00)	\$ 1,250.00	\$ (21,250.00)	1,700.00 %	\$ 53,187.44	\$ 6,250.00	\$ 46,937.44	751.00 %
905-5997 Fire Alarm /Generator Replac	753.93	0.00	753.93	0.00	52,042.32	0.00	52,042.32	0.00
TOTAL RESERVE EXPENSES	\$ (19,246.07)	\$ 1,250.00	\$ (20,496.07)	1,639.69 %	\$ 105,229.76	\$ 6,250.00	\$ 98,979.76	1,583.68 %
NET INCOME	\$ 48,343.59	\$ 250.00	\$ 48,093.59	9,237.44 %	\$ (55,972.11)	\$ 1,250.00	\$ (57,222.11)	4,577.77 %
RESERVE TRANSFER								
905-5850 Transfer to Reserves	\$ 1,500.00	\$ 1,500.00	\$ 0.00	0.00 %	\$ 7,500.00	\$ 7,500.00	\$ 0.00	0.00 %
905-5851 Transfer from Reserves	0.00	(1,250.00)	1,250.00	(100.00)	(69,348.09)	(6,250.00)	(63,098.09)	1,009.57
905-5852 Interest Added to Reserves	94.75	0.00	94.75	0.00	568.38	0.00	568.38	0.00
TOTAL TRANSFERS	\$ 1,594.75	\$ 250.00	\$ 1,344.75	537.90 %	\$ (61,279.71)	\$ 1,250.00	\$ (62,529.71)	5,002.38 %
TOT RESV EXP AND TRSF	\$ (20,840.82)	\$ 1,000.00	\$ (21,840.82)	2,184.08 %	\$ 166,509.47	\$ 5,000.00	\$ 161,509.47	3,230.19 %
NET CHANGE IN CASH	\$ 46,748.84	\$ 0.00	\$ 46,748.84	0.00 %	\$ 5,307.60	\$ 0.00	\$ 5,307.60	0.00 %

AOAO The Twenty One Hundred
 RESERVE ACCOUNTS
 FOR THE MONTH OF: MAY, 2014

ACCT NAME	BANK NAME	ACCT NUMBER	TYPE	DATE OPENED	MATURITY DATE	INT RATE	BEGINNING BALANCE	TRANSFERS TO/(FROM)	ENDING BALANCE
905HSBMM	HOMESTREET BANK MONEY MARKE	5328958408	MONEY MARKET	07-30-12			248,462.28	94.75	248,557.03
905TERRSVN	TERRITORIAL SAVINGS BANK-SA	4011191600	SAVINGS	05-12-10			151,430.69	1,500.00	152,930.69
TOTALS							<u>399,892.97</u>	<u>1,594.75</u>	<u>401,487.72</u>

MINUTES

REGULAR BOARD OF DIRECTORS MEETING AOAO THE TWENTY ONE HUNDRED

DATE: Thursday, March 13, 2014

PLACE: On-Site Recreation Room
2100 Date Street
Honolulu, HI 96826

BOARD of DIRECTORS PRESENT:

Ken Treichler, President
Gail Pang, Vice President
Kevin Goto, Treasurer
Abe Shimoda, Secretary
Deborah Okamura, Director

Invited Guests:

James Caravello, Resident Manager
John Brewer, CMCA®, Association Manager, Hawaiian Properties, Ltd.

Owners:

None

- I. **OWNERS FORUM/CORRESPONDENCE:** None.
- II. **CALL TO ORDER:** Noting the presence of a quorum, President Treichler called the meeting to order at 7:12 p.m.
- III. **BOARD OFFICIER RESIGNATION & ELECTION:** The Board of Directors unanimously accepted the resignation of Deborah Okamura from the office of Treasurer and to serve as a Director of the Board. The Board of Directors unanimously elected Kevin Goto as Treasurer.
- IV. **APPROVAL OF MINUTES:** The Board of Directors unanimously approved the minutes of the Regular Board of Directors meeting and Executive Session held on January 20, 2014.
- V. **FINANCIALS:**
 - A. **Financial Statements:** President Treichler moved to accept the January and February 2014 financials subject to audit. The motion was seconded and unanimously approved. Motion adopted.
 - B. **Maturing CD's & Reserve Account(s):** AM Brewer gave a verbal report.
- VI. **RESIDENT MANAGER'S REPORT:** RM Caravello submitted a written report dated March 07, 2014.
- VII. **UNFINISHED BUSINESS:**
 - A. **Elevator Modernization:**
 - 1) **Elevator Modernization:** AM Brewer and RM Caravello gave verbal updates to the progress and payments at the Regular Board of Directors meeting held on March 10, 2014.

2) **Elevator Frame/Door Painting:** Deferred.

B. Generator & Transfer Switch:

- 1) **Generator Maintenance Contract:** President Treichler moved to approve the semiannual generator maintenance proposal submitted by Hawthorne CAT. The motion was seconded and unanimously approved.

C. Lobby Renovation: VP Pang was appointed Chair of the Lobby Renovation committee. All Board members will serve on the committee.

D. Fire Alarm System:

- 1) **Installation by Electrician's Inc.:** AM Brewer and RM Caravello gave verbal updates at the Regular Board of Directors meeting held on March 10, 2014.

E. Energy Savings Survey by Hawaii Energy:

- 1) **Lighting Retrofit:** AM Brewer and RM Caravello gave verbal updates at the Regular Board of Directors meeting held on March 10, 2014.

F. Individual Unit Plumbing Inspections: Deferred.

G. Gas Line Replacement: Deferred, pending completion of professional consultation of hot water system.

H. Equipment Maintenance Contracts:

- 1) **Booster Pumps & Ventilation Equipment:** Deferred, pending completion of professional consultation of hot water system.

I. Replace Gas Water Heaters with Electric: Deferred, for professional consultation.

J. House Rule Revision(s): Secretary Shimoda was appointed Chair of the Lobby Renovation committee. All Board members will serve on the committee.

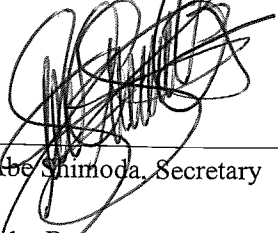
K. Security Camera System Maintenance Agreement: Deferred.

VIII. NEW BUSINESS: None.

IX. DATES OF UPCOMING MEETINGS: The next Regular Board of Directors Meeting will be at the call of the President of the Board of Directors. The meeting will be in the On-Site Recreation Room, at 2100 Date Street, Honolulu, HI 96826. Call to Order will be at 7:00 p.m.

X. EXECUTIVE SESSION: From 9:17 p.m. to 9:24 p.m. for legal issues and personnel issues.

- XI. **ADJOURNMENT:** There being no further business to discuss and hearing no objections, President Treichler adjourned the regular meeting at 9:17 p.m. and convened Executive Session.



Abe Shimoda, Secretary

John Brewer, CMCA©
Association Manager

Hawaiian Properties, Ltd.
Managing Agent for
AOAO The Twenty One Hundred

MINUTES

REGULAR BOARD OF DIRECTORS MEETING AOAO THE TWENTY ONE HUNDRED

DATE: Monday, March 10, 2014

PLACE: On-Site Recreation Room
2100 Date Street
Honolulu, HI 96826

BOARD of DIRECTORS PRESENT:

Ken Treichler, President
Gail Pang, Vice President
Isaac Arasato, Treasurer
Abe Shimoda, Secretary
Deborah Okamura, Director

Invited Guests:

James Caravello, Resident Manager
John Brewer, CMCA©, Association Manager, Hawaiian Properties, Ltd.

Owners:

Kevin Goto

- I. **OWNERS FORUM/CORRESPONDENCE:** None.
- II. **CALL TO ORDER:** Noting the presence of a quorum, President Treichler called the meeting to order at 8:17 p.m.
- III. **RESIGNATION:** The Board of Directors accepted the resignation of Isaac Arasato from the Board of Directors.
- IV. **APPROVAL OF MINUTES:** Deferred to the next Regular Board of Directors meeting.
- V. **FINANCIALS:**
 - A. **Financial Statements:** Deferred to the next Regular Board of Directors meeting.
 - B. **Maturing CD's & Reserve Account(s):** Deferred to the next Regular Board of Directors meeting.
- VI. **RESIDENT MANAGER'S REPORT:** RM Caravello submitted a written report.
- VII. **UNFINISHED BUSINESS:**
 - A. **Elevator Modernization:**
 - 1) **Elevator Modernization:** AM Brewer and RM Caravello gave verbal updates to the progress and payments.
 - 2) **Elevator Frame/Door Painting:** Deferred.
 - B. **Generator & Transfer Switch:**
 - 1) **Installation of Generator & Transfer Switch:** RM Caravello gave a verbal update.

C. **Lobby Renovation:** Deferred.

D. **Fire Alarm System:**

1) **Installation by Electrician's Inc.:** Verbal update by RM Caravello and AM Brewer.

E. **Energy Savings Survey by Hawaii Energy:**

1) **Lighting Retrofit:** Verbal update by RM Caravello and AM Brewer.

F. **Individual Unit Plumbing Inspections:** Deferred.

G. **Gas Line Replacement:** Deferred, pending completion of professional consultation of hot water system.

H. **Equipment Maintenance Contracts:**

1) **Booster Pumps & Ventilation Equipment:** Deferred, pending completion of professional consultation of hot water system.

I. **Replace Gas Water Heaters with Electric:** Deferred, for professional consultation.

J. **House Rule Amendment:** Deferred. Board of Directors will review current House Rules.

VIII. **NEW BUSINESS:**

A. **Heat Pump Consultation:** President Treichler moved to approve the proposal submitted by Douglas Engineering Pacific for the heat pump consultation. The motion was seconded and unanimously approved by the Board of Directors. Motion adopted.

B. **Security Camera System Maintenance Agreement:** Deferred.

IX. **DATES OF UPCOMING MEETINGS:** The next Regular Board of Directors Meeting will be at the call of the President of the Board of Directors. The meeting will be in the On-Site Recreation Room, at 2100 Date Street, Honolulu, HI 96826. Call to Order will be at 7:00 p.m.

X. **EXECUTIVE SESSION:** From 9:35 p.m. to 10:07 p.m. for legal issues and personnel issues.

XI. **ADJOURNMENT:** There being no further business to discuss and hearing no objections, President Treichler adjourned the regular meeting at 9:35 p.m. and convened Executive Session.


Abe S. [unclear], Secretary

John Brewer, CMCA©
Association Manager

Hawaiian Properties, Ltd.
Managing Agent for
AOAO The Twenty One Hundred

MINUTES

REGULAR BOARD OF DIRECTORS MEETING AOAO THE TWENTY ONE HUNDRED

DATE: Monday, January 20, 2014

PLACE: On-Site Recreation Room
2100 Date Street
Honolulu, HI 96826

BOARD of DIRECTORS PRESENT:

Ken Treichler, President
Gail Pang, Vice President
Isaac Arasato, Treasurer
Pat Hisamoto, Secretary
Deborah Okamura, Director

Invited Guests:

James Caravello, Resident Manager
John Brewer, CMCA©, Association Manager, Hawaiian Properties, Ltd.

Owners: None

- I. **CALL TO ORDER:** The Board of Directors conducted an inspection of the elevator cab with RM Caravello and AM Brewer from 7:00 p.m. until 7:25 p.m.
Noting the presence of a quorum, President Treichler called the meeting to order at 7:30 p.m.
- II. **OWNERS FORUM/CORRESPONDENCE:** Letter dated January 18, 2014 from unit #1805 was reviewed by the Board of Directors during the inspection of the elevator cab conducted prior to calling the meeting to order.
- III. **APPROVAL OF MINUTES:** Secretary Hisamoto moved to approve the following minutes with one typographical error corrected:
Regular Board of Directors Meeting held on November 11, 2013
Executive Session held on November 11, 2013
The motion was seconded and unanimously adopted, the minutes are approved.
- IV. **FINANCIALS:**
 - A. **Financial Statements:** Director Okamura moved to accept the financial statements for November and December 2013, subject to audit. The motion was seconded and unanimously adopted, the financial statements are accepted.
 - B. **Maturing CD's & Reserve Account(s):** AM Brewer gave a verbal report.
- V. **RESIDENT MANAGER'S REPORT:** RM Caravello submitted a written report and gave a verbal update.
- VI. **UNFINISHED BUSINESS:**
 - A. **Elevator Modernization:**
 - 1) **Elevator Frame/Door Painting:** Deferred. Need updated proposal.

2) **Schindler Change Order No. G7367-007**: The Board of Directors unanimously declined the change order submitted for stainless steel hoistway door strike cladding.

B. Generator & Transfer Switch:

1) **Installation of Generator & Transfer Switch**: Verbal update from RM Caravello.

C. **Lobby Renovation**: Deferred until the elevator modernization and fire alarm installation projects are completed.

D. Fire Alarm System:

1) **Installation by Electrician's Inc.**: Verbal update by RM Caravello and AM Brewer.

2) **Replace twenty (20) OS & Y valves and flow Switches**: The Board of Directors unanimously approved to hire S.S. Dannaway to conduct an assessment of the fire sprinkler system and manage any work required to the system.

E. Energy Savings Survey by Hawaii Energy:

1) **Lighting Retrofit**: Deferred until elevator modernization, fire alarm installation, fire sprinkler system and generator projects are completed.

F. **Individual Unit Plumbing Inspections**: Deferred.

G. **Security Cameras**: Tabled

H. **Gas Line Replacement**: Deferred, for professional consultation.

I. Equipment Maintenance Contracts:

1) **Booster Pumps & Ventilation Equipment**: Deferred, pending completion of professional consultation of hot water system.

J. **Replace Gas Water Heaters with Electric**: Deferred, for professional consultation.

K. **House Rule Amendment**: Board of Directors will review current House Rules.

VII. NEW BUSINESS:

A. **Tree Removal**: The Board of Directors unanimously approved the proposal submitted by Tony's Landscapes & Trees for the removal and stump grinding of six (6) trees.

VIII. DATES OF UPCOMING MEETINGS:

The 2014 Annual Meeting will be held on Monday, March 10, 2014. The meeting will be held in the On-Site Recreation Room, at 2100 Date Street, Honolulu, HI 96826. Owner registration will begin at 6:30 p.m. and Call to Order at 7:00 p.m.

MINUTES

AOAO The Twenty One Hundred
Regular Board of Directors Meeting
Monday, January 20, 2014
Page 3 of 3

The next Regular Board of Directors Meeting will follow the 2014 Annual and Organizational meetings provided that there is a quorum of the Board of Directors and is approved by a majority of the Board of Director members present.

- IX. EXECUTIVE SESSION:** From 10:00 p.m. to 10:41 p.m. for legal issues and personnel issues.
- X. ADJOURNMENT:** There being no further business to discuss and hearing no objections, President Treichler adjourned the regular meeting at 10:00 p.m. and convened Executive Session.

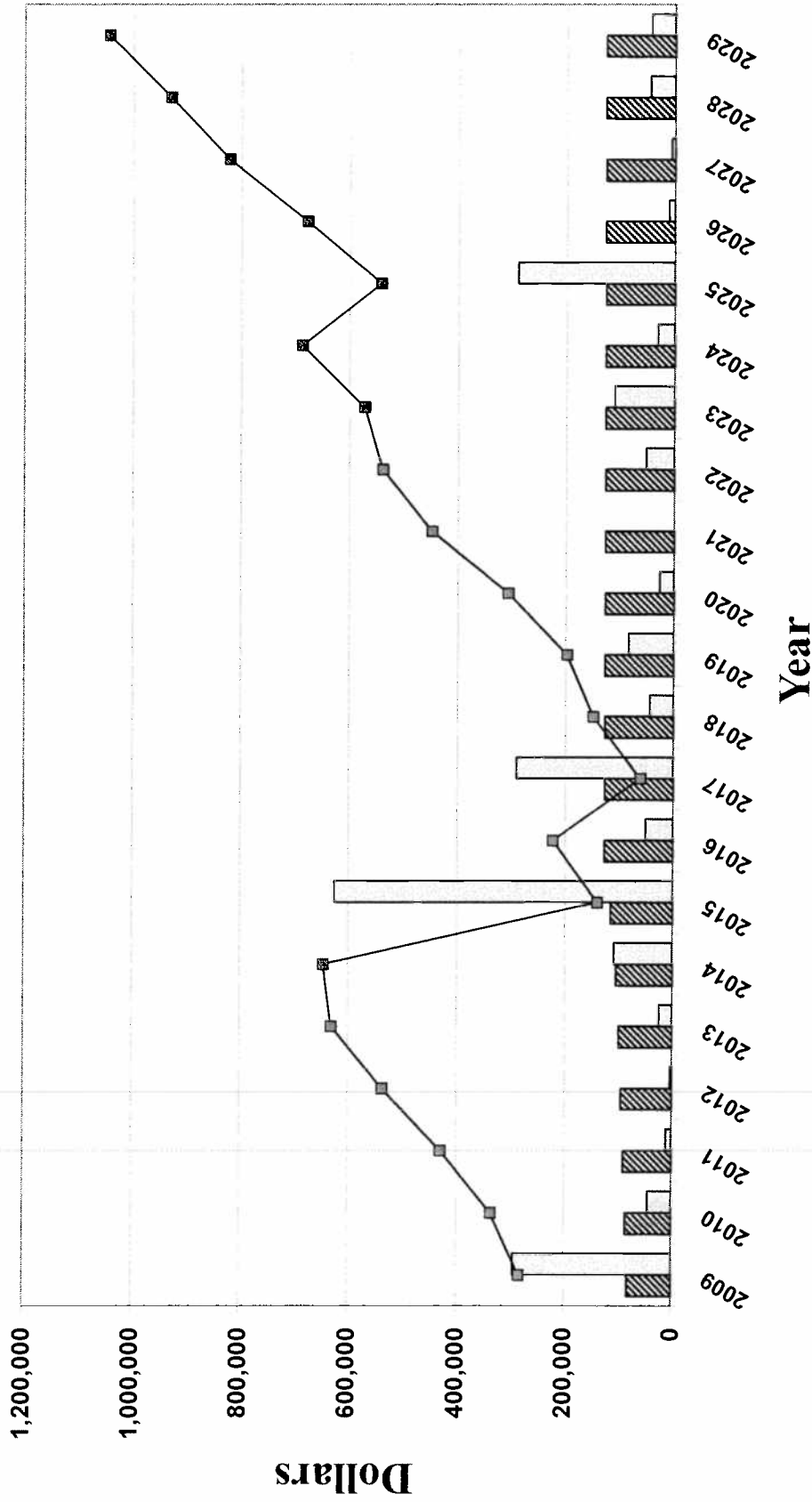


Pat Hisamoto, Secretary

John Brewer, CMCA©
Association Manager

Hawaiian Properties, Ltd.
Managing Agent for
AOAO The Twenty One Hundred

AOAO 2100 DATE STREET CASH FLOW RESERVE ANALYSIS



**TWENTY ONE HUNDRED, AAOO
2014 INSURANCE SUMMARY**

Type of Policy/Carrier	Coverage	Premium
COMMERCIAL PROPERTY DONGBU INSURANCE COMPANY POLICY NO.: DPP1200307-01 Effective: 11/01/2013 – 11/01/2014 AM Best Rated A XV, Admitted	Special Peril Form Property Coverage/Replacement Cost Valuation Blanket Building & Contents Limit \$35,255,174 Ordinance and Law (A,B&C) \$2,000,000 Deductible: All Other Perils \$5,000 Hurricane Deductible: 2% of TIV	\$42,089
COMMERCIAL GENERAL LIABILITY DONGBU INSURANCE COMPANY POLICY NO.: DPP1200307-01 Effective: 11/01/2013 – 11/01/2014 AM Best Rated A XV, Admitted	General Aggregate - Per Location \$2,000,000 Products – Completed Operations Aggregate Limit \$2,000,000 Each Occurrence \$1,000,000 Personal Injury & Advertising Injury \$1,000,000 Fire Damage Legal Liability \$100,000 Medical Payments \$5,000 Non-Owned & Hired Automobile Liability BI/PD \$1,000,000 Employee Benefits Liability \$1,000,000 EBL subject to a \$1,000 Deductible	Included Above
EQUIPMENT BREAKDOWN TRAVELERS INSURANCE COMPANY. POLICY NO.: BME15C234105 Effective: 11/01/2013 – 11/01/2014 AM Best Rated A XV, Admitted	Machinery Breakdown/ Electrical Injury \$35,255,174 Deductible: (per accident) \$2,500	\$920
UMBRELLA LIABILITY GREENWICH INSURANCE COMPANY Policy No.: TBD Effective: 11/01/2013 – 11/01/2014 AM Best Rated A XV, Admitted	Each Occurrence/ Aggregate-Per Location \$5,000,000 Retention Nil for Coverage A Provides Excess coverage for General Liability and D&O policies.	\$2,486
DIRECTORS & OFFICERS LIABILITY CONTINENTAL CASUALTY INSURANCE CO. Policy No: 0251406630 Effective: 11/01/2013 – 11/01/2014 AM Best Rated A XV, Admitted	Each Claim/Aggregate \$2,000,000 Deductible Each Claim \$2,500 Property Manager included as Additional Insured Employment Practices Liability Coverage Included	\$2,172
WORKERS COMPENSATION DONGBU INSURANCE COMPANY Policy No. : DWC1200116-01 Effective: 11/01/2013 – 11/01/2014 AM Best Rated A XV, Admitted	Workers Compensation Statutory Benefits Employers' Liability \$500,000/\$500,000/\$500,000	\$4,538
COMMERCIAL CRIME CONTINENTAL CASUALTY INSURANCE CO. Policy No. : 0251406644 Effective: 11/01/2013 – 11/01/2014 AM Best Rated A XV, Admitted	Fidelity/Employee Dishonesty \$100,000 Deductible \$250	\$581
NATIONAL FLOOD INSURANCE FIRST INSURANCE COMPANY OF HI. Policy No. : 0002012065 Effective: 02/22/2014 – 02/22/2015 AM Best Rated A+ IX Admitted	Limit per occurrence \$35,244,200 Deductible \$5,000	\$32,765
TEMPORARY DISABILITY INSURANCE UNKNOWN	Temporary Disability Coverage Statutory	Billed Directly By Company Per Audits
➤ Total Premium (Including Taxes and Fees)		\$85,551

Atlas Insurance Agency
1132 Bishop Street, Suite 1600
Honolulu, HI 96813

Atlas AOOO Insurance Consultants
Tel # 808-533-8705
Fax # 808-550-1123
July 1, 2014

This summary of coverage is intended to facilitate your understanding of the insurance program we have proposed.
However, it is not intended to replace or supersede any original insurance contracts.

➤ **Buildings Covered**

Exterior and interior walls, floors, ceilings and common building elements, including elevators, **or** as defined by the Association's bylaws. Fixtures including, but not limited to, refrigerators, cooking ranges, built-in appliances, cabinets, drapes, wall to wall carpeting in accordance with the as-built condominium plans and specifications (**of like, kind or quality of that originally installed**).

Note: If any of the original fixtures, cabinets, flooring, countertops, etc. were upgraded by the unit owner, the policy would only cover the replacement of the original fixture and not the upgraded fixture, cabinets, flooring, countertops, etc.

Household and personal property owned by, used by, or in the care, custody or control of the owner of a condominium unit are also **Not Covered**.

Examples include the following: unattached rugs, screen paneling, alterations, additions and upgrades to the condominium units, personal property, stocks of merchandise, furniture, watercraft, vehicles, jewelry, fine arts, furs, animals, money, securities, etc. *(It is the unit owner's responsibility to secure personal property coverage)*

➤ **General Liability Covered**

Legal Liability for the Association, which results from Bodily Injury or Property Damage arising out of Premises and Operations, Products/Completed Operations or Personal Injury. Usually this involves common area injuries or losses

Note: Coverage is not provided for individual unit owners' personal liability. *(It is the unit owner's responsibility to secure personal liability coverage)*

For Lender requests for Proof of Insurance, please email your requests directly to AOAOCert@atlasinsurance.com or contact Janet Dabu at 808-533-8610 direct line or jdabu@atlasinsurance.com or Fax at 808-550-1124. If Janet is not available contact Krystyn Weeks at 808-533-8722 direct line or kweeks@atlasinsurance.com Fax at 808-550-1038.

Atlas Insurance Agency can provide the individual unit owners with a quotation to provide coverage for unit upgrade, personal contents, temporary relocation costs and coverage for personal liability. Also "assessment coverage" can be included in the event that the association's \$5,000 property deductible is assessed to a unit that caused the property loss. The policy is typically known as an HO-6. Premiums vary depending on limits purchased and coverage requested but are typically between \$175 to \$260 annually. To obtain a quotation contact Amanda Zamora at 808-533-8670 or azamora@atlasinsurance.com.



BBB Torch Awards

Trust • Performance • Integrity

Atlas Insurance Agency
1132 Bishop Street, Suite 1600
Honolulu, HI 96813

Atlas AOA Insurance Consultants

Tel # 808-533-8705

Fax # 808-550-1123

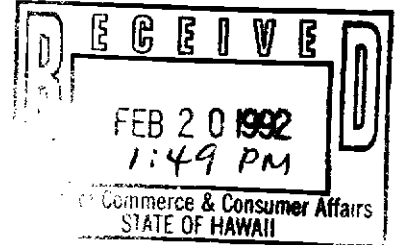
July 1, 2014

This summary of coverage is intended to facilitate your understanding of the insurance program we have proposed.

However, it is not intended to replace or supersede any original insurance contracts.

STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Business Registration Division
1010 Richards Street
Mailing Address: P.O. Box 40, Honolulu, Hawaii 96810

In the Matter of the)
Incorporation)
of)
ASSOCIATION OF APARTMENT)
OWNERS OF THE TWENTY ONE)
HUNDRED, INC.)
_____)



ARTICLES OF INCORPORATION

PHILIP L. LAHNE
DINMAN, NAKAMURA,
ELISHA & NAKATANI
Ocean View Center, PH-1
707 Richards Street
Honolulu, Hawaii 96813

IN THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

STATE OF HAWAII

In the Matter of the Incorporation)
)
 of)
)
 ASSOCIATION OF APARTMENT OWNERS)
 OF THE TWENTY ONE HUNDRED, INC.)
 _____)

ARTICLES OF INCORPORATION

The undersigned, desiring to form a nonprofit corporation under the provisions of Chapter 415B, Hawaii Revised Statutes, hereby execute the following Articles of Incorporation.

ARTICLE I

Corporate Name

The name of the Corporation shall be ASSOCIATION OF APARTMENT OWNERS OF THE TWENTY ONE HUNDRED, INC.

ARTICLE II

Place of Business

The place of the principal office of the Corporation shall be in Honolulu, City and County of Honolulu, State of Hawaii. The street or mailing address of the initial office of the Corporation will be c/o Chaney Brooks and Company, 606 Coral Street, Honolulu, Hawaii 96813.

ARTICLE III

Period of Duration

The duration of the Corporation shall be perpetual.

ARTICLE IV

Corporate Purposes

The specific purpose for which the Corporation is organized is for the administration, fiscal management, and operation of The Twenty One Hundred condominium project and the maintenance, repair, and replacement of, and the making of any additions and improvements to, the common elements thereof, in accordance with Chapter 514A, Hawaii Revised Statutes (the "Condominium Property

Act" or the "Act"), the Declaration of Horizontal Property Regime of The Twenty One Hundred dated January 24, 1979 and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 920759 (the "Declaration"), and the By-Laws of the Corporation (the "By-Laws"), as each of the same have been and may hereafter be amended from time to time, and for no other purpose.

ARTICLE V

Corporate Powers

Section 5.1 Powers. Subject to and to the extent not inconsistent with the Act, the Declaration, and the By-Laws, the Corporation shall have all powers to effect any or all of the purposes for which the Corporation is organized or which may hereafter be provided for by law, and those which may be implied therefrom including but not limited to the powers set forth in §415B-5, as the same may be amended from time to time.

Section 5.2 Scope. The foregoing powers shall be liberally construed and shall not be deemed to exclude by inference any powers which the Corporation is or may become empowered to exercise, whether expressly or impliedly through the reasonable construction of any applicable laws now or hereafter in effect.

ARTICLE VI

Members

The Corporation is nonprofit in nature and shall not authorize or issue any shares of stock. Each person who is an apartment owner of The Twenty One Hundred condominium project shall be a member of the Corporation. As used herein, the term "apartment owner" shall have the same meaning as that term is defined in the Act, the Declaration, and the By-Laws, as each of the same have been and may hereafter be amended from time to time. No dividends shall be paid and no part of the income or profit of the Corporation shall be distributed to its members, directors, or officers except as permitted by law for services actually rendered to the Corporation, and except upon liquidation of its property in case of corporate dissolution in connection with the removal of The Twenty One Hundred condominium project from the provisions of the Act as provided therein.

ARTICLE VII

Directors and Officers

Section 7.1 Board of Directors. The Board of Directors of the Corporation shall consist of five (5) persons determined in accordance with the By-Laws. At all times that the laws of the

State of Hawaii shall so require, at least one director shall be a resident of the State of Hawaii. The directors shall be elected or appointed, may be removed from office, and all vacancies in the office of a director shall be filled, in the manner and for the terms of office provided for in the Act and the By-Laws.

Section 7.2 Officers. The officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer. The Corporation may have an assistant secretary and/or assistant treasurer if necessary as determined by the Board of Directors. The officers shall have the powers, perform the duties and be appointed as shall be determined by the Board of Directors and the By-Laws. Any person may hold two or more offices of the Corporation unless such practice is prohibited by the By-Laws.

Section 7.3 Initial Officers and Directors. The names and residence addresses of the initial officers and directors are:

<u>NAME</u>	<u>RESIDENCE ADDRESS</u>
Robert Hatanaka President/Director	2100 Date Street, Apt. 2006 Honolulu, Hawaii 96826
Joell E. Bethel Vice Pres./Director	2100 Date Street, Apt. 404 Honolulu, Hawaii 96826
D. Bart Aronoff Secretary/Director	2100 Date Street, Apt. 2307 Honolulu, Hawaii 96826
Stuart Uesato Treasurer/Director	2100 Date Street, Apt. 204 Honolulu, Hawaii 96826
Kurt Mitchell Director	2100 Date Street, Apt. 2507 Honolulu, Hawaii 96826

ARTICLE VIII

Powers of the Board of Directors

Section 8.1 Authority. All the powers and authority of the corporation shall be vested in and may be exercised by the Board of Directors, except as otherwise provided by the Act, these Articles of Incorporation, or the By-Laws.

Section 8.2 Powers. The Board of Directors shall have the powers established therefor by the Act, the Declaration, and the By-Laws and no other powers whatsoever.

ARTICLE IX

By-Laws

The By-Laws of the Corporation shall be the by-laws attached to the Declaration and incorporated therein by reference, as the same have been amended from time to time. The By-Laws may be amended only as provided in the Act, the Declaration, and the By-Laws, as amended.

ARTICLE X

Director or Officer Conflicts of Interest

Section 10.1 Disclosure; Voting and Participation at Meetings. No director shall vote on any issue as to which he or she has a conflict of interest or be present when such issue is debated or discussed. Each director shall disclose the nature of any conflict of interest prior to the vote on any such matter at a Board meeting, and the minutes of the meeting shall record the fact that such a disclosure was made. As to any issue concerning which a director has a conflict of interest, the vote of a majority of the disinterested directors shall be deemed to be the vote of the Board for all purposes. In the event that the number of directors who do not have a conflict of interest with respect to a given issue is less than a quorum, then a quorum shall consist of such disinterested directors for purposes of voting on that issue only. In the event that all directors have a conflict of interest on a given issue, the President shall appoint a committee of not less than three (3) nor more than five (5) disinterested owners who shall act as the Board for the purposes of that issue only, and the decision thereof shall be binding upon the apartment owners in the same manner as a decision of the Board.

Section 10.1 Effect. No contract or other transaction between the Corporation and any other person, firm, corporation, association or other organization, and no act of the Corporation, shall in any way be affected or invalidated by the fact that any of the directors or officers of the Corporation are parties to such contract, transaction or act or are pecuniarily or otherwise interested in the same or are directors or officers or members of any such other firm, corporation, association or other organization, provided that the interest of such director shall be disclosed and said transaction is authorized or approved by vote or consent sufficient for that purpose as provided hereinabove without counting the votes or consents of such interested officers or directors, and the contract or transaction is fair and reasonable to the Corporation.

Section 10.3 Liability. Neither any director nor officer of the Corporation, being so interested in any such contract, transaction, or act of the Corporation which shall be approved by

the Board of Directors as aforesaid, nor any such other person, firm, corporation, association or other organization in which such director or officer may be a director, officer or member, shall be liable or accountable to the Corporation, or to any member thereof, solely by reason of being an interested person, for any loss incurred by the Corporation pursuant to or by reason of such contract, transaction or act, or for any gain received by any such other party pursuant thereto or by reason thereof.

Section 10.4. Scope of Article. For the purposes of this Article 10, "conflict of interest" shall mean that a director has a direct personal or pecuniary interest not common to other members of the Association, provided that a director shall not be deemed to have a conflict of interest solely on account of the fact that the director's apartment is or may be affected by the matter to be voted upon. A director who is a plaintiff in any proceeding against the Association or is a defendant in any proceeding brought by the Association shall be conclusively deemed to have a conflict of interest with regard to such proceeding.

ARTICLE XI

No Member Liability

No member shall be liable for the debts of the Corporation beyond the amount which represents that member's pro rata share of such liability determined in the same manner as the member's share of the Corporation's common expenses as set forth in the Declaration.

ARTICLE XII

Indemnification of Directors and Officers

Section 12.1 Indemnification Generally. The Corporation shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a director or officer of the Corporation or of any division of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines, settlements, and other amounts actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceedings, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a

plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal action or proceeding, create a presumption that the person had reasonable cause to believe that his conduct was unlawful.

Section 12.2 Suits by or in the Right of the Corporation. The Corporation shall indemnify each person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director or officer of the Corporation or of any division of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Section 12.3 Effect of Success in Defense. To the extent that a director or officer of the Corporation or of any division of the Corporation, or a person serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 12.1 and , or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 12.4 Authorization for Indemnification. Any indemnification under Section 12.1 and 12.2 of this Article (unless ordered by a court) shall be made by the Corporation only if authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 12.1 or 12.2. Such determination may be made:

- (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding; or

(2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion to the Corporation;

(3) if a quorum of disinterested directors so directs, by a majority of the members; or

(4) the court in which such proceeding is or was pending upon application made by the Corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by the Corporation.

Section 12.5 Expenses. Expenses incurred in defending any action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in a particular case upon receipt of an undertaking by or on behalf of the director or officer to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this article.

Section 12.6 Indemnification Not Exclusive. The indemnification provided by this article shall not be deemed exclusive of any other rights to which those indemnified may be entitled and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 12.7 Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or other agent of the Corporation or of any division of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this article. Any such insurance may be procured from any insurance company designated by the Board of Directors, including any insurance company in which the Corporation shall have any equity or other interest, through stock ownership or otherwise.

Section 12.8 Fiduciaries of Employee Benefit Plans. Indemnification, expense advancement or the purchase of insurance for the benefit of any fiduciary of any employee benefit plan or trust for the benefit of employees of the Corporation or another corporation in which the Corporation owns shares shall be made upon the authorization of the Board of Directors.

Section 12.9 Limitation of Liability. (a) The Corporation shall have the power to eliminate or limit the personal liability of its directors in any action brought by the members or the Corporation for monetary damages against any director of the Corporation for a breach of fiduciary duty as a director.

(b) Notwithstanding the foregoing, the Corporation shall not have the power to eliminate or limit the personal liability of a director:

1. For any breach of the director's duty of loyalty to the Corporation;
2. For any act or omission of the director not performed in good faith, or which involves intentional misconduct or knowing violation of law, or which constitutes a wilful or reckless disregard of the director's fiduciary duty;
3. For the director's willful or grossly negligent violation of any provision of Chapters 415B or 514A, Hawaii Revised Statutes; or
4. For any transaction from which the director received an improper benefit.

ARTICLE XIII

Subordination

These Articles shall in all respects be subordinate to and controlled by the Act and the Declaration. In the event of any conflict between the Act and the provisions of Chapter 415B, Hawaii Revised Statutes, the Act shall be conclusively deemed to control except as to corporate matters.

ARTICLE XIV

Dissolution

Section 14.1 Voluntary Dissolution. The Corporation shall not be voluntarily dissolved except in connection with the removal of The Twenty One Hundred condominium project from the provisions of the Act as provided therein, or in the event of or on account of a decision rendered by the highest court of the State of Hawaii in which such decision can be had that the incorporation of the association of apartment owners of a condominium project organized and existing pursuant to the Act is repugnant to said Act.

Section 14.2 Effect of Dissolution. In the event of the dissolution of the Corporation for any reason whatsoever, including without limitation dissolution pursuant to §415B-97, Hawaii Revised

Statutes, the members of the Corporation shall, without any other action, immediately be deemed and construed to constitute an unincorporated condominium association organized and existing pursuant to the Act. The By-Laws of the Corporation shall, upon such dissolution, become the by-laws of said association. Those persons who are serving as directors and officers of the Corporation at the time of any such dissolution shall, upon such dissolution, become directors and officers of such unincorporated association and shall continue to serve as such until their successors are duly elected in accordance with the By-Laws. Immediately upon any such dissolution, the last directors of the Corporation, acting as trustees for the creditors and members of the Corporation and/or the court-appointed trustee, if any, shall promptly wind up and settle the affairs of the Corporation as provided by law and shall cause the assets and liabilities of the Corporation to be transferred to and assumed by said unincorporated association and shall have the power to do all acts and things necessary, appropriate, or convenient therefor.

IN WITNESS WHEREOF, the undersigned certify that we have read the above statements and that the same are true and correct to the best of our knowledge and belief.

DATED: Honolulu, Hawaii, 22 January, 1992.

Robert Hatanaka
ROBERT HATANAKA

Joell E. Bethel
JOELL E. BETHEL

D. Bart Aronoff
D. BART ARONOFF

Stuart Uesato
STUART UESATO

Kurt Mitchell
KURT MITCHELL



PROPERTY INFORMATION FORM



Condominium, Co-op, PUD, and other Homeowner Organizations
Hawaii Association of Realtors® Standard Form
(To be used in conjunction with RR105a Sellers' Real Property Disclosure Statement --
Condominium/Co-op/PUD and other Homeowner Organizations)
Revised 9/03 (NC) For Release 5/05

Completion Date: July 1, 1980
Name of Property: The Twenty-One Hundred Unit/Lot #: #901

All references to the word "Property" shall refer to the above.

Property Address: 2100 Date Street Honolulu, HI. 96826
Property Tax Map Key: 2-7-02-030

This property is managed by a licensed real estate broker. [X] Yes [] No If a licensed real estate broker, is managing agent registered with the Real Estate Commission as a Condominium Managing Agent? [X] Yes [] No

Name of Managing Agent: Hawaiian Properties, Ltd.

Managed by this Managing Agent since: April 2007

Managing Agent provides (check those services that apply):

- [X] Administrative Managing Services
[X] Fiscal Management Services
[X] Physical Management Services
[] Other Management Services -

This Property is self-managed since:

A. GENERAL & LEGAL

Total number of apartments: 168 Number of guest parking stalls available: 6

If applicable, what percentage of Condominium Apartments has been sold and conveyed (excluding to the Developer)? 100 %

If applicable, what approximate percentage of Condominium Apartments is owner-occupied? 44 %

Approximately how many foreclosures have been filed by the Board of Directors during the past twelve (12) months? 1

What approximate percentage of owners is more than one month delinquent in maintenance fees? 1 %

If answer is "Yes", using the SAME number below, describe in the space provided.

Yes No NTMK (not to my knowledge)

- [] [X] [] (1) Within the past year, has the Board of Directors had discussions with the lessor regarding the purchase of the leased fee interest in the land?
[] [X] [] (2) Is this Property subject to phasing or development of additional increments?
[] [X] [] (3) Has the Owners Association or Corporation been in control of the operations of the Property for less than two (2) years?
[] [X] [] (4) Are there any lawsuits, arbitration or mediation actions affecting this Property and/or Association other than delinquent owner maintenance fees?
Attorney for Association of Apartment Owners: Ekimoto and Morris, LLLC
NOTE: Any attorney fees or other costs incurred for further answering this inquiry shall not be at the expense of the Association of Apartment Owners, nor of the Managing Agent.
[] [X] [] (5) If property is a Condominium, does any single entity, individual or partnership own more than 10 percent of the common interest of this property?
[] [X] [] (6) Are any Association or Corporation approvals required for transfer of Ownership?
[X] [] [] (7) Is a resident manager's apartment a part of the common elements, or is one owned by the Association or Corporation (does not apply to Planned Unit Development)?
[] [X] [] (8) Is a time share operation existing at this Property?
Name of operator:
[] [X] [] (9) Is there a hotel, transient vacation rental operation, or other organized rental program at the Property?
Name of Operator:
[] [] [X] (10) Have any of the following items been discovered by the Association or Corporation at the Property? [] Asbestos [] Formaldehyde [] Radon Gas [] Lead-Based Paint
[] [X] [] (11) Are there commercial apartments, lots or commercial use of the common areas or common elements at the Property?

Property Address: 2100 Date Street Honolulu, HI. 96826

Number of Question answered "YES" and Explain:

7. The association owns a resident manager unit that is common element but is not part of the total unit count.

Buyer's Initials & Date

Seller's Initials & Date

B. INSURANCE

Name of Insurance Company: Atlas Insurance

Name of Insurance Agent: Phoebe Kekauoha Phone: 808-533-8734

****If answer is "Yes", using the SAME number below, describe in the space provided.****

- | Yes | No | NTMK | Note: |
|-------------------------------------|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (12) Is the Property located in a designated Flood Hazard Zone? |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (13) Is this Property covered by Flood Insurance? |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | (14) Is this Property located in a tsunami inundation area? |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | (15) Has there been any substantial damage to this Property due to earthquake, fire, floods, winds, landslides, tsunami, or volcanic activity within the last five years? |

Number of Questions answered "YES" and Explain:

12 ??? 13 Self Explanatory, Contact Atlas Insurance for any insurance questions at 808-533-8734

C. FINANCIAL

1. What do the Apartment maintenance fees include?

- Water & Sewer
- Hot Water
- Electricity
- Gas
- Air Conditioning
- Cable TV Signal
- Parking
- Recreation/Community Association Dues
- Lease Rent
- Real Property Tax
- Other: _____

2. Other:

- There are master association dues. Check with listing broker

How frequently is a financial statement prepared? Monthly Quarterly

Specify: Cash Basis Accrual Basis

****If answer is "Yes", using the SAME number below, describe in the space provided.****

- | Yes | No | NTMK | |
|-------------------------------------|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (16) Has the Association or Corporation Board of Directors approved a maintenance fee increase, special assessment, or loan? |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (17) Are any special assessments or loans in effect at this time? |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | (18) Are any assessments required to be paid in full at the time of conveyance of ownership? |

Number of Questions answered "YES" and Explain:

See Comments Addendum Form RR105c : C) Financial

D. PROPERTY CONDITION

****If answer is "Yes", using the SAME number below, describe in the space provided.****

Are there any major repairs required or planned within the next 12 months with respect to the following common elements/common areas of the Property?

- | Yes | NTMK | | Yes | NTMK | |
|-------------------------------------|-------------------------------------|------------------------------|--------------------------|-------------------------------------|--------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | (19) Barbecue Facilities | <input type="checkbox"/> | <input checked="" type="checkbox"/> | (27) Paint |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | (20) Drainage | <input type="checkbox"/> | <input checked="" type="checkbox"/> | (28) Plumbing |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | (21) Driveways/Parking Areas | <input type="checkbox"/> | <input checked="" type="checkbox"/> | (29) Pool Deck/Railings |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | (22) Electrical Systems | <input type="checkbox"/> | <input checked="" type="checkbox"/> | (30) Rec. Room Equipment |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | (23) Elevators | <input type="checkbox"/> | <input checked="" type="checkbox"/> | (31) Roofing |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | (24) Exterior Walls | <input type="checkbox"/> | <input checked="" type="checkbox"/> | (32) Sauna |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | (25) Foundations | <input type="checkbox"/> | <input checked="" type="checkbox"/> | (33) Security Systems |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | (26) Lanai Decks/Railings | | | |

Buyer's Initials & Date

Seller's Initials & Date

Property Address: 2100 Date Street Honolulu, HI. 96826

Yes	NTMK	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(34) Sewage Treatment Plant
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(35) Slab(s)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(36) Spas
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(37) Sprinkler System
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(38) Swimming Pool

Yes	NTMK	
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(39) Tennis Court
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(40) Trash Chutes
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(41) Walkways
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(42) Wall(s)/Fences
<input type="checkbox"/>	<input checked="" type="checkbox"/>	(43) Water Features
<input checked="" type="checkbox"/>	<input type="checkbox"/>	(44) Other: <u>Fire Alarm System</u>

Yes	No	NTMK	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(45) Are lanai enclosures presently permitted by the Association or Corporation Board of Directors?
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(46) Do you know, within the past year, of the presence of live infestation, wood boring insects/termites in the common elements/common areas of the Property?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(47) Do you know, within the past year, of leaks and/or water damage in the common elements/common areas of the Property?
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(48) Are you aware, within the past year, of any structural problems in the common elements/common areas caused by water, settling, sliding, subsidence, filled land, etc.?

Number of Questions answered "YES" and Explain:

See Comments Addendum A. General & Legal

E. DISCLAIMER

While not guaranteed, the information contained in this Property Information Form is based on information reasonably available to the Managing Agent at the time this form was completed. It has been provided by the Managing Agent at Owner/Seller's request and is believed to be current and correct to the best of the Managing Agent's knowledge at the time this form was completed. All persons relying upon the information contained herein are advised that the information provided cannot be considered a substitute for a careful inspection of the Property and the Property's governing documents, meeting minutes, financial documents and other documentation; and that they should refer to qualified experts in the various professional fields, including but not limited to attorneys, Certified Public Accountants, architects, engineers, contractors and other appropriate professionals for detailed evaluation of areas where additional clarification or information is desired. The person or entity completing the form is doing so only as an accommodation to the parties and shall not be held liable for any errors or omissions whatsoever. The person or entity completing this form is not required to and has not completed any special investigation, and is only reporting facts already known to that person or entity or readily available. Specifically and without limitation, the person or entity completing the form has not reviewed any records except official records of meetings in the possession of that person or entity and only for the current and prior year. Where the answer to a question is not applicable, unknown or is otherwise unanswerable, it has been marked "NTMK". Where the Managing Agent has marked "NTMK" or "NO" in response to a question concerning property condition, it must be recognized that this does not mean there may not be a defect which an expert could discover or the passage of time would reveal. Likewise, a problem could be more serious than the Managing Agent, the Association, the Corporation or its Board of Directors knows. All such persons having access to this Property Information Form understand and acknowledge that this Property Information Form is not a warranty or guaranty of any kind by the Managing Agent, the Association or its Board of Directors.

Person completing this form



09-26-2014

Name: John Brewer, CMCA, AMS

Title: Association Manager

Company: Hawaiian Properties, Ltd.

Address: P.O. BOX 38078 HONOLULU, HI . 96837-1078

Phone No. 808-539-9777 Ext:

Fax No. 808-521-2714

Buyer's Initials & Date _____

Seller's Initials & Date _____

Property Address: : 2100 Date Street Honolulu, HI. 96826

**ADDENDUM TO REQUEST FOR DOCUMENTS FORM RR105C
AND PROPERTY INFORMATION FORM RR105C**

DATE OF FORMS: 09-26-2014

The above-identified forms are modified as stated herein. I/We understand and agree that:

- (i) the information requested is being provided as an accommodation only and that the Managing Agent and the Association and their respective officers, directors, employees and agents shall have no liability whatsoever for any errors or omissions with respect thereto;
- (ii) the Managing Agent and the Association are not required to make any special investigations as to any matters for which information is requested and shall report only facts already known or readily available to the Managing Agent; and
- (iii) the documents and information provided shall relate only to the community association for which information is requested and shall not include documents or information related to other community associations or master associations which may affect the property being sold.

I/We agree to indemnify and hold harmless the Association and the Managing Agent from All Costs for any Injury consequent upon or arising from:

- (i) the use or distribution of the documents or information provided by the Association or Managing Agent on Forms RR105B and/or RR105C, as amended;
- (ii) any allegation that said documents or information provided by the Association or Managing Agent adversely affected any real estate transaction or violated any law, statute, ordinance or regulation now or hereafter in force of the United States, the State of Hawaii or any city or county; and
- (iii) any allegation that the documents or information provided by the Association or Managing Agent caused damage to Me/Us or to any third party.

If any lawsuits, arbitration or other proceedings shall be brought against the Association or the Managing Agent for any of the foregoing reasons, I/We will defend the same and will pay whatever judgements which may be recovered against the Association or the Managing Agent. The obligation to defend shall include the obligation to pay all costs and expenses of the lawsuit, arbitration or proceeding and any appeal thereof, including attorneys, fees, incurred by the Association or the Managing Agent. As used herein:

All Costs shall include every and all cost, loss, damage, liability, expense, demand, penalty and fine whatsoever, which may arise from or be claimed against the Association or the managing Agent, by any person or entity.

Injury shall include all injuries to person or property, or damage of whatever kind or character suffered or sustained.

The acceptance of any of the documents or information as provided on form RR105B and/or RR105C and the use or distribution of those documents or information to any third party for any purpose whatsoever, including without limitation, compliance with Chapter 508D, Hawaii Revised Statutes, constitutes the agreement of the Seller (s) to all of the terms and provisions of this Addendum including without limitation the obligation to defend and indemnify the Association and the Managing Agent.

Buyers Initials & Date

Sellers Initials & Date

Property Address: 2100 Date Street Honolulu, HI. 96826

Comments Addendum Form RR105c

A) General & Legal (write comments, if any, below and refer to question number)

Lanai shutters installed by ABC or All Island Shutters are pre-approved. Written permission from the Association is still required.

B) Insurance (write comments, if any, below and refer to question number)

Buyer's Initials & Date

Property Address: 2100 Date Street Honolulu, HI. 96826

Seller's Initials & Date

Comments Addendum Form RR105c (continued)

C) Financial (write comments, if any, below and refer to question number)

The AOA obtained a loan in the amount of 1,600,000.00, for the remediation of water intrusion, exterior coating, and included the parking structure, from American Savings Bank (ASB) in January 2010 with a 10 year term. The Association refinanced the loan in November 2012 with Bank of Hawaii, in 2 facilities, at 3.0% interest with the same maturity date. One facility is for the amount used for the exterior coating and sealing project less principal payments already paid to ASB, in the amount of \$841,208.73. The second facility of the loan proceeds, in the amount of \$529,544.99, was used for the fire alarm replacement project as approved by written consent by a majority of the ownership.

The loan payments are included in the operating budget and collected through the maintenance fees.

The elevator modernization was funded by Association's reserves.

D) Property Condition (write comments, if any, below and refer to question number)

Exterior coating and sealing of the residential tower and parking structure was completed June 2012.

The fire alarm replacement contract was awarded to Electrician's Inc.; installation has been completed and waiting for final testing by C & C of Honolulu.

The Board of Directors selected Schindler Elevator Co. for the elevator modernization. Modernization is currently underway and is scheduled to be completed in 2014. The elevator modernization is funded by the Assn reserves.

Installation of the generator was completed March 2014.

Buyer's Initials & Date

Property Address: 2100 Date Street Honolulu, HI. 96826

Seller's Initials & Date

INDEPENDENT AUDITOR'S REPORT
ASSOCIATION OF APARTMENT OWNERS OF
THE TWENTY-ONE HUNDRED
Year Ended December 31, 2013

TERRY S.C. WONG, CPA, INC.

1188 Bishop Street, Suite 808
Honolulu, Hawaii 96813

Tel: (808) 521-1522

Fax: 1-888-928-3781

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
ASSOCIATION OF APARTMENT OWNERS OF THE TWENTY-ONE HUNDRED

Report on the Financial Statements

I have audited the accompanying financial statements of ASSOCIATION OF APARTMENT OWNERS OF THE TWENTY-ONE HUNDRED, which comprise the statement of cash receipts and disbursements, and changes in cash balances for the year ended December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of financial statements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

As described in Note 1, these financial statements were prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Opinion

In my opinion, the financial statements referred to above present fairly the cash receipts and disbursements and changes in cash balances of ASSOCIATION OF APARTMENT OWNERS OF THE TWENTY-ONE HUNDRED for the year ended December 31, 2013 on the basis of accounting described in Note 1.

Disclaimer of Opinion on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information on future major repairs and replacements be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Financial Accounting Standard Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.



Honolulu, Hawaii
February 28, 2014

ASSOCIATION OF APARTMENT OWNERS OF THE TWENTY-ONE HUNDRED
Statement of Cash Receipts and Disbursements
Year Ended December 31, 2013

Cash Receipts:

Maintenance fees		\$1,026,920
Loan proceeds (Note 5)		529,545
Special assessment (Note 3)		198,820
Key deposits		1,980
Interest income		1,602
Late fees		1,344
Total cash receipts		<u>1,760,211</u>

Cash Disbursements:

Utilities:		
Water and sewer	\$135,825	
Electricity	125,147	
Cable services	72,672	
Telephone/communication	6,449	
Gas	<u>3,735</u>	343,828
Administrative and professional:		
Property management fee	33,336	
Office & administrative	20,409	
Legal fees	4,576	
Audit and tax preparation	<u>1,361</u>	59,682
Repairs and maintenance:		
Equipment maintenance	33,690	
Plumbing	22,210	
Building repairs & supplies	21,872	
Fire system maintenance	12,183	
Elevator	11,282	
Refuse	10,098	
Landscape maintenance and grounds	10,063	
Pool	3,371	
Pest control	<u>705</u>	125,474
Major repairs/expenditures:		
Fire alarm system-replace	570,902	
Elevator modernization	164,211	
Generator	34,408	
Fire hose cabinet	15,729	
Electrical/lighting	11,639	
Lobby and other repairs	3,857	
Replace valves/switches	<u>3,669</u>	804,415
Payroll and related expenses:		
Salaries and wages	130,611	
Payroll insurance	29,718	
Payroll taxes	11,655	
Payroll services	<u>1,356</u>	173,340
Other:		
Loan principal (Note 5)	138,474	
Insurance-property & liability	78,442	
Loan interest (Note 5)	31,294	
Condo registration fee	1,226	
Key deposit refund/misc.	492	
General excise tax	304	
Security deposit refund	<u>(2,080)</u>	248,152
Total cash disbursements		<u>1,754,891</u>

Excess of cash receipts over disbursements \$ 5,320

See accompanying notes to financial statements.

ASSOCIATION OF APARTMENT OWNERS OF THE TWENTY-ONE HUNDRED

Statement of Changes in Cash Balances

Year Ended December 31, 2013

Cash balances, beginning of year	\$633,392
Add: Excess of cash receipts over disbursements	<u>5,320</u>
Cash balances, end of year	<u>\$638,712*</u>

*Cash balances consist of the following:

Petty cash	\$ 350
Bank of Hawaii - operating	175,595
HomeStreet Bank - reserve	248,096
Ohana Pacific Bank - reserve	12,868
Territorial Savings Bank - reserve	<u>201,803</u>
Total cash balances	<u>\$638,712</u>

See accompanying notes to financial statements.

ASSOCIATION OF APARTMENT OWNERS OF THE TWENTY-ONE HUNDRED
Notes to Financial Statements
December 31, 2013

NOTE 1 - NATURE OF ORGANIZATION AND ACCOUNTING POLICIES

The Association of Apartment Owners of The Twenty-One Hundred is a statutory, non-profit corporation that is responsible for the operation and maintenance of the common property within the development. The development is a 168 unit condominium located on 30,914 square feet in Honolulu, Hawaii.

The financial statements of the Association are presented on the basis of cash receipts and disbursements; consequently, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred.

NOTE 2 - MAINTENANCE FEES

Maintenance fees are paid by each unit owner in order to maintain the common elements and pay for common expenses. The annual budget and assessments of owners are determined by the board of directors. The Association retains excess operating funds at the end of the operating year, if any, for use in future operating periods.

NOTE 3 - SPECIAL ASSESSMENT

At its meeting held on October 17, 2012 the board approved a special assessment totaling \$200,000 to help finance the fire alarm replacement project. The special assessment will be collected from the owners in two payments due on March 1, 2013 and July 1, 2013.

NOTE 4 - INCOME TAXES

Under current tax law, a condominium association may annually elect to file its income tax returns as a homeowners association or as a corporation. The Association intends to elect the filing option that is most beneficial to file.

NOTE 5 - LOANS PAYABLE

The Association has two 3.0% interest loans payable to Bank of Hawaii. The first loan is payable in monthly payments of \$10,006 and the outstanding balance was \$745,047 as of December 31, 2013.

The second loan is payable at monthly payments of \$6,438 and the outstanding balance was \$487,233 as of December 31, 2013.

NOTE 6 - SURPRISE CASH VERIFICATION

In conformity of Hawaii State law, a surprise verification of the Association's cash balances as of September 30, 2013 was performed. No discrepancies were found.

NOTE 7 - FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Association conducted a study in 2013 to estimate the remaining useful lives and the replacement costs of the common property components. The Association is funding for such major repairs and replacements over the estimated useful lives of the components based on the study's estimates of current replacement costs, considering amounts previously designated for future repairs and replacements. Actual expenditures, however, may vary from the estimated amounts and the variations may be material. Therefore, amounts designated for future repairs and replacements may not be adequate to meet future needs. If additional funds are needed, however, the Association may increase regular assessments or levy special assessments, or it may delay major repairs and replacements until funds are available.

ASSOCIATION OF APARTMENT OWNERS OF THE TWENTY-ONE HUNDRED
 Supplementary Information on Future Major Repairs
 And Replacements (Unaudited)
 December 31, 2013

The following information is based on the 2013 study and presents significant information about the components of common property.

<u>Component</u>	<u>Replacement Year</u>	<u>Estimated Cost to Replace</u>
Fire sprinkler system	2014	\$ 5,000
Lobby lighting	2014	7,500
Pool equipment	2014	2,500
Back flow preventer	2015	6,144
Fire booster sprinkler pump	2015	20,480
Flooring - paver tile	2015	2,048
Heat pumps	2015	133,120
Mail boxes	2015	5,120
Plumbing lines - parking structure	2015	20,480
Pool deck coating	2015	3,072
Security camera system	2015	3,072
Floor scrubber	2016	2,621
Pool interior tile	2016	20,972
Gas line	2018	3,848
Pool furniture	2018	2,199
Chain link fence	2019	5,629
Doors	2019	9,458
Enter phone	2019	2,269
Exhaust fans - rooftop	2019	6,755
Gas heaters - back up	2019	50,665
On site office	2019	2,252
Roof - coating	2019	17,114
Hot water storage tanks	2020	18,447
Parking lot light fixtures	2020	6,918
Pump - main booster	2020	17,294
Pumps - back up booster	2020	17,294
Resident manager unit - refurbish	2020	6,918
Security camera system	2020	3,459
Parking structure gates	2021	23,612
Resident manager unit - appliances	2021	3,542
Parking deck coating - upper	2022	58,028
Walkway deck coating	2022	45,939
Painting	2023	495,176
Fire sprinkler system	2024	6,338
Pool equipment	2024	3,169
Back flow preventer	2025	7,788
Pool deck coating	2025	3,894
Security camera system	2025	3,894
Floor scrubber	2026	3,323
Roof - coating	2026	20,204
Lobby	2027	5,445
Trash compactor	2027	31,036
Recreation room - restrooms	2028	5,575
Chain link fence	2029	7,136
Doors	2029	11,989
Enterphone	2029	2,877
Exhaust fans - rooftop	2029	8,563
On site office	2029	2,854
Flooring - paver tile	2030	2,923
Heat pumps	2030	189,995
Pump - main booster	2030	21,923
Pumps - back up booster	2030	21,923
Security camera system	2030	4,385
Parking structure gates	2031	29,932
Resident manager unit - appliances	2031	4,490
Parking deck coating - upper	2032	73,560
Walkway deck coating	2032	58,235
Painting - exterior	2033	627,710
Pool furniture	2033	3,139
Roof - coating	2033	23,853
<u>Total</u>		<u>\$2,215,098</u>

ASSOCIATION OF APARTMENT OWNERS (AOAO)

THE TWENTY ONE HUNDRED

ASSESSMENT PAYMENT RESOLUTION

WHEREAS the Board of Directors of the Association is charged with the responsibility of collecting assessments for Common Expenses from Association Members pursuant to the Governing Documents of the Association, and

WHEREAS from time to time Association Members become delinquent in their payments of these assessments and fail to respond to the demands from the Board to bring their accounts current; and

WHEREAS the Board deems it to be in the best interests of the Association to adopt a uniform and systematic procedure for dealing with delinquent accounts in a timely manner, and further believes it to be in the best interests of the Association to refer these accounts promptly to an attorney for collection so as to minimize the Association's loss of assessment revenue; and

WHEREAS the Board has retained an Association Collection Attorney for his/her experience in representing community associations in collection matters; and

WHEREAS the Board has directed the Association's Collection Attorney to represent the Association on the terms outlined in this resolution, unless specifically advised otherwise;

NOW, THEREFORE,

BE IT RESOLVED that the Association's Collection Attorney shall pursue all collection matters which the Board, acting through the Managing Agent, may from time to time refer to them and to provide any collection advice and counsel which the Board may from time to time require; and

BE IT FURTHER RESOLVED there is hereby levied against any account which is not paid in full as of the 1st (**FIRST**) day of each month, a Late Fee in the amount of **\$10.00 (TEN NO/100 DOLLARS) 15 (FIFTEEN)** days after the due date until paid, which the Managing Agent is authorized and directed to charge to and collect from any delinquent Association Member; and

BE IT FURTHER RESOLVED that the Managing Agent is directed to send any Association Member who is delinquent in the payment of Regular or Special Assessments of an amount less than \$100.00, a Statement each month until the amount owing is paid in full; and that if an account is delinquent in the amount of \$100.00 or more, the Managing Agent will mail that Owner a Reminder Notice (hereafter referred to as the "First Notice"); and that if the account is not paid in full within thirty (30) days after the First Notice, and the amount owed is still \$100.00 or more, the Managing Agent will send a second reminder notice (hereafter referred to as the "Final Notice"); and that if the account is not paid in full within thirty (30) days after the Final Notice and the amount owing still exceeds \$100.00, the matter will be turned over to the Association's Collection Attorney for collection and the Association Member will be liable for payment of all charges imposed by the Association's Collection Attorney to cover fees and costs which are charged to the Association; and

BE IT FURTHER RESOLVED that the Managing Agent is directed to consult with the Association's Collection Attorney and turn over for collection immediately any account where the Owner(s) files or is subject of a petition for relief in bankruptcy or a lender has commenced any action for foreclosure or a lien against the Unit; and

BE IT FURTHER RESOLVED that when the Association's Collection Attorney is directed to send to any Association Member who is delinquent in the payment of assessments, a written notice (hereafter referred to as the "Demand Letter") that, if the account is not paid in full within thirty (30) days, a Notice of Lien will be recorded; and

BE IT FURTHER RESOLVED that the Managing Agent is directed to execute a Notice of Lien against the delinquent Unit as described in the Association's Collection Attorney's Demand Letter to the Association Member; and

BE IT FURTHER RESOLVED that the following policies shall apply to all delinquent accounts turned over to the Association's Collection Attorney for collection:

1. All contacts with a delinquent Association Member shall be handled through the Association's Collection Attorney. Neither the Managing Agent nor any Association Officer or Director shall discuss the collection of the account directly with the Association Member after it has been turned over to the Association's Collection Attorney unless the Association's Collection Attorney is present or has consented to said contact.
2. All sums collected on a delinquent account shall be remitted to the Association in the care of the Association's Collection Attorney until the account has been brought current.
3. When any account is turned over to the Association's Collection Attorney for collection, the account shall be so marked by the Managing Agent and no quotations on the account shall be released to any party, including the Owner and/or an Escrow Agent, except with the consent of the Association's Collection attorney. All Legal Fees and costs incurred in the collection of a delinquent account shall be assessed against the delinquent Unit and Owner and shall be collectable as provided for in the Association's By-Laws.
4. The Association's Collection Attorney shall give notice to the delinquent Association Member that, if the delinquent account is not brought current within the time stated, or a satisfactory agreement has not been reached to accomplish this, foreclosure proceedings may be commenced.
5. To the extent that the Association's Collection Attorney, in his/her discretion, consider it to be appropriate in the circumstances, they are authorized to enter into an installment payment plan; provided however, that any payment plan which provides for a down payment of less than the greater of one-third (1/3) of the delinquent balance or twice the current monthly assessment amount, or a duration in excess of six (6) months shall require the approval of the Board. Monthly Late Fees will continue to accrue on the account until payment is made in full, including all associated Legal Fees and costs.

6. Where, at the expiration of the period specified in the Association's Collection Attorney's Demand Letter, an account remains delinquent and without a payment plan embodied in a signed agreement or in the event of a default under the terms of that signed agreement, the Association's Collection Attorney is authorized to take such further action as he/she believes to be in the best interest of the Association, including but not limited to:
 - a. Filing suit against the delinquent Owner for money due; or
 - b. Instituting an action for foreclosure of the Association's lien; or
 - c. Filing a proof of claim in bankruptcy.

BE IT FURTHER RESOLVED that outstanding and unpaid fees will be, henceforth, handled in the following manner:

At any time there are unpaid Legal Fees, Late Fees, Fines, Bad Check Charges, Agreement of Sale Payments, or Special Assessment Fees on an Association Member's account ledger, the next Association/Maintenance Fee payment received from that Association Member will be first applied to liquidating these fees in the order as stated above. After these fees are paid, the remaining amount, if any, will be credited to the Association's Association/Maintenance Fee assessment account. This procedure is sometimes referred to as "Priority of Payments".

EFFECT OF APPLICATION OF PAYMENTS. Owners should be aware that as a result of the Priority of Payments outlined above:

1. Failure to pay Late Fees, Legal Fees, House Rule Violation Fines, and interest *in full* may result in the deduction of those Late Fees, Legal Fees, House Rule Violation Fines, and interest from an Owner's future Common Expense (Maintenance Fee) payments for as long as a delinquency continues to exist. Those deductions will continue for as long as the Owner fails to pay all such fees and fines in full.
2. Late Fees may be imposed against any future Common Expense (Maintenance Fee) payment that is less than the full amount owed because of the deduction of unpaid Late Fees, Legal Fees, House Rule Violation Fines, and interest from the payment.

BE IT FURTHER RESOLVED that a copy of this resolution shall be sent to all Owners at their last known addresses.

This resolution was adopted by the Board of Directors on April 30, 2008 and shall be effective on May 31, 2008.



Pat Hisamoto

Secretary, AOA THE TWENTY ONE HUNDRED