

March 3, 2005

HAND DELIVERY

Mr. Anthony J. H. Ching, Executive Officer
State Land Use Commission
State Office Tower
235 South Beretania, 4th Floor
Honolulu, HI 96813

Re: *2004 Annual Report for LUC Docket
No. A88-627/Gentry Development Company*

Dear Mr. Ching:

Enclosed are an original and two copies of Ewa By Gentry 's 2004 Annual Report for the area reclassified under Docket No. A88-627.

If you have any questions or need any further information, please call me at 599-8370.

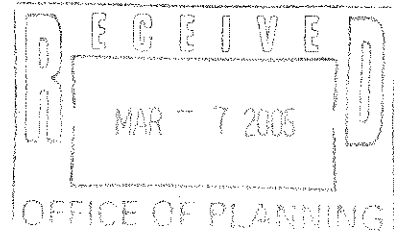
Sincerely,

GENTRY HOMES, LTD.

Debra M. A. Luning
Director of Governmental Affairs
and Community Relations

c: State Office of Planning
Department of Planning and Permitting, City and County of Honolulu (8 copies)
The Estate of James Campbell

Jc



EWA BY GENTRY
Docket No. A88-627

SLUC ANNUAL REPORT
March 2005

Submitted by

GENTRY INVESTMENT PROPERTIES

(Formerly known as Gentry Development Company)

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BACKGROUND/PROJECT STATUS

Ewa by Gentry is a 1,300-acre master planned residential community that will consist of approximately 9,100 homes at build-out. It consists of lands that were reclassified by the State Land Use Commission from the Agricultural District to the Urban District under three separate dockets: Docket No. 074-22 ("Hirano Brothers"); Docket No. A88-627 ("Ewa by Gentry"); and Docket No. A03-738 ("Ewa Makai"). Although the lands were reclassified under three separate dockets, the project areas are being master planned and developed as one community called "Ewa by Gentry." While this report focuses on the status of conditions set forth in Docket No. A88-627, the term "Ewa by Gentry" as used in this report generally refers to the entire master planned community of Ewa by Gentry (including the Hirano Brothers and Ewa Makai project areas).

As of December 31, 2004, 6,042 homes and finished houselots in Ewa by Gentry had been completed and recorded. Ewa by Gentry, which was initially planned to accommodate primarily "entry level" homebuyers, now offers a full range of housing types, including spacious luxury homes geared toward the move-up buyer.

During the year 2004, 257 homes were sold and closed in Ewa by Gentry in the following communities: *Single Family Detached*: Prescott II (71), and WoodBridge I (11); WoodBridge (33) and *Single Family Condominiums*: Hu'elani (40), Tiburon (41), and Las Brisas (61). Average prices ranged from \$265,000 in Las Brisas to \$587,000 in WoodBridge II.

It is anticipated that approximately 300 homes will close in 2005.

The projected build-out under our 2005 Land Use Plan (**APPENDIX 1**) extends through the year 2012. The schedule is, however, dependent upon market conditions. Ultimately, Ewa by Gentry will include a broad range of housing types, including homes for sale and for rent. It will also include a championship daily fee golf course that is available for community and public play, five parks (public and private), an expanded Ewa Mahiko District Park in the neighboring Ewa Villages, private recreation centers, Holomua Elementary School (which opened in August 1996), an 18-acre DOE middle school, a seven-acre neighborhood commercial center (which opened in the summer of 1999); 42 acres of light industrial and commercial uses, a child care center, and lots of open space.

LAND USE CONDITIONS COMPLIANCE

The following summarizes the Petitioner's progress since May 2003 in complying with conditions imposed by the Land Use Commission under the subject docket (conditions are italicized, with descriptions immediately following):

Condition 1: *Petitioner shall implement sound attenuation measures on all residential units on the Property that are subject to noise levels from 60 Ldn to 65 Ldn as determined by the State of Hawaii, Department of Transportation, Honolulu International Airport Draft 1987 Noise Contour Map introduced as OSP's Exhibit Number 2, herein referenced the HIA 1987 Ldn Map.*

Petitioner shall not construct residential units on any portion of the Property subject to noise levels 65 Ldn or greater as indicated on the HIA 1987 Ldn Map.

Progress Report: Petitioner has not yet begun construction of residential units on the portion of the Property that is subject to noise levels of 60 Ldn, as is defined by the HIA 1987 Ldn Map. (A copy of the HIA 1987 Ldn Map was included as Appendix 2 in the 1996 Annual Report.)

Petitioner presently plans to construct residences in the affected area sometime after 2006. When residential units are constructed within that area, sound attenuation measures will be implemented on all such units.

No portion of the Property is subject to noise levels of 65 Ldn or greater under the HIA 1987 Ldn Map.

Condition 2: *Petitioner shall grant to the State of Hawaii an avigation easement in the form prescribed by the State Department of Transportation on any portion of the Property subject to noise levels 60 Ldn or greater as determined by the HIA 1987 Ldn Map.*

Progress Report: On April 3, 1996, a Grant of Avigation and Noise Easements instrument dated February 23, 1996, was recorded as Land Court Document No. 2299688. (A copy of the grant was included as part of the 1996 Annual Report as Appendix 3.)

Condition 3: *Petitioner shall be responsible for implementing sound attenuation measures to reduce noise levels from vehicular traffic in the Property and along Ft. Weaver Road to acceptable levels. Petitioner shall coordinate its actions with the State Department of Health, DOT, and agencies of the City.*

Progress Report: Petitioner has implemented appropriate sound attenuation measures to reduce noise levels from vehicular traffic affecting property along Ft. Weaver Road within the area reclassified by the Commission under the subject docket, more specifically in the Sun Terra, SummerHill, Lofts, Alii Cove, Carriages, WoodBridge, Sonoma, and Prescott communities along Ft. Weaver Road. These measures include setback of residences from the road travel lanes, a 6' plaster fence, wall insulation, substantial landscaping, and more recently, air conditioning. Similar sound attenuation measures will also be incorporated for homes built in the remainder of Gentry's projects along Ft. Weaver Road as those projects are constructed.

Condition 4: *Petitioner shall contribute to affordable housing opportunities for low, low-moderate, and moderate-income residents in the State of Hawaii to the satisfaction of the City and County of Honolulu. The location and distribution of the affordable housing or other provisions for affordable housing shall be under such terms as may be mutually agreeable between petitioner and the City and County of Honolulu. (Note: On July 13, 1998, the State Land Use Commission approved the deletion of the former Condition No. 4 and the replacement with this new Condition No. 4.)*

Progress Report: In 1992, the Petitioner began developing lands within the area reclassified under the subject docket, after acquisition of the area from the Campbell Estate under our Development Agreement.

The following projects have been built or are being built on the reclassified area (as of 12/31/04):

Area	Type	Project or Increment	Status	Total Units
12	SF	Sun Terra	Completed	451
13	SF Condo	Hu'elani	Completed	101
18	SF	Summer Hill/ Trovare (Carr Dev.)	Completed	305
24	MF	Suncrest	Completed	64
19A	SF	Sonoma	Ongoing	130
19B	SF	Prescott I	Completed	153
20 (por)	SF	Prescott II/WoodBridge II	Ongoing	203
21 (por)	SF Condo	CorteBella	Completed	130
21 (por)	SF Condo	Terrazza	Completed	167
21 (por)	SF Condo	Las Brisas	Completed	181
21 (por)	SF Condo	Tiburon	Completed	134
23/24 (por)	SF Condo	Lombard Way	Completed	143
23/24 (por)	SF Condo	Avalon	Completed	46
24 (por)	MF	The Shores at Suncrest	Completed	36
26 (por)	SF Condo	The Lofts	Completed	45
26 (por)	SF Condo	Alii Cove	Completed	157
26 (por)	SF Condo	Alii Court	Completed	114
27A	SF	Fiesta Seabreeze	Completed	86
27A & B	SF	Meridian	Completed	57
27B	SF	The Breakers	Completed	79
28A&D	SF	The Carriages	Completed	70
28B&C	SF	WoodBridge I	Completed	89
			Total	2941

Numbers are tentative and are subject to change.

The affordable units within the project area have been developed and sold in compliance with the terms and conditions of a comprehensive affordable housing agreement executed between the Petitioner and the City and County of Honolulu. The current agreement, dated June 18, 1997, sets forth terms and conditions for carrying out the Petitioner's affordable housing program in the Ewa by Gentry project and supersedes a previous agreement dated January 31, 1994. A copy of the Affordable Housing Agreement dated June 18, 1997, was sent as a supplement to the 1997 Annual Report.

The Petitioner continues to be in compliance with Ordinance 01-33 which extends the repeal date of Ordinance 99-51 until August 5, 2005. A copy of Ordinance 99-51, which temporarily amends the affordable housing conditions in existing unilateral agreements, was included as Appendix 2 to the 2001 Annual Report. A copy of Ordinance 01-33, as well as a letter dated December 16, 2002, from the City Department of Planning and Permitting confirming our compliance with the City's affordable housing program, were included as Appendix 2 to the 2002 Annual Report.

Condition 5: *Petitioner shall coordinate, with the Board of Water Supply, the Department of Land and Natural Resources, the Ewa Plain Water Development Corporation, adjoining landowners and developers, and/or other federal, state or county agencies, measures designed to develop water for the Property. Petitioner through its affiliates and together with the other members of the Ewa Plain Water Development Corporation shall develop, at the expense of the Ewa Plain Water Development Corporation, the necessary water source, storage and transmission facilities to provide an adequate supply of potable water to the Property prior to the development of the Property.*

Progress Report: Necessary on-site water facilities have been provided in consultation with the Board of Water Supply (BWS) and are being built in accordance with an approved Water Master Plan. Gentry is a member of the Ewa Plain Water Development Corporation (EPWDC), a non-profit corporation responsible for planning, financing, and implementing the construction of regional source development, storage reservoirs, and distribution systems. Major portions of EPWDC's water program (including dedicated source and well facilities, storage and transmission for a water system of 6.72 million gallons per day) have already been implemented and were dedicated to BWS in 1991.

Condition 6: *Petitioner shall participate in the funding and construction of transportation improvements at access points to the Property as identified by the State Department of Transportation.*

Petitioner shall also participate with all adjoining landowners and developers on a fair share basis in the funding and construction of other on-site and off-site transportation improvements necessitated by development of the Property and in designs and schedules accepted by and coordinated with the State Department of Transportation, provided that the extent of Petitioner's participation shall not exceed Petitioner's share of the increased community traffic impacts in the Ewa and Central Oahu region, and provided further that, in the event that the City adopts an impact fee for transportation improvements, the foregoing requirements shall not include or double-count the cost of any specific traffic improvements which may also be included in the City's impact fee computation.

Such improvements may include, but not be limited to, Geiger Road, Iroquois Point Road and Ft. Weaver Road, improvements to the Kunia Interchange, construction of the proposed north-south road and its accesses to the H-1 freeway and Farrington Highway, and construction of the proposed east-west road to Kapolei Town Center.

Condition 7: *Petitioner shall monitor the traffic attributable to the development proposed on the Property at on-site and off-site locations and shall undertake subsequent mitigative measures that may be reasonably required. These activities shall be coordinated with and approved by DOT.*

Condition 8: *Petitioner shall coordinate its transportation improvements with other landowners and developers in the Ewa region to ensure that all reasonably necessary improvements are operational in consonance with urban development.*

Progress Report (Conditions 6, 7 and 8): Petitioner has participated in the funding and construction of transportation improvements at access points to the Ewa by Gentry community. Construction of Kapolei Parkway with its 116-foot right-of-way through the Ewa by Gentry community has been completed beginning at the makai boundary of the Sun Terra community and proceeding north to the railroad right-of-way. Petitioner has constructed and will continue to construct other off-site and on-site transportation improvements necessitated by the phased development of the project, subject to acceptance by and coordination with the State Department of Transportation and City Department of Transportation Services. Petitioner is currently processing improvement plans for the balance of Geiger Road and will ultimately improve the balance of Iroquois Point Road in coordination with the U.S. Navy, State, and City.

The Petitioner has also participated with all regional developers and major landowners in the Ewa Highway Master Plan Group (EHMPG) in studying transportation requirements, cost estimates, and timing for transportation improvements throughout the Ewa region. The Ewa Highway Master Plan, jointly commissioned by the State Department of Transportation and the EHMPG and prepared by Kaku & Associates, was the result of this process. The Plan identifies six major highway projects that should be undertaken in the Ewa Region.

In order to address the developers' fair share contribution toward the cost of the transportation improvements listed in the Plan, DOT and the development community worked together to prepare the Ewa Highway Impact Fee Bill and submitted it to the Honolulu City Council in early 2002. The proposal, introduced as Bill 52 (2002) was passed by the City Council and enacted as Ordinance 02-52. It provides that all developments seeking a building permit for residential or non-residential construction will pay a set fee based on a schedule of fees contained in the ordinance. These impact fees will help to pay an estimated twenty percent of the total cost for the needed highway improvements identified in the Ewa Highway Master Plan and could be used as the local match for federal dollars. A copy of Ordinance 02-52 was included with the 2002 Annual Report as Appendix 3.

Since October 30, 2002, when Ordinance 02-52 went into effect, through December 31, 2004, Gentry has paid a total of \$1,217,419.98 in impact fees to help pay for Ewa highway improvements.

Condition 9: *Petitioner shall appoint a transportation manager whose function is the formation, use and continuation of alternative transportation opportunities that would optimize the use of existing and proposed transportation systems. This transportation manager may provide similar services for Petitioner's other projects in Ewa and Central Oahu.*

In the alternative, Petitioner may participate in a regional program for transportation management with other developers and/or landowners. This program shall address the formulation, use and continuation of alternate transportation opportunities that would optimize the use of existing and proposed transportation systems.

Progress Report: Petitioner remains a member of the Leeward Oahu Transportation Management Association ("LOTMA"), which continues to address the formulation, use, and continuation of alternate transportation systems, such as sponsorship of commuter express buses and a ridesharing program. (An annual report of LOTMA's accomplishments during 2004 will be transmitted to the Land Use Commission.)

Condition 10: *Petitioner shall provide drainage improvements in the Property and shall coordinate off-site improvements with Campbell Estate, Intervenor, adjoining landowners and developers and/or other federal, state or city agencies.*

Progress Report: Petitioner has continued to provide drainage improvements within the Property and has worked to coordinate off-site improvements with Campbell Estate, adjoining landowners and developers, and the United States Navy, in accordance with applicable federal, state, and city and county requirements. Our February 1991 Drainage Master Plan for Ewa by Gentry (West) continues to be implemented as approved by the City and County of Honolulu. This Master Plan is currently being updated and will be submitted to the City for review and approval. The drainage master plan for Ewa by Gentry – East, Phase II and Ewa East Makai was recently updated and approved by the City on September 23, 2004. Petitioner has also participated with area developers in the development of the Kalo Drainage Corridor and has constructed interim drainage detention improvements within the project area.

Condition 11: *Petitioner shall participate in an air quality monitoring program as specified by the State Department of Health.*

Progress Report: The Petitioner has complied with this condition through the use of a highly accurate continuous reading instrument that measures fugitive dust at the construction site. Dust concentration and weather data (including wind speed, wind direction, and rainfall) are measured continuously on this instrument, which is the only U.S. EPA designated equivalent method for the determination of particulate matter without using radioactive components

(Designation #EQPM-1090-079). The Petitioner also implements measures outlined in a Best Management Practices Plan to ensure that fugitive construction dust is controlled and that air quality standards are in compliance with Department of Health regulations.

Condition 12: *Petitioner shall participate in a study in coordination with the City and the State Department of Health to assess the odors emanating from the Honouliuli Wastewater Treatment Plant (HWWTP) on the Property. Petitioner shall make the results of such a study available to the State and the City upon its completion.*

Progress Report: The City and County of Honolulu has initiated an Odor and Noise Master Plan effort, also known as the Reduction of Odor and Sound Emission (ROSE) program. The effort, through a professional services contract (the consultants are Brown & Caldwell, Kennedy Jenks, and Engineering Solutions), is organized in three phases. Phase I was a brainstorming/scope definition phase. This phase was completed in 2001. Phase II is a training/problem determination/prioritization phase. In this phase, the consultant team conducted a series of workshops to train the City staff in the determination and abatement of odors and noise. A primary effort of this phase was to initiate a monitoring program to determine and evaluate odorous source in the City's wastewater system. This phase was near completion at the end of 2002; however, it is anticipated that the City will expend more time to continue its monitoring efforts. Phase III of the ROSE project, which consists of planning and design of new odor control facilities, was started in June 2003 and is ongoing. A project which will reduce odors at the Honouliuli WWTP will be the replacement of the odorous sludge heat-treatment system with sludge digesters. The project is scheduled for completion in 2006. Additional odor controls will also be constructed with the project. Because the City is taking the lead in this effort, there does not appear to be a need for the Petitioner to conduct another separate study addressing the subject of odors emanating from the HWWTP.

Condition 13: *Petitioner shall connect the wastewater system for the development proposed on the Property to HWWTP. Construction of residential and industrial uses within the Property shall not commence until Petitioner has obtained assurances from the City that the capacity at the HWWTP has been reserved for the development on the Property. Petitioner shall coordinate with the City Department of Public Works and the State Department of Health for the provision of adequate buffer measures, including appropriate land uses, between the development on the Property and the existing HWWTP and any proposed expansion of the HWWTP to minimize noise, odor and other impacts associated with HWWTP.*

Progress Report: Capacity at HWWTP has been reserved for developments proposed in Ewa by Gentry. Petitioner also intends to coordinate with the proper City agencies and the State Department of Health for the provision of adequate buffer measures including appropriate land uses, between the development on the Property and the existing HWWTP, and any proposed expansion of the HWWTP to minimize noise, odor and other associated impacts.

Condition 14: *Petitioner shall immediately stop work on the impacted area and contact the State Historic Preservation Office should any archaeological resources such as artifacts, shell, bones, or charcoal deposits, human burial, or rock or coral alignments, paving or walls of historic or prehistoric significance be encountered during the development on the Property.*

Progress Report: Petitioner has not encountered and is not likely to encounter any archaeological resources in the project area since it was under sugar cane cultivation prior to development. However, should any significant archaeological resource be encountered, the State Historic Preservation Office will be immediately contacted.

Condition 15: *Petitioner shall provide, at no cost to the State, a public school site encompassing six (6) acres, if adjacent to a public park, or eight (8) acres if not adjacent to a public park, as the Department of Education (DOE) may determine to be reasonably necessary to serve the needs of residents of the Property. The school site shall be provided, if there is a need for such site, in a location as may be mutually agreeable to Petitioner and the DOE. As an alternative, Petitioner may provide a share of the cost of classrooms or other educational facilities with the approval of DOE.*

Progress Report: Petitioner has dedicated an eight-acre public school site adjacent to a future public park. The school site is shown as Area 25 on the Preliminary Land Use Plan (Appendix 1). Holomua Elementary School has been operational since August 2, 1996.

Condition 16: *Petitioner shall disclose to all initial purchasers (a) possible aircraft noise and vibration and possible odor, air, noise and dust pollution resulting from the Ft. Weaver Road, Barbers Point Naval Air Station, Honolulu International Airport, Honouliuli Wastewater Treatment Plant, and adjoining agricultural operations, (b) the Hawaii Right-To-Farm Act, HRS Chapter 165, which limits the circumstances under which preexisting farm activities on adjacent lands may be deemed a nuisance, and (c) existence of the Explosives Safety Zone at West Loch Branch, Naval Magazine, Lualualei, (d) the transport of explosives and munitions on roadways through and in the vicinity of the Property.*

Progress Report: Petitioner has disclosed to all initial purchasers those potentially hazardous conditions described in Condition 16. Included as appendices to previous annual reports were representative sample disclosures provided to initial purchasers of projects which have commenced during the reporting time period. Included with this report are sample disclosures for the following communities for which sales commenced during the period of June 2003 (when our last Annual Report was prepared and submitted) and December 31, 2004: Las Brisas, Tiburon, Prescott II, and WoodBridge II. Also included is a sample disclosure for Prescott on the Green, which was initially marketed in August 2002, but for which the sample disclosure was inadvertently omitted from the June 2003 Annual Report.

Condition 17: *Petitioner shall maintain the alignment of existing cane haul roads or provide alternate cane haul roads pursuant to Petitioner's agreements with Campbell Estate and OSCO to assure uninterrupted agricultural operation of sugarcane cultivation areas.*

Progress Report: OSCO has ceased sugar cultivation operations and is no longer using the cane haul roads that formerly crossed Ewa by Gentry's development area.

Condition 18: *Petitioner shall participate with City and State civil defense agencies, Intervenor, and adjoining landowners and developers in the formulation of an emergency preparedness and evacuation plan for residents of the Property due to the Property's proximity to the Explosive Safety Hazard Zone at the West Loch Branch, Navy Magazine, Lualualei.*

Progress Report: Based on recommendations of the State Civil Defense Agency and Oahu Civil Defense Agency, a siren was installed in Ewa by Gentry near the Coral Creek Golf Course, and has been operational since March 2003. The installed siren is a solar powered Federal Signal MC6024 with 3 each 121 DBc directional speaker arrays.

Condition 19: *Petitioner shall establish a forty-(40) foot setback along the existing railroad right-of-way in a manner compatible with City Ordinance No. 84-94.*

Progress Report: Petitioner has established a 40-foot setback along the existing railroad right-of-way compatible with City Ordinance No. 84-94 for all affected portions of the Property.

Condition 20: *Petitioner shall not place along Geiger or Iroquois Point Roads or at the intersection of any road with these two roadways any obstruction which would*

hinder aircraft towing along these two roadways in order to maintain an obstruction-free corridor 80 feet in width and 25 feet in height along these roadways.

Progress Report: Petitioner is complying with the Navy's requirements for an obstruction-free corridor in its plans for improvement of Geiger Road and Iroquois Point Road.

Because of Barbers Point Naval Air Station's closure, aircraft formerly towed along Geiger Road have been decommissioned at the Air Station and, as a result, the wide right-of-way will no longer be used by the Navy for the intended purposes. Regardless, improvements have been planned to accommodate the right-of-way.

Condition 21: *Petitioner shall coordinate with the Department of the Navy to assure that any work in the vicinity will not damage or in any way limit access to utility, communication or fuel lines.*

Progress Report: Petitioner is coordinating with the Navy on all proposed work in the vicinity of Navy utility, communication or fuel lines.

Condition 22: *Petitioner shall construct no road which enters from the Property onto Geiger or Iroquois Point Roads within 200 feet of any Navy installation's boundary.*

Condition 23: *Petitioner shall install a fence or other structure along the eastern boundary of the Property to minimize residents' inadvertent entrance into the Explosives Safety Zone, which commences at the Property's eastern boundary, with the western boundary of Naval Magazine Lualualei West Loch Branch.*

Progress Report (Conditions 22 and 23): In June 1997, the Petitioner constructed approximately 420 lineal feet of 6' high PVC-coated chainlink fencing along the eastern boundary of Area 24. Additional fencing has been built along portions of Areas 27A and 27C and will be installed as development occurs further along the eastern boundary of the Ewa by Gentry property. Petitioner will also comply with Navy requirements as to the construction of roads entering Geiger or Iroquois Point Roads within 200 feet of any Navy installations boundary.

Condition 24: *Petitioner shall complete the development on the Property in substantial compliance with the representations made before the Commission.*

Progress Report: Petitioner reaffirms the obligations of Condition 24.

Condition 25: *Petitioner shall notify the Commission of any intent to sell, lease, assign, place in trust, or otherwise voluntarily alter the ownership interest in the Property prior to visible commencement of construction on the Property; provided, however, that Petitioner may transfer ownership in the Property to an affiliate or in a manner consistent with prior representations to the Commission, and may mortgage the Property at any time without notice to the Commission.*

Progress Report: The Petitioner has complied with this condition by notifying the Commission of the sale of lands in the Property to Stanford Carr Development Corporation and to Coral Creek Golf, Inc.

Condition 26: *Petitioner shall provide annual reports to the Land Use Commission, the Office of State Planning, and the City and County of Honolulu, Department of General Planning in connection with the status of the subject project and the Petitioners' progress in complying with the conditions imposed.*

Progress Report: Petitioner's annual report has been prepared to satisfy this condition.

Condition 27: *The Commission may fully or partially release these conditions as to all or any portion of the property upon timely motion and upon the provision of adequate assurance of satisfaction of these conditions by the Petitioner.*

Progress Report: A report is not required for this condition at this time.

APPENDIX 1

2004 Preliminary Land Use Plan for Ewa by Gentry

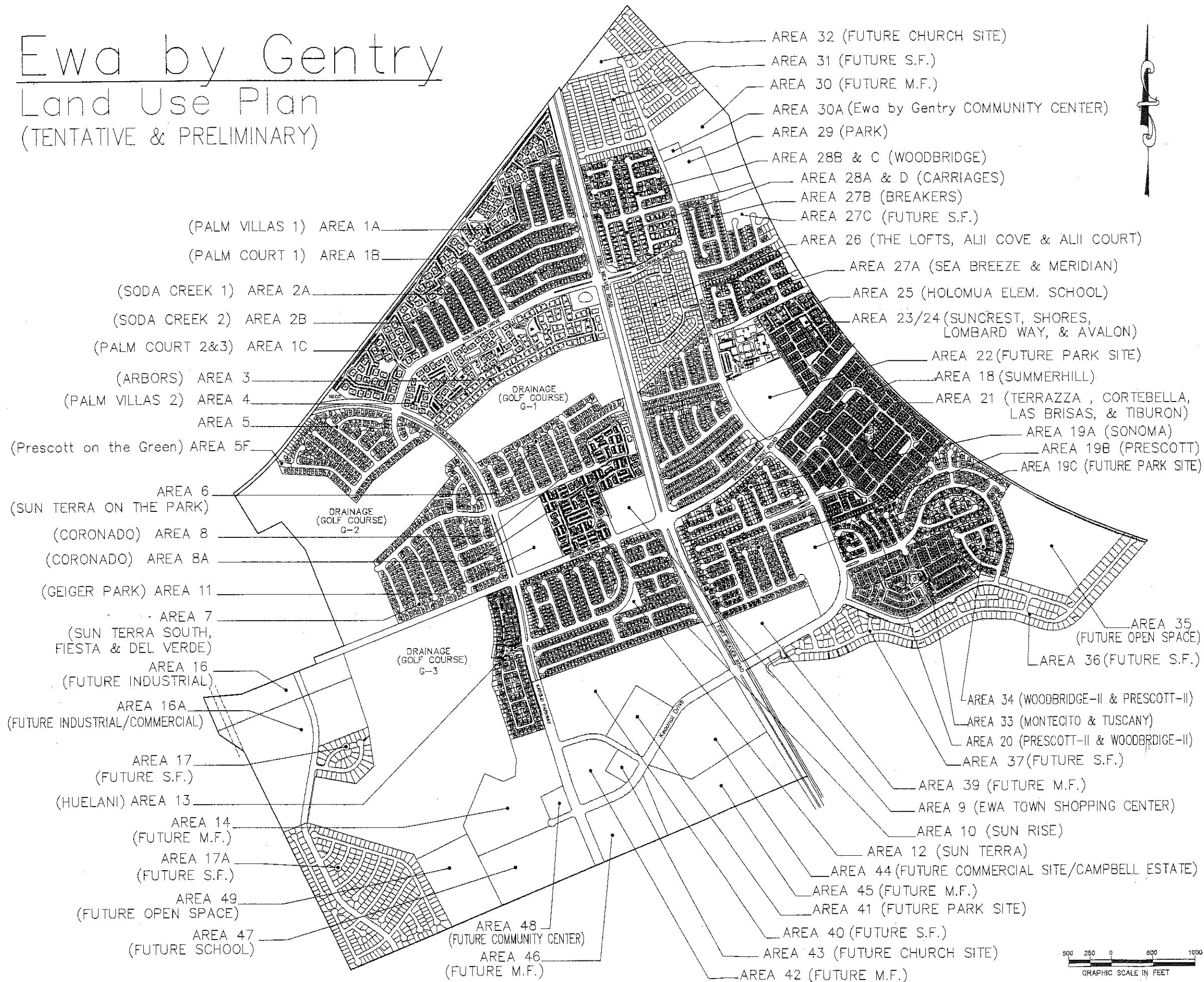
APPENDIX 1

2005 Preliminary Land Use Plan for Ewa by Gentry

Ewa by Gentry

Land Use Plan

(TENTATIVE & PRELIMINARY)



500 250 0 500 1000
GRAPHIC SCALE IN FEET

2005

APPENDIX 2

Sample Disclosures



PRESCOTT ON THE GREEN

INFORMATION FOR PROSPECTIVE BUYERS

Thank you for your interest in Gentry Homes, Ltd.'s newest fee simple single family residential subdivision called PRESCOTT ON THE GREEN. Your sales agent can provide you with further information regarding the lots and plans that are available for purchase.

BUYING A HOME IN PRESCOTT ON THE GREEN

In order to purchase a home in PRESCOTT ON THE GREEN, you must do the following:

1. **Complete the Reservation and Deposit \$1000.** The Reservation and the deposit reserve your home until you have submitted your loan pre-approval letter (see paragraph 2 below).
2. **Apply for Loan and Obtain Pre-Approval Letter within Seven (7) Days.** You must submit a pre-approval letter to your sales agent no later than seven (7) days from the date you sign your Reservation. The pre-approval letter must be based on a completed loan application and must include terms and conditions acceptable to Gentry Homes. This pre-approval is part of your loan processing.
 - a. **Approved Lender.** Gentry Homes, Ltd. has approved several lenders to finance your purchase ("Approved Lender"). If you use a lender other than an Approved Lender, Gentry Homes incurs additional administrative time and expense in providing your lender with information about PRESCOTT ON THE GREEN in connection with your loan. An administrative fee of \$250 will be charged to buyers who use a lender other than an Approved Lender.
 - b. **Final Approval.** It is your responsibility to make sure that you provide all information to your lender to obtain loan approval in time to meet all closing and recording deadlines stated below.
3. **Complete Sales Agreement.** Upon receipt of a pre-approval letter, you must execute the Sales Agreement for the home and all addenda relating to the transaction. You must also deposit an additional \$4,000 as an earnest money deposit.
4. **Complete Applicable Affordable Housing Verification forms.** Some buyers may meet the City affordable housing guidelines in purchasing a home in PRESCOTT ON THE GREEN. If so, you may be required to complete the Identification of City Housing Credit and Income Verification forms as part of your purchase. By signing the Identification of City Housing Credit form, you agree to be an owner-occupant for three hundred and sixty-five (365) consecutive days.

5. **Set Recording Date.** Upon completion of the above pre-approval requirements, Gentry Homes will execute the Sales Agreement for the home and your Sales Agreement will become a binding contract. Your Sales Agreement requires that you close and record your purchase on the date specified by Seller.
6. **Select Carpet and any Options.** At the time you sign your Sales Agreement, you will make standard carpet and option selections. All option selections must be finalized within ten (10) working days from the execution of the Sales Agreement and cannot be cancelled or changed once ordered. If you choose to upgrade your flooring, your sales agent will make an appointment for you with Allied Flooring. All flooring selections will be finalized with Allied Flooring within 10 working days from the execution of the Sales Agreement.
7. **Homeowner's Inspection and Closing.** Gentry Homes will set a date when you will inspect your home and sign all closing documents. This date will be after you have obtained final loan approval and will be approximately five (5) working days before your scheduled recording date. Island Title Corporation, the escrow agent for PRESCOTT ON THE GREEN, will provide you with your final closing figures before closing. You must bring a check for all amounts due when you come to escrow to sign your documents.
8. **Recording.** Approximately five (5) working days after closing, the deed for your home and your mortgage documents will be recorded at the Bureau of Conveyances. You will be able to pick up the keys to your new home at the sales office once we receive confirmation that the deed has recorded.

DISCLOSURES ABOUT PRESCOTT ON THE GREEN

1. **Construction.** Construction of PRESCOTT ON THE GREEN and adjacent properties will continue for some time after you move in. The roadways in and around your home may be used by construction vehicles for ingress and egress to and from the construction sites. Some of the lots may be used as staging areas for construction of portions of PRESCOTT ON THE GREEN. The ongoing construction will cause dust, noise and increased traffic in and around your home for a period of time. Also, care must be taken around construction sites, as hazardous conditions may exist temporarily due to the construction.
2. **Dust.** Dirt movement is an expected part of construction. You should expect to have dust in and around your home until construction in Ewa by Gentry is complete. In some cases there will be substantial construction in progress around your home after you have moved into your home. Gentry Homes will use appropriate dust control measures, but there will still be dust in your home.
3. **Sales Activities.** Sales activities for PRESCOTT ON THE GREEN will be ongoing for several months. This may result in increased traffic and noise in the vicinity of the homes. Portions of PRESCOTT ON THE GREEN may be used for signage and other sales activities for a period of time while sales are ongoing.
4. **Roadways and Adjacent Properties.** PRESCOTT ON THE GREEN is bordered on the mauka side by State of Hawaii railroad right of way and an open undeveloped area. Because

this area is undeveloped, there may also be pests, such as cockroaches and rodents, for a period of time. The Diamond Head side of PRESCOTT ON THE GREEN is bordered by a single family residential community. The ewa and makai side of PRESCOTT ON THE GREEN is bordered by the Coral Creek Golf Course.

The Hawaiian Railway Society operates an historic train run on a portion of the State railroad right of way. The train does not currently run past PRESCOTT ON THE GREEN, but there are proposed plans to expand the train route in the future to include the portion of the railroad right of way that is adjacent to PRESCOTT ON THE GREEN. The State Department of Transportation is also proposing to build a bike path within the railroad right of way that would connect existing bike paths in the Pearl Harbor area to those in Kapolei. Gentry Homes does not know if or when any of these proposed plans will be put into effect. A Chevron fuel line runs along the mauka side of the State railroad right of way.

5. **Preliminary Plans and Future Development.** Any plans or maps that you may have seen for PRESCOTT ON THE GREEN and the Ewa by Gentry community showing the general configuration of the project, the size of PRESCOTT ON THE GREEN and the proposed number of homes within the community, locations of facilities and other community features are preliminary and subject to change. Gentry Homes may change these plans in the future to address market conditions. Utilities such as fire hydrants, electrical transformers, utility boxes, light posts, manholes, bus stops and other signs may not be shown on preliminary plans. Their locations and timing of installation are subject to change without notice.
6. **Model Homes; Substitutions.** The PRESCOTT model complex includes several model homes. These model homes show generally the floor plans and features of the homes to be constructed but are not necessarily identical to the homes to be built. The model homes have been professionally landscaped and decorated, and some features in the model homes may not be included in the home that you buy. Gentry Homes reserves the right to substitute materials, fixtures, equipment and appliances of substantially equal quality as those specified in the plans and specifications for your home. Gentry Homes further reserves the right to make changes in construction as may be required by any lender, governmental agency or as may be required by law, regulation, by labor, material or utility availability, shortages or stoppages or by any emergencies. Floor plans and plan types reflected in the model complex may be changed at any time, and future lots and homes within the community may be offered for sale with different features, amenities and under different marketing and financing programs, all without further notice to you.
7. **Other Activities on Adjacent Land.** PRESCOTT ON THE GREEN is located in the vicinity of a commercial airport (Honolulu International Airport) and a possible future airport at the former Barber's Point Naval Air Station and there is a likelihood of noise from planes passing overhead or nearby. The 1987 Noise Contour Map of the Honolulu International Airport Plan shows PRESCOTT ON THE GREEN located near areas subject to noise levels of 55 Ldn.

PRESCOTT ON THE GREEN is also located in the vicinity of the West Loch Branch of the Lualualei Naval Magazine ("West Loch") which in the event of military action may be a

sensitive area. The Navy has denoted an area east of PRESCOTT ON THE GREEN as an Explosive Safety Hazard Zone in connection with munitions which may be loaded onto ships at West Loch. The Navy has represented that the boundary of said area represents the probable limit of any impact on the adjacent community. This area, which extends to West Loch, will have restricted development required by the Navy. The Navy has leased portions of this area for agricultural use, which may create dust and noise. Geiger Road and Iroquois Point Road may also be used by the Navy to transport aircraft and munitions.

8. **Agricultural Use.** PRESCOTT ON THE GREEN is located upon land previously used for the cultivation of sugar cane. Land near or adjacent to PRESCOTT ON THE GREEN may continue to be used for the cultivation and harvesting of agricultural products. Crops may be burned when seasonally appropriate. The Hawaii Right-to-Farm Act (H.R.S. Ch. 165) and Hawaii law limit the types of farm activities that may be deemed a nuisance.

9. **Coral Creek Golf Course.** Coral Creek Golf Course is located on the ewa and makai side of PRESCOTT ON THE GREEN. The property is also a designated flowage easement for drainage purposes which has been dedicated to the City and County of Honolulu.

There will be hazards such as errant golf balls; periodic spraying or other treatment of the area with pesticides, insecticides, herbicides, fungicides and fertilizers. Irrigation of the golf course may be with water from storm retention basins or reclaimed water from the Honouliuli Wastewater Treatment Plant (used in accordance with Department of Health guidelines). There may also be noise from the golf course in connection with play, irrigation, mowing and other maintenance and operation. Tournaments and other special events held on the golf course may also impact the community.

Owners in PRESCOTT ON THE GREEN will not have an ownership interest in the golf course, a right to use any facilities or a right to enter the property by virtue of their membership in the Ewa by Gentry Community Association.

10. **Honouliuli Wastewater Treatment Plant.** The Project is located near the Honouliuli Wastewater Treatment Plant, which generates odors and which will be expanded in the future to accommodate increased usage.

11. **Mold.** Mold and mold spores are present throughout the environment, and residential home construction is not, and cannot be, designed to exclude mold spores. All mold is not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. Moisture is the only mold growth factor that can be controlled in a residential setting. You should take positive steps to reduce or eliminate the occurrence of moisture in and around the home. Gentry Homes cannot be responsible for any mold or mold spores present in the environment or in the home.

12. **Flood Zone.** The Federal Emergency Management Agency ("FEMA") has not yet reviewed the property on which PRESCOTT ON THE GREEN is located and has made no determination of whether the property is within a flood hazard zone such that you will be required to obtain flood insurance.

13. City and County of Honolulu Affordable Housing Requirements. There are communities in Ewa by Gentry that will be sold under the City and County of Honolulu's affordable housing guidelines. Buyers for these units must meet certain income limits and may have restrictions on resale. Gentry's Coronado and Palm Villas multi-family communities have been developed as a combination of sale/rental units to meet City requirements. At this time, we do not know where additional affordable housing communities will be located.

14. Ewa by Gentry Community Association. By purchasing a home in PRESCOTT ON THE GREEN, each homeowner becomes a member of the Ewa by Gentry Community Association. The Community Association will be responsible for enforcing the Declaration of Covenants, Conditions and Restrictions (CCRs) that apply to each home and for maintaining all common areas. The CCRs are enforced in order to ensure a clean and aesthetic neighborhood. After you move in, a representative of the Community Association will be contacting you about your role in the Community Association.

As part of the Community Association, you will be required to submit any proposed alterations to your home and property to the Community Association Design Committee. The Community Association's covenants manager or managing agent will be able to provide you with more information.

15. Privacy Fences. Gentry Homes will install privacy fences in the back and/or side yards of the homes. These privacy fences will be shown on the plot plan for the lot. The fence will be installed off of the property line to ensure accurate property staking. Despite the exact location of the fence, these fences will be owned by the owner of the lot and all adjacent property owners. You will be responsible with your neighbor for the repair and replacement of any privacy fence shown on your plot plan. Any additional fences or walls that you decide to install after you purchase your home must be approved by the Ewa by Gentry Community Association Design Committee prior to installation. Homes on Lots 194 and 199 will also be bordered by fences installed by Schuler Homes for the residents in its Kula Lei community.

16. Trees in Front Yards and Planter Strips. Any trees or plantings put in the front yards or planter strips by Gentry Homes are required by the City and County of Honolulu and must be maintained and kept in good order by each homeowner. If a tree or planting in front of your home dies, you must replace it with the same type of tree or planting at your own expense. All trees and plantings are each homeowner's sole responsibility, including any damage caused by the tree or planting.

17. Zero Lot Line. Some of the lots in PRESCOTT ON THE GREEN are designed as "zero lot line" homes. This means that the house will be directly abutting the property line on one side. This configuration is intended to give you the benefit of additional square footage on one side of your house for light and air and landscaping. The homeowner whose house is on the property line will have an easement right over his neighbor's property to repair and maintain his home and fence. The neighbor also has the obligation to not do anything which impairs or damages the house or fence. If a neighbor has an easement right over your lot, you must cooperate with him in providing him access. You must also consult with him before landscaping the area to ensure that your plants and trees or any structure does not interfere with his ability to maintain his home.

- 18. HECO Transformer Vaults.** There is a six foot by seven foot electrical easement noted on the plot plan for Lot 194. Hawaiian Electric Company ("HECO") has installed a transformer vault approximately three feet by three feet within that easement area. The vault sits on a concrete pad and is about two feet high. HECO will have a right to enter Lot 194 in order to service the transformer vault. The homeowner may landscape within the easement area but HECO will have the right to trim and keep trimmed any plants within the easement area that may be in the way.

Please see your PRESCOTT ON THE GREEN sales agent if you would like to see a similar transformer vault that has already been installed on a lot in one of our other projects.

- 19. HECO Electrical Line Easement.** Lots 197 and 199 have a HECO electrical line easement running along the mauka property line. This electrical easement is shown on the plot plans for these two lots. HECO currently has a pole line going through this easement area but has reserved the right to install underground wire lines, should the need arise in the future. HECO will have a right to enter Lots 197 and 199 in order to service the pole line. The homeowner may not attach anything to or otherwise tamper with the electrical poles. The homeowner may landscape within the easement area but HECO will have the right to trim and keep trimmed any plants within the easement area that may be in the way.

- 20. Flowage Easement; Forty-Foot Set Back.** Lots 197 and 199 have a flowage easement and a forty-foot setback area running along the mauka property line. Both the flowage easement and the forty-foot setback area are noted on the plot plans for these lots. The flowage easement is in favor of the lots adjacent to the railroad right of way. The homeowner may landscape in both of these areas. The homeowner must keep the flowage swale free of debris, open and in good operating condition. Structures within the forty-foot setback area are prohibited.

- 21. Sight View Triangles.** Lot 198 has sight view triangles shown on the plot plan. The sight view triangle is required by the City and County of Honolulu Department of Transportation Services in order to maintain clear views of traffic at certain intersections. The Department of Transportation requires that structures of any kind and all landscaping within the sight view triangle must be no greater than thirty inches in height.

There may be other items which concern you which we have not addressed above. For further information about PRESCOTT ON THE GREEN, please contact PRESCOTT ON THE GREEN sales agents.

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drainage pattern of the lot (as shown on the plot plan), unless you have prior written approval from the Ewa by Gentry Design Committee. Any silt fences installed by Gentry Homes must be kept in place until the affected yard area has been adequately landscaped to prevent runoff. These silt fences are required by Gentry Homes' National Pollutant Discharge Elimination System (NPDES) Permit No. H10021229 and are subject to enforcement by the Department of Health.

- 22. Zero Lot Line.** Many of the lots in PRESCOTT II are designed as "zero lot line" homes. This means that the house will be directly abutting the property line on one side. This configuration is intended to give you the benefit of additional square footage on one side of your house for light and air and landscaping. The homeowner whose house is on the property line will have an easement right over his neighbor's property to repair and maintain his home and fence. The neighbor also has the obligation to not do anything which impairs or damages the house or fence. If a neighbor has an easement right over your lot, you must cooperate with him in providing him access. You must also consult with him before landscaping the area to ensure that your plants and trees or any structure does not interfere with his ability to maintain his home.
- 23. HECO Transformer Vaults.** Some of PRESCOTT II lots have a six foot by seven foot electrical easement noted on their plot plans. If your lot has this easement, it will be shown on the plot plan. Hawaiian Electric Company ("HECO") intends to place a transformer vault approximately three feet by three feet within that easement area. The vault will sit on a concrete pad and will be about two feet high. HECO will have a right to enter your lot in order to service the transformer vault. You may landscape within the easement area but HECO will have the right to trim and keep trimmed any plants within the easement area that may be in the way.
- Please see your PRESCOTT II sales agent if you would like to see a similar transformer vault that has already been installed on a lot in one of our other projects.
- 24. Utility Easements Generally.** Some of PRESCOTT II lots have utility easements which will be noted on their plot plans. Please see your PRESCOTT II sales agent if you would like more information regarding easements affecting your PRESCOTT II lot.
- 25. Sight View Triangles.** Most of the corner lots in PRESCOTT II have sight view triangles. The sight view triangle is required by the City and County of Honolulu Department of Transportation Services in order to maintain clear views of traffic at certain intersections. The Department of Transportation requires that structures of any kind and all landscaping within the sight view triangle must be no greater than thirty inches in height. If your lot has this easement, it will be shown on the plot plan.
- 26. Schools.** The current school district boundaries show that residents in PRESCOTT II will be serviced by Pohakea Elementary School, Ilima Intermediate School and James Campbell High School.

For further information about PRESCOTT II, please contact your PRESCOTT II sales agents.



INFORMATION FOR PROSPECTIVE BUYERS

Thank you for your interest in Gentry Homes, Ltd.'s newest fee simple single family residential subdivision called WOODBRIDGE II. Your sales agent can provide you with further information regarding the lots and plans that are available for purchase.

BUYING A HOME IN WOODBRIDGE II

In order to purchase a home in WOODBRIDGE II, you must do the following:

1. **Get on the Interest List.** To be placed on the Interest List, you must submit a preliminary approval letter from a lender or loan commitment letter, no more than 30 days old, with all conditions to the loan attached to the letter.
2. **Your Offer to Purchase.** As homes become available, you will be contacted by a sales agent to see if you are still interested in purchasing a WOODBRIDGE II home. If you are still interested, you will be asked to make an appointment to complete a Reservation and make a \$5000 earnest money deposit. You will also be asked to submit any updates to your preliminary approval letter/loan commitment letter, including any conditions attached to the letter. If your original approval letter is over 30 days old, you will be required to get an update before submitting your Reservation.
3. **Complete Sales Agreement.** Gentry Homes may consider more than one offer on the home; however, the sales price will remain the same for all offers. Gentry Homes will review the offer(s) and make a decision based on your priority on the Interest List and your financial qualifications. If your offer is accepted, you will be asked to make an appointment to execute a Sales Agreement. You will have seven days after you have been contacted by your sales agent to complete your Sales Agreement. If your offer is not accepted, you will retain your position on the Interest List and your initial \$1,000 deposit will be refunded.
4. **Approved Lender.** Gentry Homes has approved several lenders to finance your purchase ("Approved Lender"). If you use a lender other than an Approved Lender, Gentry Homes incurs additional administrative time and expense in providing your lender with information about WOODBRIDGE II in connection with your loan. An administrative fee of \$250 will be charged to buyers who use a lender other than an Approved Lender. Additionally no incentives will be offered to buyers who use a lender other than an Approved Lender.
5. **Final Approval.** It is your responsibility to make sure that you provide all information to your lender to obtain loan approval in time to meet all closing and recording deadlines stated

in your Sales Agreement. If Gentry Homes is not satisfied that you are making progress in obtaining your loan, (for example if you switch lenders within 30 days of the Closing Date or fail to respond to Gentry Homes' status inquiries), then Gentry Homes may elect to cancel your Sales Agreement by giving you written notice.

6. **Recording Date.** Gentry Homes projects a closing date for the first homes in WOODBRIDGE II in late 2004/early 2005. Gentry Homes has received final City subdivision approval and is currently in the process of recording the subdivision map with the Land Court of the State of Hawaii. Your closing cannot occur until the subdivision map is recorded. However, there may be delays in the recordation of the subdivision map due in part to the large number of subdivision maps submitted for recordation by other land owners. Please contact your sales agent for the latest status of the subdivision map prior to making any changes in your living arrangements. Gentry Homes will not be responsible for any expenses incurred for storage or alternate living arrangements should there be any delays in the recordation of the map.
7. **Select Carpet and any Options.** At the time you sign your Sales Agreement, you will make standard carpet and option selections. All option selections must be finalized within two (2) weeks from the execution of the Sales Agreement and cannot be cancelled or changed once ordered. If you choose to upgrade your flooring, your sales agent will make an appointment for you with Allied Flooring. All flooring selections will be finalized with Allied Flooring within two (2) weeks from the execution of the Sales Agreement.
8. **Homeowner's Inspection and Closing.** Gentry Homes will set a date when you will inspect your home and sign all closing documents. This date will be after you have obtained final loan approval and will be approximately five (5) working days before your scheduled recording date. Island Title Corporation, the escrow agent for WOODBRIDGE II, will provide you with your final closing figures before closing. You must bring a check for all amounts due when you come to escrow to sign your documents.
9. **Recording.** Approximately five (5) working days after closing, the deed for your home and your mortgage documents will be recorded at the Bureau of Conveyances. You will be able to pick up the keys to your new home at the sales office once we receive confirmation that the deed has recorded.
10. **Site Inspections.** You may arrange to visit your home while it is under construction. Please contact your sales agent to make an appointment. Appointments will only be scheduled on the weekends. Because the home is still under construction, you will be required to sign a waiver of liability before you will be allowed to visit your home. You will also be required to wear closed shoes, protective goggles and a hardhat. Your sales agent will provide you with the protective goggles and hardhat. You must be accompanied by your sales agent or other Gentry Homes representative at all times while you are on the construction site.

DISCLOSURES ABOUT WOODBRIDGE II

1. **Construction.** Construction of WOODBRIDGE II and adjacent properties will continue for some time after you move in. The roadways in and around your home may be used by

construction vehicles for ingress and egress to and from the construction sites. Some of the lots may be used as staging areas for construction of portions of WOODBRIDGE II. The ongoing construction will cause dust, noise and increased traffic in and around your home for a period of time. Also, care must be taken around construction sites, as hazardous conditions may exist temporarily due to the construction.

2. **Dust.** Dirt movement is an expected part of construction. You should expect to have dust in and around your home until construction in Ewa by Gentry is complete. In some cases there will be substantial construction in progress around your home after you have moved into your home. Gentry Homes will use appropriate dust control measures, but there will still be dust in your home.
3. **Sales Activities.** Sales activities for WOODBRIDGE II will be ongoing for several months. Portions of WOODBRIDGE II may be used for signage and other sales activities for a period of time while sales are ongoing.
4. **Roadways and Adjacent Properties.** WOODBRIDGE II is bordered on the ewa and mauka side by Prescott II, a single-family residential community. The makai side of WOODBRIDGE II is bordered by an open undeveloped space which may be developed into residential communities. The diamond head side of WOODBRIDGE II borders on open, undeveloped space which the Navy has designated as an Explosive Safety Hazard Zone. Because these areas are undeveloped, there may also be pests, such as cockroaches and rodents, for a period of time.
5. **Preliminary Plans and Future Development.** Any plan or map that you may have seen for WOODBRIDGE II and the Ewa by Gentry community showing the general configuration of the project, the size of WOODBRIDGE II and the proposed number of homes within the community, locations of facilities and other community features are preliminary and subject to change. Gentry Homes may change these plans in the future to address market conditions. Utilities such as fire hydrants, electrical transformers, utility boxes, light posts, manholes, bus stops and other signs may not be shown on preliminary plans. Their locations and timing of installation are subject to change without notice.
6. **Model Homes; Substitutions.** The WOODBRIDGE model complex includes several model homes. These model homes show generally the floor plans and features of the homes to be constructed but are not identical to the homes that will be built. Some of the more visible differences between the models and the production homes will be as follows:
 - The roof of the Home will be made by a different manufacturer. Buyer should consult with their sales representative and view the roofing sample that is part of the Color Scheme referenced in Article I of this Agreement.
 - The interior paint of the Home will differ in color from the model homes. Buyer should consult with their sales representative and view the interior paint samples that are a part of the Color Scheme referenced in Article I of this Agreement.
 - The windows in the model homes are single pane glass. The windows in the production homes will be vinyl frame and dual pane low-e glass.

- The tile shown in the shower of the master bathroom will be replaced with Corian as shown in the Plan 2 (Banyan) model.
- Appliances shown in the models may be outdated or discontinued due to the length of time the models have been in existence. Gentry Homes will replace any outdated or discontinued appliance in like-kind and quality. You should consult with your sales agent as to the exact model of the appliances that will be included in your home.

There may be additional differences between the models and the production homes as construction commences.

The model homes have been professionally landscaped and decorated, and some features in the model homes may not be included in the home that you buy. Gentry Homes reserves the right to substitute materials, fixtures, equipment and appliances of substantially equal quality as those specified in the plans and specifications for your home. Gentry Homes further reserves the right to make changes in construction as may be required by any lender, governmental agency or as may be required by law, regulation, by labor, material or utility availability, shortages or stoppages or by any emergencies. Floor plans and plan types reflected in the model complex may be changed at any time, and future lots and homes within the community may be offered for sale with different features, amenities and under different marketing and financing programs, all without further notice to you.

7. **Flooring Selections.** Visible seams should be expected with certain carpet types, berber, for example and you should make carpet selections with this in mind.

You should also expect that cracks will occur in the grouting separating the ceramic tile and/or vinyl flooring and the drywall. As shown in the model homes, the Home does not come with baseboards. Shade and/or color variation is inherent in all fired clay products and grout.

8. **Natural Materials.** The door panels of the maple cabinets, that are standard in the Home, are made of natural wood. Color and grain variation are to be expected in all natural wood products. If you chooses to select the granite option shown in the Plan 3 (Sequoia) model, you should realize that there will be variations in color and vein pattern and that the granite used in the Home may not match that shown in the model. You should also be aware that you will have to reactivate the original seal periodically in order to maintain the original condition of the granite.

9. **Activities on Adjacent Land.** WOODBRIDGE II is located in the vicinity of a commercial airport (Honolulu International Airport) and a military air strip located at Barber's Point Naval Air Station and there is a likelihood of noise from planes passing overhead or nearby. The 1987 Noise Contour Map of the Honolulu International Airport Plan shows WOODBRIDGE II located near areas subject to noise levels of 55 Ldn. WOODBRIDGE II is also a major roadway (Keaunui Drive), which may create noise and dust for those homes abutting this major roadway.

WOODBRIDGE II is located in the vicinity of the West Loch Branch of the Lualualei Naval Magazine ("West Loch") which in the event of military action may be a sensitive area. The

Navy has denoted an area east of WOODBRIDGE II as an Explosive Safety Hazard Zone in connection with munitions which may be loaded onto ships at West Loch. Geiger Road and Iroquois Point Road may also be used by the Navy to transport aircraft and munitions. The Navy has represented that the boundary of said area represents the probable limit of any impact on the adjacent community. This area, which extends to West Loch, will have restricted development required by the Navy. The Navy has leased portions of this area for agricultural use, which may create dust and noise. Because this area is undeveloped, there may also be pests, such as cockroaches and rodents, for a period of time.

10. **Agricultural Use.** WOODBRIDGE II is located upon land previously used for the cultivation of sugar cane. Land near or adjacent to WOODBRIDGE II may continue to be used for the cultivation and harvesting of agricultural products. Crops may be burned when seasonally appropriate. The Hawaii Right-to-Farm Act (H.R.S. Ch. 165) and Hawaii law limit the types of farm activities that may be deemed a nuisance.

11. **Drainage Area/Golf Course.** The Coral Creek Golf Course has been constructed on the west side of Fort Weaver Road. The property is also a designated City flowage easement for drainage purposes.

There may be hazards that may cause injuries and damages to persons and/or property on WOODBRIDGE II such as periodic spraying or other treatment of golf course area with pesticides, insecticides, herbicides, fungicides and fertilizers. Irrigation of the golf course may be with water from storm water retention basins or reclaimed water from the Honouliuli Wastewater Treatment Plant (used in accordance with Department of Health guidelines).

Owners in WOODBRIDGE II will not have an ownership interest in the golf course, a right to use any facilities or a right to enter the property by virtue of their membership in the Ewa by Gentry Community Association.

12. **Honouliuli Wastewater Treatment Plant.** The Project is located near the Honouliuli Wastewater Treatment Plant, which generates odors and which will be expanded in the future to accommodate increased usage.

13. **Mold.** Mold and mold spores are present throughout the environment, and residential home construction is not, and cannot be, designed to exclude mold spores. All mold is not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. Moisture is the only mold growth factor that can be controlled in a residential setting. You should take positive steps to reduce or eliminate the occurrence of moisture in and around the home. Gentry Homes cannot be responsible for any mold or mold spores present in the environment or in the home.

14. **Flood Zone.** The Federal Emergency Management Agency ("FEMA") has not yet reviewed the property on which WOODBRIDGE II is located and has made no determination of whether the property is within a flood hazard zone such that you will be required to obtain flood insurance.

15. City and County of Honolulu Affordable Housing Requirements. There are communities in Ewa by Gentry that will be sold under the City and County of Honolulu's affordable housing guidelines. Buyers for these units must meet certain income limits and may have restrictions on resale. Gentry's Coronado and Palm Villas multi-family communities have been developed as a combination of sale/rental units to meet City requirements. At this time, Gentry Homes has not identified the location of any future affordable housing communities..

16. Ewa by Gentry Community Association. By purchasing a home in WOODBRIDGE II, each homeowner becomes a member of the Ewa by Gentry Community Association. Each owner pays dues to the Community Association in the amount of approximately \$50 per quarter for a total of \$200 a year. The Community Association will be responsible for enforcing the Declaration of Covenants, Conditions and Restrictions (CCRs) that apply to each home and for maintaining all common areas. The CCRs are enforced in order to ensure a clean and aesthetic neighborhood. After you move in, a representative of the Community Association will be contacting you about your role in the Community Association.

As part of the Community Association, you will be required to submit any proposed alterations to your home and property to the Community Association Design Committee, as outlined in the Ewa by Gentry Community Association Design Committee Rules and Regulations. The Community Association's covenants manager or managing agent will be able to provide you with more information.

17. Ewa by Gentry Community Association Fences. Fences will be built along portions of the roadways bordering the community. Gentry Homes reserves the right to change the materials used in the construction of the fences. You may not alter these fences in any way. The Ewa by Gentry Community Association will be responsible for any necessary maintenance. If the Ewa by Gentry Community Association determines that a portion of the fence needs repair because of your negligence, the Ewa by Gentry Community Association may charge you for the repairs.

18. Irrigation Water. Water used to irrigate the common area landscaping in the Ewa by Gentry community, will come from either a nonpotable well service or may be from reclaimed water from the Honouliuli Wastewater Treatment Plant. Any reclaimed water has been treated according to Department of Health guidelines.

19. Privacy Fences, Front Yard Fences and Walls. You will be responsible with your neighbor for maintaining the fences surrounding your home. These fences are owned jointly by you and your neighbor. Any other additional fences or wall must be in compliance with the Ewa by Gentry Covenants, Conditions and Restrictions. Fence and wall designs must be approved by the Ewa by Gentry Community Association Design Committee prior to installation.

20. Trees in Front Yards and Planter Strips. Any trees or plantings put in the front yard or planter strips by Gentry Homes are required by the City and County of Honolulu, as a condition for accepting the roadways. These trees and plantings **can not be removed or changed**. You will be responsible for watering and fertilizing any such trees or plantings. Gentry Homes will be responsible for any necessary tree trimming until the roadways are

conveyed to the City and County of Honolulu. Once the roadways are turned over to the City, the City will be responsible for any necessary tree trimming. All such trees or plantings are each homeowner's sole responsibility, including any damage caused by the trees or plantings. You will be responsible for replacing any dead or removed trees or plantings in the planter strips/front yards with the same species of tree or planting.

21. Landscaping. You will be required to complete the landscaping of your front yard within one hundred-eighty (180) days of recordation of the Deed. Failure to landscape within one hundred-eighty (180) days will subject you to fines imposed by the Ewa by Gentry Community Association. You must not interrupt or modify the drainage swale and/or drainage pattern of the lot (as shown on the plot plan), unless you have prior written approval from the Ewa by Gentry Design Committee. Any silt fences installed by Gentry Homes must be kept in place until the affected yard area has been adequately landscaped to prevent runoff. These silt fences are required by Gentry Homes' National Pollutant Discharge Elimination System (NPDES) Permit No. H10021229 and are subject to enforcement by the Department of Health.

22. HECO Transformer Vaults. Some of WOODBRIDGE II lots have a six foot by seven foot electrical easement noted on their plot plans. If your lot has this easement, it will be shown on the plot plan. Hawaiian Electric Company ("HECO") intends to place a transformer vault approximately three feet by three feet within that easement area. The vault will sit on a concrete pad and will be about two feet high. HECO will have a right to enter your lot in order to service the transformer vault. You may landscape within the easement area but HECO will have the right to trim and keep trimmed any plants within the easement area that may be in the way.

Please see your WOODBRIDGE II sales agent if you would like to see a similar transformer vault that has already been installed on a lot in one of our other projects.

23. Utility Easements Generally. Some of WOODBRIDGE II lots have utility easements which will be noted on their plot plans. Please see your WOODBRIDGE II sales agent if you would like more information regarding easements affecting your WOODBRIDGE II lot.

24. Sight View Triangles. Most of the corner lots in WOODBRIDGE II have sight view triangles. The sight view triangle is required by the City and County of Honolulu Department of Transportation Services in order to maintain clear views of traffic at certain intersections. The Department of Transportation requires that structures of any kind and all landscaping within the sight view triangle must be no greater than thirty inches in height. If your lot has this easement, it will be shown on the plot plan.

25. Schools. The current school district boundaries show that residents in WOODBRIDGE II will be serviced by Pohakea Elementary School, Ilima Intermediate School and James Campbell High School.

For further information about WOODBRIDGE II, please contact your WOODBRIDGE II sales agents.

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INFORMATION FOR PROSPECTIVE BUYERS

Thank you for your interest in Gentry Homes' latest condominium community called LAS BRISAS. Your sales agent will be able to provide you with further details about the phases and plans currently available for sale.

PURCHASING PROCESS FOR LAS BRISAS

In order to purchase a home in LAS BRISAS, you must do the following:

1. **Complete Any Affordable Housing Documents.** Gentry Homes is selling LAS BRISAS homes pursuant to affordable housing requirements imposed by the City and County of Honolulu (the "City"). You may be required to bring certain documents or provide information to your sales agent as part of Gentry's reporting requirements to the City.
2. **Complete Owner-Occupant Affidavit.** If you are purchasing an apartment listed in the Pre-Sale Notice for your phase, you must complete an Owner-Occupant Affidavit to confirm that you will occupy and use the purchased apartment as your primary residence for at least 365 consecutive days. This is a State requirement. During this owner-occupant period, you will not be able to sell or offer to sell, lease or offer to lease, rent or offer to rent, assign or offer to assign or otherwise transfer the purchased apartment.
3. **Complete the Sales Agreement and deposit \$1,000.** The Sales Agreement and the deposit reserve your LAS BRISAS home until you have submitted your pre-approval.
4. **Apply for Loan and obtain Pre-Approval Letter within seven (7) Days.** You must submit a pre-approval letter to your sales agent no later than seven (7) days from the date you sign your Sales Agreement. The pre-approval letter must be based on a completed loan application and must include terms and conditions acceptable to Gentry Homes. This pre-approval is part of your loan processing.
 - a. **Approved Lender.** Gentry Homes has approved several lenders to finance your purchase. If you use a lender other than an approved lender, Gentry Homes incurs additional administrative time and expense in providing your lender with information about LAS BRISAS in connection with your loan. An administrative fee of \$250 will be charged to buyers who use a lender other than an approved lender. Your sales agent will provide you with information on each of the approved lenders.
 - b. **Final Approval.** It is your responsibility to make sure that you provide all information to your lender to obtain loan approval in time to meet all closing and recording deadlines stated below.

5. **Select Carpet and any Options.** At the time you sign your Sales Agreement, you will make standard carpet and option selections. All option selections must be finalized within ten (10) working days from the execution of the Sales Agreement and cannot be cancelled or changed once ordered. If you choose to upgrade your flooring, your sales agent will make an appointment for you with Allied Flooring. All flooring selections will be finalized with Allied Flooring within 10 working days from the execution of the Sales Agreement.
6. **Set Closing Date.** Upon completion of the above pre-approval requirements, Gentry Homes will execute the Sales Agreement for the home. Your Sales Agreement will state an estimated Closing Date. The Closing Date is when you execute all conveyance and mortgage documents and deposit all funds with escrow. If your home is still under construction, your Sales Agreement requires you to close within five (5) working days after your home is complete or within five (5) working days after a Final Public Report has been issued, whichever date is later. If your home is complete, your Sales Agreement requires you to close within thirty (30) days after Seller signs the Sales Agreement or within five (5) working days after a Final Public Report has been issued, whichever date is later.
7. **Condominium Property Regime Public Reports.** When you sign your Sales Agreement, you will receive a copy of the condominium public report for your phase of LAS BRISAS for your review. The public report contains additional disclosures regarding LAS BRISAS. Upon issuance of the final public report for your phase of LAS BRISAS, you will receive a copy for your review and must confirm that you are continuing with your purchase. At that time, your sales contract will become binding. Please see your sales agent for an estimated date for the final public report for your phase.
8. **Homeowner's Inspection and Closing.** Gentry Homes will set a date upon which you will inspect your home and sign all closing documents. This date will generally be when the home is complete, a final public report has been issued and you have obtained final loan approval.
 - a. **Escrow.** Island Title Corporation, the escrow agent for LAS BRISAS, will provide you with your final closing figures before closing. You must bring a check for all amounts due when you come to escrow to sign your documents.
9. **Recording.** Approximately five (5) working days after closing, the apartment deed for your home and your mortgage documents will be recorded at the Bureau of Conveyances. You will be able to pick up the keys to your new home at the sales office once we receive confirmation that the apartment deed has recorded.
10. **Site Inspections.** You may arrange to visit your home while it is under construction. Please contact your sales agent to make an appointment. Appointments will only be scheduled on the weekends. Because the home is still under construction, you will be required to sign a waiver of liability before you will be allowed to visit your home. You will also be required to wear closed shoes, protective goggles and a hardhat. Your sales agent will provide you with the protective goggles and hardhat. You must be accompanied by your sales agent or other Gentry Homes representative at all times while you are on the construction site.

DISCLOSURES ABOUT LAS BRISAS

1. **Construction.** Construction of LAS BRISAS and adjacent properties will continue for some time after you move in. The roadways in and around your home may be used by construction vehicles for ingress and egress to and from the construction sites. Some areas may be used as staging areas for construction of portions of LAS BRISAS. The ongoing construction will cause dust, noise and increased traffic in and around your home for a period of time. Also, care must be taken around construction sites, as hazardous conditions may exist temporarily due to the construction.
2. **Joint Development Area.** LAS BRISAS is part of an overall area covered by an Agreement for Issuance of Conditional Use Permit Under Section 4.40-21 of the Land Use Ordinance (LUO) (the "Joint Development Area"). The Joint Development Area includes all current and future phases of LAS BRISAS, Tiburon, CorteBella and Terrazza. The estimated total number of units in the Joint Development Area at full build-out is 612. The Joint Development Area was designed to operate as a cohesive, integrated multi-family community that includes shared common facilities and infrastructure, including but not limited to park areas, potable water, non-potable well system, irrigation, drain, sewer and electrical systems, visitor parking stalls, roadways and landscaping. This area may include condominium communities differing in design and construction from LAS BRISAS.
3. **Park Areas/Recreational Facilities.** The park located in the entry to Terrazza and CorteBella and the Recreation Center located below Terrazza, Phases 13 are intended for the use of all residents in the Joint Development Area. The Recreation Center opened on September 28, 2002 and is currently managed by the existing Terrazza/CorteBella Association of Apartment Owners. Gentry Homes may designate additional park areas within the Joint Development Area. Gentry Homes intends to convey the park areas and the Recreation Center to the several association of apartment owners within the Joint Development Area as tenants in common or may include a park area in a later phase of development in the Joint Development Area.
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5. **Dust.** Dirt movement is an expected part of construction. You should expect to have dust in and around your home until construction in Ewa by Gentry is virtually complete. Gentry Homes and its subcontractors will use appropriate dust control measures, but there will still be dust in your home.
6. **Roadways and Adjacent Properties.** LAS BRISAS is bordered on the mauka side by Iroquois Point Road, a public roadway, which may create noise and dust for those homes abutting this major roadway. The ewa side of LAS BRISAS is bordered by Terrazza and Tiburon. The makai side of LAS BRISAS is bordered by an open undeveloped space which may be developed into residential communities. The diamond head side of LAS BRISAS borders on open, undeveloped space which the Navy has designated as an Explosive Safety

Hazard Zone. Because these areas are undeveloped, there may also be pests, such as cockroaches and rodents, for a period of time.

The Navy has denoted an area east of LAS BRISAS as an Explosive Safety Hazard Zone in connection with munitions which may be loaded onto ships at West Loch. The Navy has represented that the boundary of said area represents the probable limit of any impact on the adjacent community. This area, which extends to West Loch, will have restricted development required by the Navy. The Navy has leased portions of this area for agricultural use, which may create dust and noise. LAS BRISAS is also located in the vicinity of the West Loch Branch of the Lualualei Naval Magazine ("West Loch") which in the event of military action may be a sensitive area. Geiger Road and Iroquois Point Road may also be used by the Navy to transport aircraft and munitions.

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7. **City and County of Honolulu Affordable Housing Requirements.** Gentry's Coronado and Palm Villas multi-family communities have been developed as a combination of sale/rental units to meet City requirements. At this time, the locations of additional affordable housing communities have not been finally determined.
8. **Preliminary Plans and Future Development.** Any plan or map that you may have seen for LAS BRISAS and the Ewa by Gentry community showing the general configuration of the project, the size of LAS BRISAS and the proposed number of homes within the community, locations of facilities and other community features are preliminary and subject to change. Gentry Homes may change these plans in the future to address market conditions. Utilities such as fire hydrants, electrical transformers, utility boxes, light posts, manholes, bus stops and other signs may not be shown on preliminary plans. Their locations and timing of installation are subject to change without notice.
9. **Model Homes; Substitutions.** The LAS BRISAS models complex includes several model homes. These model homes show generally the floor plans and features of the homes to be constructed but are not necessarily identical to the homes to be built. The model homes have been professionally landscaped and decorated, and some features in the models homes may not be included in the home that you buy. Gentry Homes reserves the right to substitute materials, fixtures, equipment and appliances of substantially equal quality as those specified in the plans and specifications for your home. Gentry Homes further reserves the right to make changes in construction as may be required by any lender, governmental agency or as may be required by law, regulation, by labor, material or utility availability, shortages or

stoppages or by any emergencies. Floor plans and model types reflected in the models complex may be changed at any time, and future lots and homes within the community may be offered for sale with different features, amenities and under different marketing and financing programs, all without further notice to you.

- 10. Drainage Area/Golf Course.** The Coral Creek Golf Course has been constructed on the west side of Fort Weaver Road. The property is also a designated City and County of Honolulu flowage easement for drainage purposes.

There may be hazards that may cause injuries and damages to persons and/or property on LAS BRISAS such as periodic spraying or other treatment of the golf course area with pesticides, insecticides, herbicides, fungicides and fertilizers. Irrigation of the golf course may be with water from storm water retention basins or reclaimed water from the Honouliuli Wastewater Treatment Plant (used in accordance with Department of Health guidelines). Tournaments and other special events held on the golf course may also impact the community.

Owners in LAS BRISAS will not have an ownership interest in the golf course, a right to use any facilities or a right to enter the property by virtue of their membership in the Ewa by Gentry Community Association.

- 11. Honouliuli Wastewater Treatment Plant.** LAS BRISAS is located near the Honouliuli Wastewater Treatment Plant, which generates odors and which will be expanded in the future to accommodate increased usage.

- 12. Mold.** Mold and mold spores are present throughout the environment, and residential home construction is not, and cannot be, designed to exclude mold spores. All mold is not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. Moisture is the only mold growth factor that can be controlled in a residential setting. You should take positive steps to reduce or eliminate the occurrence of moisture in and around the home. Gentry Homes cannot be responsible for any mold or mold spores present in the environment or in the home.

- 13. Flood Zone.** The Federal Emergency Management Agency ("FEMA") has not yet reviewed the property on which LAS BRISAS is located and has made no determination of whether the property is within a flood hazard zone such that you will be required to obtain flood insurance.

- 14. Merger of LAS BRISAS condominium communities.** Each phase of LAS BRISAS will be a separate condominium community. Gentry Homes may decide to "merge" some or all of the phases. This means that the owners and occupants of the merged phases will share the use of the common elements such as roads, visitor parking stalls and the common expenses of those phases. Upon merger, you will have a new percentage interest for voting and maintenance fee purposes. Gentry Homes will record a certificate of merger which will state the effective date of the new percentage interest. Gentry Homes is not obligated to merge all phases of LAS BRISAS. Gentry Homes may merge other phases into already merged phases of LAS BRISAS at a later time.

Gentry Homes may administratively merge some or all of the condominium communities within the Joint Development Area for the purposes of sharing common area costs shared by the various communities (such as roadways, street lighting and landscaping). The use and cost of maintaining and operating the shared infrastructure and facilities will be shared among all owners on a pro rata basis. If the merged communities have different building types that require different maintenance and reserve assessments, the condominium association will set up cost centers such that each community is responsible only for the maintenance of its building type.

- 15. Condominium Restrictions.** As an owner in a condominium community, you will be subject to certain regulations and restrictions concerning use, the types and numbers of animals that can be kept, decorating the outside of your apartment (such as the color of your blinds or drapes from the outside) and other such matters. These regulations and restrictions are contained in the Rules and Regulations and other documents, and drafts of these documents are in the sales office for your review. As an apartment owner in LAS BRISAS, you will also become a part of the Ewa by Gentry Community Association, and will be bound by the regulations and restrictions imposed by the Ewa by Gentry Declaration of Covenants, Conditions and Restrictions, Rules and Regulations and Design Rules. After you move in, a representative of the Community Association will be contacting you about your role in the Community Association.
- 16. Estimate of Initial Maintenance Fees.** The condominium association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium community. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding. Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided. Exhibit "D" of the public report for your phase contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change). Upon merger, the maintenance fees maybe adjusted to reflect additional costs associated with the overall condominium association. Maintenance fees upon merger may change to amounts currently collected from similar apartment types in the merged condominium association. Upon merger, all plan types will pay similar maintenance fees regardless of the phase in which the home is located.
- 17. Common Areas.** The condominium association will be responsible for maintaining all common areas which include portions of the front yard of each building. Water used to irrigate the common area landscaping in the community will come from either a nonpotable well service or may be from reclaimed water from the Honouliuli Wastewater Treatment Plant. Any reclaimed water has been treated according to Department of Health guidelines. The irrigation system and the timer controlling it will be maintained by the association.

 - a. Roadways.** The roads within LAS BRISAS are also common areas maintained by the condominium association. Some homes located at the cul de sacs will have concrete roadways fronting their driveways. Even though these portions of the roads are concrete and appear to be a continuation of the driveways, they are common area

roadways belonging to the association. Your building plan will show the separation between the road and the driveway.

- 18. Limited Common Areas.** Certain yard areas and the driveways are limited common areas appurtenant to a home for its exclusive use. The yard areas and approximate fence locations are shown on the building plan (see Paragraph 21 below). The size of the yards and the fence locations are approximate and may change due to varying site conditions.
- 19. Garages.** Each LAS BRISAS home has an attached garage. The garage meets City and County of Honolulu standards to accommodate one full sized and one compact sized parking stall. If you have an oversized vehicle (a van, a truck) or more than one full sized vehicle, you should inspect the garage thoroughly to ensure that the garage can accommodate your vehicles. Vehicles may be parked on the driveways so long as the vehicle does not extend into the roadway. The driveways are for guest vehicles only. Two of your cars must be parked within the garage.
- 20. Building Plans.** Each home will have a "building plan" which shows various features of the home, such as its appurtenant limited common areas, the adjacent common areas, fences, easements and utilities locations and street lights. The locations and dimensions of these features may change due to site conditions. You will be given a preliminary building plan when you execute your Sales Agreement. A final building plan reflecting all changes will be given to you at your homeowner inspection.

You may add a second floor lanai up to sixty square feet (60 sq. ft) in size or may cover up to fifty percent (50%) of the limited common element yard areas without amending the condominium documents, subject, however, to obtaining the necessary Association and governmental permits and approvals.
- 21. Trash Collection.** Not all homes in LAS BRISAS will have curbside trash collection. If your home is located on a street ending in a cul de sac, you must take your trash cans to the designated trash collection areas. Trash cans can be taken to the trash collection the night before trash is collected and must be removed by the end of that day.
- 22. Mail Delivery.** Mailboxes for homes in LAS BRISAS will be grouped in several areas in compliance with U.S. Postal Service requirements.

For further information about LAS BRISAS, please contact LAS BRISAS sales agents.





TIBURON

By Gentry

INFORMATION FOR PROSPECTIVE BUYERS

Thank you for your interest in Gentry Homes' latest condominium community called TIBURON. Your sales agent will be able to provide you with further details about the phases and plans currently available for sale.

PURCHASING PROCESS FOR TIBURON

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1. **Complete Any Affordable Housing Documents.** Gentry Homes is selling TIBURON homes pursuant to affordable housing requirements imposed by the City and County of Honolulu (the "City"). You may be required to provide certain documents and information to your sales agent as part of Gentry's reporting requirements to the City.
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the various communities (such as roadways, street lighting and landscaping). The use and cost of maintaining and operating the shared infrastructure and facilities will be shared among all owners on a pro rata basis. If the merged communities have different building types that require different maintenance and reserve assessments, the condominium association will set up cost centers such that each community is responsible only for the maintenance of its building type.

- 15. Condominium Restrictions.** As an owner in a condominium community, you will be subject to certain regulations and restrictions concerning use, the types and numbers of animals that can be kept, decorating the outside of your apartment (such as the color of your blinds or drapes from the outside) and other such matters. These regulations and restrictions are contained in the Rules and Regulations and other documents, and drafts of these documents are in the sales office for your review. As an apartment owner in TIBURON, you will also become a part of the Ewa by Gentry Community Association, and will be bound by the regulations and restrictions imposed by the Ewa by Gentry Declaration of Covenants, Conditions and Restrictions, Rules and Regulations and Design Rules. After you move in, a representative of the Community Association will be contacting you about your role in the Community Association.
- 16. Estimate of Initial Maintenance Fees.** The condominium association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium community. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding. Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided. Exhibit "E" of the public report for your phase contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change). Upon merger, the maintenance fees maybe adjusted to reflect additional costs associated with the overall condominium association. Maintenance fees upon merger may change to amounts currently collected from similar apartment types in the merged condominium association. Upon merger, all plan types will pay similar maintenance fees regardless of the phase in which the home is located.
- 17. Common Areas.** The condominium association will be responsible for maintaining all common areas which include portions of the front yard of each building. Water used to irrigate the common area landscaping in the community will come from either a nonpotable well service or may be from reclaimed water from the Honouliuli Wastewater Treatment Plant. Any reclaimed water has been treated according to Department of Health guidelines. The irrigation system and the timer controlling it will be maintained by the association.

 - a. Roadways.** The roads within TIBURON are also common areas maintained by the condominium association. Some homes located at the cul de sacs will have concrete roadways fronting their driveways. Even though these portions of the roads are concrete and appear to be a continuation of the driveways, they are common area roadways belonging to the association. Your building plan will show the separation between the road and the driveway.

- 18. Limited Common Areas.** Certain yard areas and the driveways are limited common areas appurtenant to a home for its exclusive use. The yard areas and approximate fence locations are shown on the building plan (see Paragraph 20 below). The size of the yards and the fence locations are approximate and may change due to varying site conditions.
- 19. Garages.** Each TIBURON home has an attached garage. The garage meets City and County of Honolulu standards to accommodate one full sized and one compact sized parking stall. If you have an oversized vehicle (a van, a truck) or more than one full sized vehicle, you should inspect the garage thoroughly to ensure that the garage can accommodate your vehicles. Vehicles may be parked on the driveways so long as the vehicle does not extend into the roadway. The driveways are for guest vehicles only. Two of your cars must be parked within the garage.
- 20. Building Plans.** Each home will have a "building plan" which shows various features of the home, such as its appurtenant limited common areas, the adjacent common areas, fences, easements and utilities locations and street lights. The locations and dimensions of these features may change due to site conditions. You will be given a preliminary building plan when you execute your Sales Agreement. A final building plan reflecting all changes will be given to you at your homeowner inspection.
- You may add a second floor lanai up to sixty square feet (60 sq. ft) in size or may cover up to fifty percent (50%) of the limited common element yard areas without amending the condominium documents, subject, however, to obtaining the necessary Association and governmental permits and approvals.
- 21. Trash Collection.** Not all homes in TIBURON will have curbside trash collection. If your home is located on a street ending in a cul de sac, you must take your trash cans to the designated trash collection areas. Trash cans can be taken to the trash collection the night before trash is collected and must be removed by the end of that day.
- 22. Mail Delivery.** Mailboxes for homes in TIBURON will be grouped in several areas in compliance with U.S. Postal Service requirements.

For further information about TIBURON, please contact TIBURON sales agents.





INFORMATION FOR PROSPECTIVE BUYERS

Thank you for your interest in Gentry Homes, Ltd.'s newest fee simple single family residential subdivision called PRESCOTT II. Your sales agent can provide you with further information regarding the lots and plans that are available for purchase.

BUYING A HOME IN PRESCOTT II

In order to purchase a home in PRESCOTT II, you must do the following:

1. **Get on the Interest List.** To be placed on the Interest List, you must submit a preliminary approval letter from a lender or loan commitment letter, no more than 30 days old, with all conditions to the loan attached to the letter.
2. **Your Offer to Purchase.** As homes become available, you will be contacted by a sales agent to see if you are still interested in purchasing a PRESCOTT II home. If you are still interested, you will be asked to make an appointment to complete a Reservation and make a \$1000 earnest money deposit. You will also be asked to submit any updates to your preliminary approval letter/loan commitment letter, including any conditions attached to the letter. If your original approval letter is over 30 days old, you will be required to get an update before submitting your Reservation.
3. **Complete Sales Agreement.** Gentry Homes may consider more than one offer on the home; however, the sales price will remain the same for all offers. Gentry Homes will review the offer(s) and make a decision based on your priority on the Interest List and your financial qualifications. If your offer is accepted, you will be asked to make an appointment to execute a Sales Agreement and deposit an additional \$4,000 earnest money deposit. You will have seven days after you have been contacted by your sales agent to complete your Sales Agreement. If your offer is not accepted, you will retain your position on the Interest List and your initial \$1,000 deposit will be refunded.
4. **Complete Applicable Affordable Housing Verification forms.** Some buyers may meet the City affordable housing guidelines in purchasing a home in PRESCOTT II. If so, you may be required to complete the Identification of City Housing Credit and Income Verification forms as part of your purchase. By signing the Identification of City Housing Credit form, you agree to be an owner-occupant for three hundred and sixty-five (365) consecutive days.
5. **Approved Lender.** Gentry Homes has approved several lenders to finance your purchase ("Approved Lender"). If you use a lender other than an Approved Lender, Gentry Homes

incurs additional administrative time and expense in providing your lender with information about PRESCOTT II in connection with your loan. An administrative fee of \$250 will be charged to buyers who use a lender other than an Approved Lender. Additionally no incentives will be offered to buyers who use a lender other than an Approved Lender.

6. **Final Approval.** It is your responsibility to make sure that you provide all information to your lender to obtain loan approval in time to meet all closing and recording deadlines stated in your Sales Agreement. If Gentry Homes is not satisfied that you are making progress in obtaining your loan, (for example if you switch lenders within 30 days of the Closing Date or fail to respond to Gentry Homes' status inquiries), then Gentry Homes may elect to cancel your Sales Agreement by giving you written notice.
7. **Select Carpet and any Options.** At the time you sign your Sales Agreement, you will make standard carpet and option selections. All option selections must be finalized within two (2) weeks from the execution of the Sales Agreement and cannot be cancelled or changed once ordered. If you choose to upgrade your flooring, your sales agent will make an appointment for you with Allied Flooring. All flooring selections will be finalized with Allied Flooring within two (2) weeks from the execution of the Sales Agreement.
8. **Homeowner's Inspection and Closing.** Gentry Homes will set a date when you will inspect your home and sign all closing documents. This date will be after you have obtained final loan approval and will be approximately five (5) working days before your scheduled recording date. Title Guaranty Escrow Services, Inc., the escrow agent for PRESCOTT II, will provide you with your final closing figures before closing. You must bring a check for all amounts due when you come to escrow to sign your documents.
9. **Recording.** Approximately five (5) working days after closing, the deed for your home and your mortgage documents will be recorded at the Bureau of Conveyances. You will be able to pick up the keys to your new home at the sales office once we receive confirmation that the deed has recorded.
10. **Site Inspections.** You may arrange to visit your home while it is under construction. Please contact your sales agent to make an appointment. Appointments will only be scheduled on the weekends. Because the home is still under construction, you will be required to sign a waiver of liability before you will be allowed to visit your home. You will also be required to wear closed shoes, protective goggles and a hardhat. Your sales agent will provide you with the protective goggles and hardhat. You must be accompanied by your sales agent or other Gentry Homes representative at all times while you are on the construction site.

DISCLOSURES ABOUT PRESCOTT II

1. **Construction.** Construction of PRESCOTT II and adjacent properties will continue for some time after you move in. The roadways in and around your home may be used by construction vehicles for ingress and egress to and from the construction sites. Some of the lots may be used as staging areas for construction of portions of PRESCOTT II. The ongoing construction will cause dust, noise and increased traffic in and around your home for a period

of time. Also, care must be taken around construction sites, as hazardous conditions may exist temporarily due to the construction.

2. **Dust.** Dirt movement is an expected part of construction. You should expect to have dust in and around your home until construction in Ewa by Gentry is complete. In some cases there will be substantial construction in progress around your home after you have moved into your home. Gentry Homes will use appropriate dust control measures, but there will still be dust in your home.
3. **Sales Activities.** Sales activities for PRESCOTT II will be ongoing for several months. Portions of PRESCOTT II may be used for signage and other sales activities for a period of time while sales are ongoing.
4. **Roadways and Adjacent Properties.** PRESCOTT II is bordered on the mauka side by a detached condominium residential community. The ewa side of PRESCOTT II is bordered by Keaunui Drive, which will be dedicated to the City and County of Honolulu. The makai side of PRESCOTT II is bordered by an open undeveloped space which may be developed into residential communities. The diamond head side of PRESCOTT II borders on open, undeveloped space which the Navy has designated as an Explosive Safety Hazard Zone. Because these areas are undeveloped, there may also be pests, such as cockroaches and rodents, for a period of time.
5. **Preliminary Plans and Future Development.** Any plan or map that you may have seen for PRESCOTT II and the Ewa by Gentry community showing the general configuration of the project, the size of PRESCOTT II and the proposed number of homes within the community, locations of facilities and other community features are preliminary and subject to change. Gentry Homes may change these plans in the future to address market conditions. Utilities such as fire hydrants, electrical transformers, utility boxes, light posts, manholes, bus stops and other signs may not be shown on preliminary plans. Their locations and timing of installation are subject to change without notice.
6. **Model Homes; Substitutions.** The PRESCOTT II model complex includes several model homes. These model homes show generally the floor plans and features of the homes to be constructed but are not identical to the homes that will be built. Some of the more visible differences between the models and the production homes will be as follows:
 - The roof of the home will be made by a different manufacturer and will vary in color depending on the color scheme of the home. You should consult with your sales agent and view the roofing sample that is part of the color scheme referenced in Article I of your Sales Agreement.
 - The interior paint of the home will differ in color and finish from the model homes. You should consult with your sales agent and view the interior paint samples that are a part of the color scheme referenced in Article I of your Sales Agreement.
 - The windows in the model homes are single pane with aluminum frames. The windows in the production homes will be vinyl and dual pane.
 - The wrap around porch shown on the Lehua (Plan 3) model home is no longer being offered.

There may be additional differences between the models and the production homes as construction commences.

The model homes have been professionally landscaped and decorated, and some features in the model homes may not be included in the home that you buy. Gentry Homes reserves the right to substitute materials, fixtures, equipment and appliances of substantially equal quality as those specified in the plans and specifications for your home. Gentry Homes further reserves the right to make changes in construction as may be required by any lender, governmental agency or as may be required by law, regulation, by labor, material or utility availability, shortages or stoppages or by any emergencies. Floor plans and plan types reflected in the model complex may be changed at any time, and future lots and homes within the community may be offered for sale with different features, amenities and under different marketing and financing programs, all without further notice to you.

7. **Flooring Selections.** Visible seams should be expected with certain carpet types, berber, for example and you should make carpet selections with this in mind.

You should also expect that cracks will occur in the grouting separating the ceramic tile and/or vinyl flooring and the drywall. As shown in the model homes, the Home does not come with baseboards. Shade and/or color variation is inherent in all fired clay products and grout.

8. **Activities on Adjacent Land.** PRESCOTT II is located in the vicinity of a commercial airport (Honolulu International Airport) and a military air strip located at Barber's Point Naval Air Station and there is a likelihood of noise from planes passing overhead or nearby. The 1987 Noise Contour Map of the Honolulu International Airport Plan shows PRESCOTT II located near areas subject to noise levels of 55 Ldn. PRESCOTT II is also a major roadway (Keaunui Drive), which may create noise and dust for those homes abutting this major roadway.

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

9. **Agricultural Use.** PRESCOTT II is located upon land previously used for the cultivation of sugar cane. Land near or adjacent to PRESCOTT II may continue to be used for the cultivation and harvesting of agricultural products. Crops may be burned when seasonally appropriate. The Hawaii Right-to-Farm Act (H.R.S. Ch. 165) and Hawaii law limit the types of farm activities that may be deemed a nuisance.

- 10. Drainage Area/Golf Course.** The Coral Creek Golf Course has been constructed on the west side of Fort Weaver Road. The property is also a designated City flowage easement for drainage purposes.

There may be hazards that may cause injuries and damages to persons and/or property on PRESCOTT II such as periodic spraying or other treatment of golf course area with pesticides, insecticides, herbicides, fungicides and fertilizers. Irrigation of the golf course may be with water from storm water retention basins or reclaimed water from the Honouliuli Wastewater Treatment Plant (used in accordance with Department of Health guidelines).

Owners in PRESCOTT II will not have an ownership interest in the golf course, a right to use any facilities or a right to enter the property by virtue of their membership in the Ewa by Gentry Community Association.

- 11. Honouliuli Wastewater Treatment Plant.** The Project is located near the Honouliuli Wastewater Treatment Plant, which generates odors and which will be expanded in the future to accommodate increased usage.

- 12. Mold.** Mold and mold spores are present throughout the environment, and residential home construction is not, and cannot be, designed to exclude mold spores. All mold is not necessarily harmful, but certain strains of mold have been shown to have adverse health effects in susceptible persons. Moisture is the only mold growth factor that can be controlled in a residential setting. You should take positive steps to reduce or eliminate the occurrence of moisture in and around the home. Gentry Homes cannot be responsible for any mold or mold spores present in the environment or in the home.

- 13. Flood Zone.** The Federal Emergency Management Agency ("FEMA") has not yet reviewed the property on which PRESCOTT II is located and has made no determination of whether the property is within a flood hazard zone such that you will be required to obtain flood insurance.

- 14. City and County of Honolulu Affordable Housing Requirements.** There are communities in Ewa by Gentry that will be sold under the City and County of Honolulu's affordable housing guidelines. Buyers for these units must meet certain income limits and may have restrictions on resale. Gentry's Coronado and Palm Villas multi-family communities have been developed as a combination of sale/rental units to meet City requirements. At this time, Gentry Homes has not identified the location of any future affordable housing communities..

- 15. Ewa by Gentry Community Association.** By purchasing a home in PRESCOTT II, each homeowner becomes a member of the Ewa by Gentry Community Association. Each owner pays dues to the Community Association in the amount of approximately \$50 per quarter for a total of \$200 a year. The Community Association will be responsible for enforcing the Declaration of Covenants, Conditions and Restrictions (CCRs) that apply to each home and for maintaining all common areas. The CCRs are enforced in order to ensure a clean and aesthetic neighborhood. After you move in, a representative of the Community Association will be contacting you about your role in the Community Association.

As part of the Community Association, you will be required to submit any proposed alterations to your home and property to the Community Association Design Committee, as outlined in the Ewa by Gentry Community Association Design Committee Rules and Regulations. The Community Association's covenants manager or managing agent will be able to provide you with more information.

- 16. Ewa by Gentry Community Association Fences.** Fences will be built along portions of the roadways bordering the community. Gentry Homes reserves the right to change the materials used in the construction of the fences. You may not alter these fences in any way. The Ewa by Gentry Community Association will be responsible for any necessary maintenance. If the Ewa by Gentry Community Association determines that a portion of the fence needs repair because of your negligence, the Ewa by Gentry Community Association may charge you for the repairs.
- 17. Irrigation Water.** Water used to irrigate the common area landscaping in the Ewa by Gentry community, will come from either a nonpotable well service or may be from reclaimed water from the Honouliuli Wastewater Treatment Plant. Any reclaimed water has been treated according to Department of Health guidelines.
- 18. Neighboring Condominium Community Wall and/or Fence.** An existing wall and fence combination or fence separates PRESCOTT II from the Las Brisas and Tiburon condominium communities. This wall/fence combination or fence sits entirely within the property boundary of these condominium communities. If the your lot borders these condominium communities you may not alter, tamper with or attach items to these wall or fences.
- 19. Privacy Fences, Front Yard Fences and Walls.** You will be responsible with your neighbor for maintaining the fences surrounding your home. These fences are owned jointly by you and your neighbor. Any other additional fences or wall must be in compliance with the Ewa by Gentry Covenants, Conditions and Restrictions. Fence and wall designs must be approved by the Ewa by Gentry Community Association Design Committee prior to installation.
- 20. Trees in Front Yards and Planter Strips.** Any trees or plantings put in the front yard or planter strips by Gentry Homes are required by the City and County of Honolulu, as a condition for accepting the roadways. These trees and plantings **can not be removed or changed**. You will be responsible for watering and fertilizing any such trees or plantings. Gentry Homes will be responsible for any necessary tree trimming until the roadways are conveyed to the City and County of Honolulu. Once the roadways are turned over to the City, the City will be responsible for any necessary tree trimming. All such trees or plantings are each homeowner's sole responsibility, including any damage caused by the trees or plantings. You will be responsible for replacing any dead or removed trees or plantings in the planter strips/front yards with the same species of tree or planting.
- 21. Landscaping.** You will be required to complete the landscaping of your front yard within one hundred-eighty (180) days of recordation of the Deed. Failure to landscape within one hundred-eighty (180) days will subject you to fines imposed by the Ewa by Gentry Community Association. You must not interrupt or modify the drainage swale and/or

drainage pattern of the lot (as shown on the plot plan), unless you have prior written approval from the Ewa by Gentry Design Committee. Any silt fences installed by Gentry Homes must be kept in place until the affected yard area has been adequately landscaped to prevent runoff. These silt fences are required by Gentry Homes' National Pollutant Discharge Elimination System (NPDES) Permit No. H10021229 and are subject to enforcement by the Department of Health.

22. Zero Lot Line. Many of the lots in PRESCOTT II are designed as "zero lot line" homes. This means that the house will be directly abutting the property line on one side. This configuration is intended to give you the benefit of additional square footage on one side of your house for light and air and landscaping. The homeowner whose house is on the property line will have an easement right over his neighbor's property to repair and maintain his home and fence. The neighbor also has the obligation to not do anything which impairs or damages the house or fence. If a neighbor has an easement right over your lot, you must cooperate with him in providing him access. You must also consult with him before landscaping the area to ensure that your plants and trees or any structure does not interfere with his ability to maintain his home.

23. HECO Transformer Vaults. Some of PRESCOTT II lots have a six foot by seven foot electrical easement noted on their plot plans. If your lot has this easement, it will be shown on the plot plan. Hawaiian Electric Company ("HECO") intends to place a transformer vault approximately three feet by three feet within that easement area. The vault will sit on a concrete pad and will be about two feet high. HECO will have a right to enter your lot in order to service the transformer vault. You may landscape within the easement area but HECO will have the right to trim and keep trimmed any plants within the easement area that may be in the way.

Please see your PRESCOTT II sales agent if you would like to see a similar transformer vault that has already been installed on a lot in one of our other projects.

24. Utility Easements Generally. Some of PRESCOTT II lots have utility easements which will be noted on their plot plans. Please see your PRESCOTT II sales agent if you would like more information regarding easements affecting your PRESCOTT II lot.

25. Sight View Triangles. Most of the corner lots in PRESCOTT II have sight view triangles. The sight view triangle is required by the City and County of Honolulu Department of Transportation Services in order to maintain clear views of traffic at certain intersections. The Department of Transportation requires that structures of any kind and all landscaping within the sight view triangle must be no greater than thirty inches in height. If your lot has this easement, it will be shown on the plot plan.

26. Schools. The current school district boundaries show that residents in PRESCOTT II will be serviced by Pohakea Elementary School, Ilima Intermediate School and James Campbell High School.

For further information about PRESCOTT II, please contact your PRESCOTT II sales agents.