

**HAWAII STATE ETHICS COMMISSION
DISCLOSURE OF FINANCIAL INTERESTS (LONG FORM)**

NAME (Last, First, Middle): Horner Donald G STATE POSITION HELD: Chairman DEPT/DIVISION or BOARD/COMMISSION: Board of Education TERM OF OFFICE (Begin/End): 02/15/2011 06/30/2014	Date Received: '14 JAN 29 P4 50 STATE OF HAWAII STATE ETHICS COMMISSION
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FOR EACH ITEM, EXCEPT ITEM 9, DISCLOSE INTERESTS OF FILER, SPOUSE, AND DEPENDENT CHILDREN.
 USE ABBREVIATIONS: "F" for filer, "SP" for spouse, "DC" for dependent children, and "JT" for joint interests of the spouse and filer.

ITEM 1: INCOME FOR SERVICES RENDERED FOR PRECEDING CALENDAR YEAR

List the source and amount of all income of \$1,000 or more received during the preceding calendar year for services rendered (INCLUDING INCOME EARNED FROM YOUR STATE POSITION), and the nature of the services rendered.

F,SP,DC,JT	NAME AND ADDRESS OF SOURCE OF INCOME	AMOUNT	SERVICES RENDERED
F	First Hawaiian Bank	K	Financial

Check here if entry is None
 Check here if additional sheets are attached

ITEM 2: OWNERSHIP OR BENEFICIAL INTERESTS IN BUSINESSES

List the amount and identity of every ownership or beneficial interest held during the disclosure period in any business in or outside of the State if the interest has a value of \$5,000 or more or is equal to 10% or more of the ownership of the business. YOU ARE REQUIRED TO LIST ALL STOCKS, MUTUAL FUNDS OR OTHER NON-RETIREMENT INVESTMENT INTERESTS VALUED AT \$5,000 OR MORE. Please see instructions available at <http://hawaii.gov/ethics/forms/findisc/D-201-LONGINST.pdf>.

F,SP,DC,JT	BUSINESS NAME AND ADDRESS	NATURE OF BUSINESS	NATURE OF INTEREST	VALUE OR NO. OF SHARES
F	Bank of America c/o Charles Schwab 211 Main Street San Francisco, CA 94105	Financial Services	Stock	E [<i>A</i>] JAN 27 2014
F	BNP Paribas c/o BNP Paribas Securities Services 9 rue du Debarcadere 93761 Pantin Cedex France	Financial Services	Stock/Options	I [<i>A</i>] JAN 27 2014

Check here if entry is None
 Check here if additional sheets are attached

JAN 27 2014

ITEM 3: TRANSFER OF OWNERSHIP OR BENEFICIAL INTERESTS IN BUSINESSES

List any ownership or beneficial interests in businesses transferred during the disclosure period and the date of transfer.

F,SP,DC,JT	OWNERSHIP OR BENEFICIAL INTEREST TRANSFERRED DURING THIS DISCLOSURE PERIOD	DATE OF TRANSFER

Check here if entry is None Check here if additional sheets are attached

ITEM 4: CREDITORS

List the name of each creditor to whom the value of \$3,000 or more was owed during the disclosure period and the original amount and amount outstanding. Exclude debts from retail installment transactions for the purchase of consumer goods.

F,SP,DC,JT	NAME OF CREDITOR	ORIGINAL AMOUNT OWED	AMOUNT OUTSTANDING
F	First Hawaiian Bank	H	A

Check here if entry is None Check here if additional sheets are attached

ITEM 5: OFFICERSHIPS, DIRECTORSHIPS, TRUSTEESHIPS

List every officership, directorship, trusteeship, or other fiduciary relationship held during the disclosure period in any business or organization, the term of office, and the annual compensation.

F,SP,DC,JT	NAME AND ADDRESS OF BUSINESS	TITLE HELD	TERM OF OFFICE	ANNUAL COMPENSATION
F	Hawaii Visitors & Convention Bureau 2270 Kalakaua Avenue, Suite 801 Honolulu, HI 96815	Chairman	1/1/10-12/31/12	-0-
F	Honolulu Festival Foundation P. O. Box 8494 Honolulu, HI 96830	Board Member	6/2009 - 11/2011	-0-
F	Iolani School 563 Kamoku Street Honolulu, HI 96826	Board Member	9/2004 - 6/2018	-0-

Check here if entry is None Check here if additional sheets are attached

ITEM 5: OFFICERSHIPS, DIRECTORSHIPS, TRUSTEESHIPS
Don Horner

F, SP, DC, JT	Business Name and Address	Title Held	Term of Office	Annual Compensation
F	BancWest Corporation, First Hawaiian Bank, and Subsidiaries 999 Bishop Street Honolulu, HI 96813	Director	While employed	-0-
F	Honolulu Authority for Rapid Transportation 1099 Alakea Street, Suite 1700 Honolulu, HI 96813	Member	Since July 2011	-0-
F	The Financial Services Roundtable 1001 Pennsylvania Avenue NW Suite 500 South Washington, DC 20004	Member	Since 2003	-0-
F	The Salvation Army's Kroc Community Center Task Force P. O. Box 700909 Kapolei, HI 96709-0909	Chairman	Since 2006	-0-
F	Hawaii Business Roundtable 1003 Bishop Street, Suite 2630 Honolulu, HI 96813	Member	Since 5/2002 Resigned 10/2011	-0-
F	Hawaii Bankers Association 1000 Bishop Street, Suite 301B Honolulu, HI 96813-4203	Member	Since 1/2003	-0-
F	The Foundation for the Asia-Pacific Center for Security Studies ASB Tower, Suite 2200 1001 Bishop Street Honolulu, HI 96813	Director	Since 1/2005	-0-
F	The Filipino Community Center 94-428 Mokuola Street Waipahu, HI 96797	Director	Since 1/2008	-0-

ITEM 6: INTERESTS IN REAL PROPERTY HELD, EXCLUDING PERSONAL RESIDENCE(S)

List interests in real property in or outside of the State held during the disclosure period, if the interest has a value of \$10,000 or more. Real property that is your personal residence or the personal residence of your spouse or dependent children need not be listed.

F,SP,DC,JT	STREET ADDRESS	TAX MAP KEY NUMBER (IF TAX MAP KEY NUMBER EXISTS)	VALUE
F	58-195 and 58-195A Napoona Place Haleiwa, HI 96712	(1) 5-8-006:045	K

Check here if entry is None Check here if additional sheets are attached

ITEM 7: INTERESTS IN REAL PROPERTY ACQUIRED, EXCLUDING PERSONAL RESIDENCE(S)

List interests in real property in or outside of the State acquired during the disclosure period, if the interest has a value of \$10,000 or more. Real property that is your personal residence or the personal residence of your spouse or dependent children need not be listed.

F,SP,DC,JT	STREET ADDRESS AND TAX MAP KEY NUMBER (IF TAX MAP KEY NUMBER EXISTS)	AMOUNT & NATURE OF CONSIDERATION PAID	NAME OF PERSON RECEIVING THE CONSIDERATION
F	208 Kapahulu Avenue/2583 Kuhio Avenue Honolulu, HI 96815 (1) 2-6-027 C2	K Cash	As-Szki Corporation

Check here if entry is None Check here if additional sheets are attached

ITEM 8: INTERESTS IN REAL PROPERTY TRANSFERRED, EXCLUDING PERSONAL RESIDENCE(S)

List interests in real property in or outside of the State transferred during the disclosure period, if the interest has a value of \$10,000 or more. Real property that was your personal residence or the personal residence of your spouse or dependent children need not be listed.

F,SP,DC,JT	STREET ADDRESS AND TAX MAP KEY NUMBER (IF TAX MAP KEY NUMBER EXISTS)	AMOUNT & NATURE OF CONSIDERATION RECEIVED	NAME OF PERSON FURNISHING THE CONSIDERATION

Check here if entry is None Check here if additional sheets are attached

ITEM 9: CLIENTS PERSONALLY REPRESENTED BEFORE STATE AGENCIES

List the names of clients personally represented by you before state agencies, except in ministerial matters, for a fee or compensation during the disclosure period, excluding clients represented before courts.

NAME OF CLIENT	NAME OF STATE AGENCY

Check here if entry is None
 Check here if additional sheets are attached

ITEM 10: CREDITOR INTERESTS IN INSOLVENT BUSINESSES

List the amount and identity of every creditor interest in insolvent businesses, held during the disclosure period, if the interest has a value of \$5,000 or more.

F, SP, DC, JT	NAME AND ADDRESS OF BUSINESS	NATURE OF BUSINESS	NATURE OF INTEREST	VALUE

Check here if entry is None
 Check here if additional sheets are attached

CERTIFICATION: I hereby certify that the above is a true, correct, and complete statement to the best of my knowledge and belief. If I have a spouse and/or dependent children, I also hereby certify that I have included their interests on this form to the best of my knowledge and belief. I understand that it is a violation of State law, chapter 84, HRS, if information is not disclosed as required by chapter 84, HRS. I further understand that there are statutory penalties for noncompliance.


MAY 21 2012

SIGNATURE JAN 27 2014 DATE

LAND APPRAISAL REPORT

(Main File No. 20027001.011)

File No. 20027001.011

Borrower/Client: AS-SZKI Corporation Census Tract: 10.01 Map Reference: 2-0-027-046,052

Property Address: 208 Kapahulu Avenue & 2583 Kuhio Avenue City: Honolulu County: Honolulu State: HI Zip Code: 96816

Legal Description: See attached legal description of parcels 001 and 048, Parcel 052

Sale Price \$ Not Applicable Date of Sale N/A Loan Term N/A Property Rights Appraised Fee Leasehold De Minimis PUD

Actual Real Estate Taxes \$ 38,105.42* (yr) Loan charges to be paid by seller \$ N/A Other sales concessions Not Applicable

Lender/Client: AS-SZKI Corporation Address: 1-1-5 Kyobashi Chuo-ku Tokyo Japan 104-0031

Occupant: Vacant Appraiser: Sean K. Murakami Instructions to Appraiser: Estimate Market Value * Includes 2010 taxes for 2-6-001,048. City and County of Honolulu Public Access web site did not disclose 2010 taxes for 2-6-027-62.

Location	<input checked="" type="checkbox"/> Urban	<input type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Good	Avg.	Fair	Poor
Built Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25% to 75%	<input type="checkbox"/> Under 25%	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Growth Rate	<input checked="" type="checkbox"/> Furry Dev.	<input type="checkbox"/> Rapid	<input type="checkbox"/> Steady	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Oversupply	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marketing Time	<input type="checkbox"/> Under 3 Mos.	<input checked="" type="checkbox"/> 4-6 Mos.	<input type="checkbox"/> Over 6 Mos.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Present Land Use	% 1 Family 10% 2-4 Family 25% Apts. 15% Condo 50% Commercial			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Change in Present Land Use	<input type="checkbox"/> Not Likely <input type="checkbox"/> Likely (*) <input checked="" type="checkbox"/> Taking Place (*)			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Predominant Occupancy	(*) From Apts & 2-4 Family To Condo & Hotel			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Single Family Price Range	\$ N/A to \$ N/A Predominant Value \$ N/A			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Single Family Age	N/A yrs. to N/A yrs. Predominant Age N/A yrs.			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments including those factors, favorable or unfavorable, affecting marketability (e.g. public parks, schools, view, noise): Subj. located in the market area of Waikiki, approx. 5 miles east of downtown Honolulu. Subject is situated within relatively close proximity to living amenities and recreational facilities within Waikiki and Kapahulu. Minimal views within the immediate area due to relatively level topography. Noise level is greater than typical due to the subject being located on the corner of two major streets in Waikiki and parking congestion apparent due to limited parking within Waikiki.

Dimensions: See attached Tax Map 13,471 Sq. Ft. or Acres Corner Lot

Zoning classification: Resort Mixed Use Prodnct Present Improvements: do do not conform to zoning regulations

Highest and best use: Present use Other (specify) Mx use multi-family development

Publ/c Other (Describe) OFF SITE IMPROVEMENTS Topo: Relatively Level

Elec. Street Access Public Private Size: Slightly Larger than Typical

Gas Surface: Asphalt Shape: Near Rectangular

Water Maintenance Public Private View: Minimal

San. Sewer Storm Sewer Curb/Gutter Drainage: Appears adequate

Underground Elect. & Tel. Sidewalk Street Lights Is the property located in a HUD identified Special Flood Hazard Area? No Yes

Comments (favorable or unfavorable including any apparent adverse easements, encroachments, or other adverse conditions): Flood Zone "X", Map 5003C0370F, Date 8/30/2004. Survey not provided for review. No apparent adverse easements, encroachments or other adverse conditions were noted. Also see attached Statement of Limiting Conditions & Appraiser's Certification.

The undersigned has recited three recent sales of properties most similar and proximate to subject and has considered these in the market analysis. The description includes a dollar adjustment reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to or more favorable than the subject property, a minus (-) adjustment is made thus reducing the indicated value of subject, if a significant item in the comparable is inferior to or less favorable than the subject property, a plus (+) adjustment is made thus increasing the indicated value of the subject.

ITEM	SUBJECT PROPERTY	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address	208 Kapahulu Avenue & 2583 Kl. Honolulu	2126 Leaula St	2555 Cartwright Rd	
Proximity to Subject		0.92 miles NW	0.10 miles NW	
Sales Price	\$ Not Applicable	\$	\$	\$
Price	\$	\$	\$	\$
Date Source				
Date of Sale and Time Adjustment	DESCRIPTION	DESCRIPTION	+(-)\$ Adjust	DESCRIPTION
Location				
Site/View		SEE	ATTACHED	ADDENDUMS
Sales or Financing Concessions	Not Applicable			
Net Adj. (Total)		+ - \$	+ - \$	+ - \$
Indicated Value of Subject		\$	\$	\$

Comments on Market Data: See attached "Addendum"

Comments and Conditions of Appraisal: See attached "Contingent and Limiting Conditions"

Final Reconciliation: See attached "Addendum"

ESTIMATE THE MARKET VALUE, AS DEFINED, OF SUBJECT PROPERTY AS OF April 14, 2011 to be \$ 3,637,000

Sean K. Murakami Wayne Y. Sadoyama, CGA-098, Ext12/31/11 Did Did Not Physically Inspect Property

Appraiser(s) Review Appraiser (if applicable)



**COMMERCIAL REAL PROPERTY PURCHASE AND SALE
AGREEMENT (PSA)**
Hawaii Association of REALTORS® Standard Form
Revised 7/10 (NC) For Release 11/11



COPYRIGHT AND TRADEMARK NOTICE: This copyrighted Hawaii Association of REALTORS® Standard Form is licensed for use by the entire real estate industry on condition that there shall be no alteration of the printed portions, pagination, or paragraph numbers or breaks. The use of this form is not intended to identify the real estate licensee as a REALTOR. REALTOR® is a registered collective membership mark which may be used only by real estate licensees who are members of the National Association of REALTORS® and who subscribe to its Code of Ethics.

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Reviewed By: _____
Principal Broker/Broker-in-Charge
Reference Date: January 19, 2012 ³⁰ ~~19~~ Purchase Price: \$1,750,000.00 ~~\$1,750,000.00~~ (See Paragraph C-1)

Closing Date: The Scheduled Closing Date shall be as set forth in Paragraph C-4.

Property Reference or Address: 208 Kapahulu Ave/2583 Kuhio Ave
Waikiki, Honolulu, HI 96815 (See Paragraph C-2)

Tax Map Key: Div. 1 /Zone 2 /Sec. 6 /Plat 27 /Parcel(s) c-2 /CPR _____ (if applicable).

IDENTIFICATION OF PARTIES:

IDENTIFICATION OF BROKERAGE FIRMS:

Buyer: <u>Malu Investment I, LLC</u>	Brokerage Firm: <u>ILC International, Inc.</u>
<u>Donald Horner, Member</u>	Agent Name: <u>Pat Nakamura</u>
Street <u>1620 Ala Moana Blvd., suite 510</u>	Street <u>765 Amana St. Suite 400</u>
Address: <u>Honolulu, HI 96815</u>	Address: <u>Honolulu, HI 96814</u>
Phone: <u>808 237 4111</u>	Phone: <u>808 951 4177</u>
Fax: _____	Fax: _____
E-mail: <u>foley@yhpro.com</u>	E-mail: <u>pat@ilc-inter.com</u>

Seller: <u>As-Szki Corporation</u>	Brokerage Firm: _____
_____	Agent Name: _____
Street <u>Cental Bldg., 1-5 Kyobashi, 1Chrome</u>	Street _____
Address: <u>Chuo-Ku, Tokyo, 104-0031</u>	Address: _____
Phone No.: _____	Phone: _____
Fax: _____	Fax: _____
E-mail: _____	E-mail: _____

CONTRACT: This is more than a receipt for money. It is a legally binding contract for the purchase of real estate. Read it carefully. Handwritten or typed provisions herein shall supersede any printed provisions if there is a conflict. FILL IN ALL BLANKS. WRITE "NA" IF NOT APPLICABLE. ITEMS WITH CHECK-OFF BOXES ARE OPTIONAL. ALL OTHERS ARE STANDARD PROVISIONS.

DA 1/20/12
BUYER'S INITIALS & DATE

1/1 1/30/12
SELLER'S INITIALS & DATE

©Hawaii Association of REALTORS®
Commercial Real Property Purchase and Sale
Agreement
Produced in conjunction with the Hawaii CCIM Chapter
RR601 Rev. 7/10



Prudential Iwado Realty, Inc. 296A Alamaha Street Kahului, HI 96732
Phone: 808.270.9134 Fax: 808.877.5078 Vanessa Schwabenland

Donald Horner

A: AGENCY DISCLOSURE

A-1 AGENCY, Buyer and/or Seller in a real estate transaction in Hawaii may retain a real estate Brokerage Firm as their agent. In such case, Buyer and/or Seller is represented by the Brokerage Firm and all of its licensees. Hawaii law requires real estate licensees to disclose orally or in writing to Seller and/or Buyer whom the licensee represents. The form of representation may be one of the following:

- (a) Seller's Agent. Brokerage Firm represents Seller only unless a disclosed dual agency exists. Seller's Agent owes the highest duties to Seller, including confidentiality, loyalty, and due care and diligence.
- (b) Buyer's Agent. Brokerage Firm represents Buyer only unless a disclosed dual agency exists. Buyer's Agent owes the highest duties to Buyer, including confidentiality, loyalty, and due care and diligence.
- (c) Dual Agent. Brokerage Firm represents both Buyer and Seller. This commonly occurs when licensees in the Brokerage Firm representing Seller have Buyer clients looking for types of property similar to Seller's property. In such event, the Brokerage Firm and all of its licensees represent both Buyer and Seller and are dual agents. Dual agents must remain neutral in negotiations and must not advance the interest of one party over the other. A separate Dual Agency Consent Addendum is required under Hawaii law.
- (d) No Agency Representation (see A-2(d) below)

A-2 DISCLOSURE.

- (a) Seller Representation: Seller is represented by the Brokerage Firm _____ and all its licensees. Brokerage Firm is is not a member of the National Association of REALTORS®.
- (b) Buyer Representation: Buyer is represented by the Brokerage Firm ILC International, Inc. and all its licensees. Brokerage Firm is is not a member of the National Association of REALTORS®.
- (c) Dual Agency Representation: Seller and Buyer are represented by the Brokerage Firm _____ Brokerage Firm is is not a member of the National Association of REALTORS®. A separate Dual Agency Consent Addendum is required.
- (d) No Agency Representation:
 - Seller is a Customer and is not represented by a Brokerage Firm.
 - Buyer is a Customer and is not represented by a Brokerage Firm.

It is recommended that Customers seek legal counsel prior to signing a PSA.

If requested, a licensee may present a Customer's PSA to Seller and report Seller's response. A licensee cannot, however, negotiate for or otherwise advise a Customer in the transaction.

Buyer and Seller acknowledge that oral or written disclosure relative to agency representation was provided to them before the signing of this PSA.

DA 1/20/12 (Buyer's Initials)

MI 1/30/12 (Seller's Initials)

SECTION B: EARNEST MONEY DEPOSIT

B-1 Earnest Money. Buyer shall deposit with Escrow (identified in Paragraph C-8), the sums set forth below (the "Earnest Money") in good funds on or before the deadlines required by this Section B-1. Buyer shall pay (from sources other than the Earnest Money or any interest accruing thereon) any and all escrow or other fees charged by Escrow pursuant to Paragraph C-8. All interest accruing on such sum shall become a part of the Earnest Money and shall be distributed as Earnest Money in accordance with the terms of this PSA.

- (a) An initial Earnest Money deposit in the amount of \$ 25,000.00 shall be paid within five business days of the Acceptance Date (defined in Paragraph C-44).
- (b) An additional Earnest Money deposit in the amount of \$ _____ shall be paid within _____ business days after the end of the Inspection Period (see Paragraph C-15).

B-2 Interest on Earnest Money. (Choose (a) OR (b))

- (a) Buyer to Earn Interest. The parties instruct Escrow to place Buyer's deposit(s) into an interest-bearing account with all interest to be credited to Buyer at closing. Buyer shall pay any processing fee required by Escrow and all costs of initiating, maintaining and closing the account. Fees/costs may exceed the interest earned.
- (b) Buyer not to Earn Interest. Buyer hereby waives the right to place Buyer's deposits in an interest-bearing account. Buyer understands any interest earned on such deposits shall belong to Escrow.

DA 1/20/12
BUYER'S INITIALS & DATE

MI 1/30/12
SELLER'S INITIALS & DATE