

41 AD
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STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED

May 15, 2019 8:01 AM

Doc No(s) A-70740464A thru A-70740464C



1 1/25 TAR
B-33322937

/s/ LESLIE T. KOBATA
REGISTRAR

Conveyance Tax: \$527.10

LAND COURT SYSTEM

REGULAR SYSTEM

AFTER RECORDATION: RETURN BY MAIL (X) PICK UP ()

CHRISTOPHER YASUMA
988 HALEKAUWILA STREET
UNIT NO. 1409
HONOLULU, HI 96814

TG: 201602042 P
TGE: T5-191-0023-0080-0
Janet Nelson

RS 11

Tax Map Key No. (1) 2-1-050:071
Unit No. 1409; CPR No. 0080

Total Pages: 20

988 HALEKAUWILA

**LIMITED WARRANTY UNIT DEED, ENCUMBRANCES AND
RESERVATION OF RIGHTS WITH POWER OF ATTORNEY**

THIS INDENTURE (this "Deed"), made this 19 day of April, 2019, by and between **988 HALEKAUWILA, LLC**, a Delaware limited liability company, whose address is 1240 Ala Moana Boulevard, Suite 200, Honolulu, Hawaii 96814, hereinafter called "**Grantor**," and **CHRISTOPHER MASAHIRO YASUMA**, unmarried, as to an undivided ninety-nine percent (99%) interest, and **CHRISTINA KEI FULLER**, unmarried, as to an undivided one percent (1%) interest, both of whose address is 801 South King Street, Apt. 311, Honolulu, Hawaii 96813, hereinafter collectively called "**Grantee**."

WITNESSETH:

That Grantor, in consideration of the sum of TEN AND NO/100 UNITED STATES DOLLARS (U.S.\$10.00) and other good and valuable consideration to Grantor paid by Grantee, receipt whereof is hereby acknowledged, and of the promises and covenants hereinafter set forth and on the part of Grantee to be faithfully observed and performed, does hereby grant, bargain, sell and convey unto Grantee, as TENANTS IN COMMON, the following described real property (the "**Property**") and the reversions, remainders, rents, issues and profits thereof and all of the estate, title and interest of Grantor, both at law and in equity, therein and thereto;

The Property hereby conveyed comprises a portion of the 988 HALEKAUWILA condominium project (the "**Project**"), as established by that certain Declaration of Condominium Property Regime of 988 Halekauwila dated February 18, 2016, recorded at the Bureau of Conveyances of the State of Hawaii (the "**Bureau**") as Document No. A-59140771, as the same may be amended from time to time (the "**Declaration**"). The Project consists of those certain lands situate at Kewalo, Honolulu, City and County of Honolulu, State of Hawaii, and more particularly described in the Exhibit "A" attached hereto and incorporated herein by this reference, together with the improvements located thereon, as more particularly described in and subject to the Declaration. The portion of the Project consisting of the Property hereby conveyed is more particularly described in said Exhibit "A".

TO HAVE AND TO HOLD the same unto Grantee, according to the tenancy and estate hereinabove set forth, in fee simple, absolutely and forever, subject as aforesaid, and subject also to the Declaration, the Bylaws of the Association of Unit Owners of 988 Halekauwila dated February 18, 2016 and recorded at said Bureau as Document No. A-59140772, as the same may be amended from time to time (the "**Bylaws**"), that certain Community Covenant for Ward Village dated September 13, 2013 and recorded at said Bureau as Document No. A-50040794 (the "**Master Declaration**"), as the same may be amended from time to time, and the Rules and Regulations of the Association of Unit Owners of 988 Halekauwila (the "**House Rules**"), and the covenants, conditions and restrictions in the Declaration, the Bylaws, the Master Declaration and the House Rules contained, as the same may have been or may hereafter be amended, all of which are incorporated herein by reference and made a part hereof.

The Property shall at all times be used only for the purposes described in the Declaration.

Grantor hereby covenants and agrees with Grantee that Grantor is lawfully seized in fee simple of the Property and the rights granted, bargained, sold and conveyed as herein mentioned; and Grantor has good right to grant, bargain, sell and convey the same in the manner set forth herein; and that the same are free and clear of and from all encumbrances created or suffered by Grantor, except for the encumbrances set forth in said Exhibit "A", and except for the lien of real property taxes not yet by law required to be paid; and Grantor shall WARRANT AND DEFEND the same unto Grantee, forever, against the lawful claims and demands of all persons claiming through Grantor, except as herein set forth.

GRANTEE'S COVENANTS

In consideration of the foregoing conveyance, Grantee does hereby covenant and agree to and with Grantor and its successor and assigns, as follows:

A. Observance and Examination of Declaration, Bylaws, Master Declaration, and Other Project Documents. Grantee hereby covenants and agrees, for the benefit of the Unit Owners from time to time of all other units in the Project, to at all times observe, perform, comply with and abide by all of the terms, covenants, conditions, agreements, obligations and restrictions set forth in the Declaration, the Bylaws, the Master Declaration and the House Rules, as any of the same exist or may hereafter be amended in accordance with law, and does hereby accept and approve the Declaration, the Master Declaration, the Bylaws, and the House Rules, and Grantee will indemnify and save harmless Grantor for any failure to observe and perform any such terms, covenants, conditions, agreements, obligations and restrictions for so long as the Declaration, Master Declaration, Bylaws and the House Rules exist and are in effect.

Grantee further acknowledges and agrees that Grantee has examined (or waived such examination), and has approved the following Project documents (and any and all supplements, addenda and amendments to said documents): the Declaration, the Bylaws, the Master Declaration, the Condominium Map for the Project ("**Condominium Map**"), the House Rules, the Project escrow agreement and the developer's public report with an effective date issued by the Real Estate Commission of the State of Hawaii for the Project. In addition, Grantee hereby agrees and acknowledges that each of the acknowledgments and agreements made by Grantee in the 988 Halekauwila Purchase Agreement and Deposit Receipt covering the Property, including all supplements, addenda and amendments thereto, shall survive the recordation of this Deed.

B. Reserved Housing Unit. Grantee hereby understands, accepts and agrees that the Property conveyed by this Deed is designated as a "Reserved Housing Unit" in accordance with the terms, conditions and requirements of Subchapter 7 ("Sale and Rental of Reserved Housing Units") of the Kaka'ako Community Development District Mauka Area Rules, Title 15, Subtitle 4, Chapter 22 of the Hawaii Administrative Rules (the "**Mauka Area Rules**"), as administered by the Hawaii Community Development Authority ("**HCD**A"), and that certain Planned Development Permit dated July 17, 2013, Ref. No. KAK 13-038, as amended. Grantee does hereby covenant and agree that the Property shall be subject to certain restrictions on the use, occupancy and transfer pertaining to Reserved Housing Units pursuant to the Mauka Area Rules. Without limiting the generality of the foregoing, Grantee does hereby covenant and agree that:

- (1) The Unit is affordable to qualified persons with adjusted household incomes equal to one hundred twenty-seven percent (127%) of median income;
- (2) The Unit is subject to a Regulated Term of two (2) years, as more particularly described in Exhibit "B" attached hereto and made a part hereof;
- (3) The Unit is subject to certain "Equity Sharing Requirements," as more particularly described in Exhibit "B"; and
- (4) Grantee shall occupy the Unit as Grantee's primary residence and use the Unit in accordance with all applicable provisions of the Mauka Area Rules, as more particularly described in Exhibit "B"; and
- (5) Grantee shall execute a Unilateral Declaration of Restrictive Covenants for Unit Designated as Reserved Housing Unit ("**Unilateral Declaration**") for the Unit on a form approved by the HCDA, which shall be recorded in said Bureau substantially concurrently with this Deed.

By accepting this Deed, Grantee expressly covenants and agrees that Grantee shall observe, perform and comply with all of the covenants, conditions and restrictions pertaining to the ownership, use and transfer of the Unit set forth in the Mauka Area Rules and in Exhibit "B". Upon release of the Unilateral Declaration, the terms of this Paragraph B and Exhibit "B" shall be of no further force or effect and shall no longer bind or encumber the Unit or Grantee or Grantee's successors in interest and assigns. Following such release, all further transfers of title to the Unit or any interest therein shall be made free and clear of the terms, conditions, and restriction set forth in the Paragraph B and in Exhibit "B".

C. Grantor's Reserved Rights; Power of Attorney. Grantee hereby acknowledges, consents to and agrees with those certain rights set forth in the Declaration, including, but not limited to, the rights set forth in Articles XX through XXXIV thereof, the Master Declaration, the Bylaws, and the House Rules as being reserved unto Grantor for the periods described therein and agrees and consents to Grantor's exercise of such reserved rights in connection with the Project. Grantee hereby further consents to the recording of any and all documents necessary to effect Grantor's exercise of said reserved rights at said Bureau, including without limitation, any amendment or amendments of the Declaration, Bylaws, Condominium Map, and the House Rules, as appropriate; agrees to execute, deliver and record such documents and instruments and do such other things as may be necessary or convenient to effect the same; and appoints Grantor and its assigns as Grantee's attorney-in-fact with full power of substitution to execute, deliver, and record such documents and instruments and to do such things on Grantee's behalf to effect such reserved rights, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be affected by the disability of such party or parties, and which means that the grant of such power will be binding upon any person or entity to which Grantee transfers the Property, and shall be deemed to be automatically granted anew by any such person or entity upon such transfer of any Unit or any interest therein, whether by deed, mortgage, or any other instrument of conveyance. Grantee further acknowledges, consents and agrees that, notwithstanding anything stated herein to the contrary, pursuant to the Declaration, the rights reserved to Grantor in the Declaration shall be fully and freely assignable by Grantor in whole or in part. Without limitation to the generality of the rights reserved unto Grantor as set forth in the Declaration and as permitted by law, Grantor will have the right to execute, deliver and record any amendment to the Condominium Documents, any easement instrument, any deed, any amendment to a Deed, assignment of rights or interest, or such other document, instrument or agreement that may be necessary or appropriate to permit Grantor to exercise its reserved rights pursuant to the provisions of the Declaration.

D. Binding Effect. The rights and obligations of Grantor and Grantee shall be binding upon and inure to the benefit of their respective estates, heirs, devisees, personal representatives, successors, successors-in-trust and assigns. All obligations undertaken by two (2) or more persons shall be deemed to be joint and several unless a contrary intention shall be clearly expressed elsewhere herein. Without limiting the generality of the foregoing, each and every acknowledgment, acceptance, appointment, agreement and covenant of Grantee herein shall run with the land and constitute an equitable servitude and lien, and is made by Grantee for Grantee and on behalf of Grantee's estate, heirs, devisees, personal representatives, successors, successors-in-trust and assigns. Each and

every person hereafter acquiring from Grantee or Grantee's estate, heirs, devisees, personal representatives, successors, successors-in-trust or assigns, an interest in the Property hereby conveyed, by such acquisition, makes said acknowledgments, acceptances, appointments, agreements and covenants for such person and for such person's estate, heirs, devisees, personal representatives, successors, successors-in-trust and assigns.

The conveyance herein set forth and the warranties of Grantor concerning the same are expressly declared to be in favor of Grantee, Grantee's heirs, devisees, personal representatives, successors, successors-in-trust and assigns.

E. Severability. In the event that any provision of this instrument is illegal, void or unenforceable for any reason, the remaining terms of this instrument shall remain in full force and effect.

F. "Grantor" and "Grantee". The terms "Grantor" and "Grantee" as and when used herein or any pronouns used in place thereof, shall mean and include the masculine, feminine and neuter, the singular and plural number, individuals, trustees, partnerships, companies or corporations, and each of their respective heirs, devisees, personal representatives, successors, successors-in-trust and assigns, according to the context thereof. All capitalized terms not defined herein shall have the meanings ascribed to such terms in the Declaration.


G. Counterparts. Grantor and Grantee agree that this instrument may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same instrument, binding upon all of the parties hereto, notwithstanding that all of the parties are not signatories to the original or the same counterparts. For all purposes, including, without limitation, recordation, filing and delivery of this instrument, duplicate, unexecuted and unacknowledged pages of the counterparts may be discarded and the remaining pages assembled as one document.

(The remainder of this page is intentionally left blank. Signatures to follow.)

IN WITNESS WHEREOF, Grantor and Grantee have executed these presents on the day and year first above written.

988 HALEKAUWILA, LLC, a Delaware limited liability company

By


Doug Johnstone
Its Vice President

"Grantor"


CHRISTOPHER MASAHIRO YASUMA


CHRISTINA KEI FULLER

"Grantee"

STATE OF HAWAII

CITY AND COUNTY OF HONOLULU

SS:

On this _____ day of APR 19 2019, 20____, before me appeared DOUG JOHNSTONE, to me personally known, who being by me duly sworn or affirmed, did say that such person(s) executed the foregoing instrument as the free act and deed of such person(s), and if applicable, in the capacity(ies) shown, having been duly authorized to execute such instrument in such capacity(ies).



(Official Stamp or Seal)

Theresa Widmer

(signature)

Theresa Widmer

(print name)

Notary Public of and for said State

THERESA WIDMER

Expiration Date: May 21, 2020

My commission expires: _____

NOTARY CERTIFICATION STATEMENT

Document Identification or Description: 988 HALEKAUWILA LIMITED WARRANTY UNIT DEED, ENCUMBRANCES AND RESERVATION OF RIGHTS WITH POWER OF ATTORNEY

☐ Document Date: _____ or ☒ Undated at time of notarization

No. of Pages: 20 Jurisdiction: FIRST Circuit
(in which notarial act is performed)

Theresa Widmer
Signature of Notary

APR 19 2019

Date of Notarization and
Certification Statement

Theresa Widmer

Printed Name of Notary



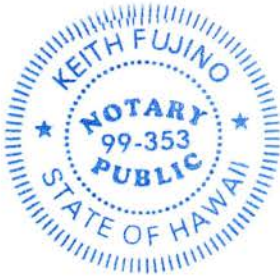
(Official Stamp or Seal)

STATE OF HAWAII

SS:

CITY AND COUNTY OF HONOLULU

On this 29th day of March, 2019, before me appeared CHRISTOPHER MASAHIRO YASUMA, to me personally known, who being by me duly sworn or affirmed, did say that such person(s) executed the foregoing instrument as the free act and deed of such person(s), and if applicable, in the capacity(ies) shown, having been duly authorized to execute such instrument in such capacity(ies).



(Official Stamp or Seal)

KEITH FUJINO (signature)
Expiration Date: July 18, 2019

(print name)

Notary Public of and for said State

My commission expires: _____

NOTARY CERTIFICATION STATEMENT

Document Identification or Description: 988 HALEKAUWILA LIMITED WARRANTY UNIT DEED, ENCUMBRANCES AND RESERVATION OF RIGHTS WITH POWER OF ATTORNEY
Unit No. 1409

☐ Document Date: _____ or ☒ Undated at time of notarization

No. of Pages: 22 Jurisdiction: FIRST Circuit
(in which notarial act is performed)

Signature of Notary

Date of Notarization and
Certification Statement

Keith Fujino

Printed Name of Notary



(Official Stamp or Seal)

CERTIFICATE OF ACKNOWLEDGMENT OF
EXECUTION OF AN INSTRUMENT

COUNTRY

County and/or other political division

County and/or other political division

Name of foreign service officer

JAPAN
CITY OF TOKYO
EMBASSY OF THE UNITED STATES OF AMERICA) ss:

Ingrid C. Perkins
Consular Associate

I, _____, Consul of the United States of
America at Tokyo, Japan, duly commissioned
and qualified, do hereby certify that on this _____ day of
MAR 20 2019, before me personally appeared CHRISTINA KEI
FULLER, to me personally known, and known to me to be the individual(s) described in, whose
name(s) is/are subscribed to, and who executed the annexed instrument, and being informed by
me of the contents of said instrument he/she/they duly acknowledged to me that he/she/they
executed the same freely and voluntarily for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto
set my hand and official seal the day and year
last above written.



Consul of the United States of America



EXHIBIT "A"

-FIRST:-

Unit No. 1409 (the "**Unit**") located in that certain condominium project known as "988 HALEKAUWILA" (the "**Project**"), as described in that certain Declaration of Condominium Property Regime dated February 18, 2016, recorded at the Bureau of Conveyances of the State of Hawaii as Document No. A-59140771, as the same may be amended from time to time (the "**Declaration**"), and shown on the plans thereof filed as aforesaid as Condominium Map No. 5514 (the "**Condominium Map**").

TOGETHER WITH those easements appurtenant to the Unit as set forth in the Declaration, which may include the following:

- (a) Exclusive easements in the Limited Common Elements of the Project which are described in the Declaration as being appurtenant to the Unit.
- (b) Nonexclusive easements in the Common Elements, including the Limited Common Elements, designed for such purposes as ingress to, egress from, utility services for, and support, maintenance, and repair of the Unit; in the other Common Elements for use according to their respective purposes, subject always to the exclusive use of the Limited Common Elements as provided in the Declaration; and in the other Units in the building in which the Unit is located for support; subject to the provisions of Section 514B-38 of the Act.
- (c) If any part of the Common Elements now or hereafter encroaches upon any unit or Limited Common Element, or if any unit encroaches upon the Common Elements or upon any other unit, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall exist. In the event that a unit shall be partially or totally destroyed and then rebuilt, or in the event of any shifting, settlement, or movement of any part of the Project, encroachments of any part of the Common Elements, Units or Limited Common Elements due to such construction, shifting, settlement, or movement shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist for so long as such encroachment continues.
- (d) Nonexclusive easements for access throughout the Parking Structure, all roadways, driveways, access lanes, ramps, landscaped areas, sidewalks, walkways, hallways, and grounds of the Project that is/are part of the Commercial Limited Common Elements or Residential Limited Common Elements, as depicted on the Condominium Map to the extent that such easements are necessary for ingress to and egress from, the Unit and to and from any Limited Common Element areas appurtenant to the Unit or the Residential Limited Common Elements or Commercial Limited Common Elements. The Unit shall have pedestrian and vehicular easements for access through Level 1 to access the Residential Limited Common Elements and/or Commercial Limited Common Elements located on Level 1 at all times.

EXCEPTING AND RESERVING AND SUBJECT TO all easements as provided in the Declaration, including, but not limited to, (i) easements for encroachments appurtenant to other Units or the Common Elements as they arise in the manner set forth above, now or hereafter existing thereon; (ii) easements for access to the Unit or any Limited Common Element appurtenant thereto from time to time during reasonable hours as may be appropriate for the operation or maintenance of the Project or for the inspection, repair, painting, resurfacing, maintenance, installation or replacement of any Common Elements, or for any other purpose reasonably related to the exercise of the rights and obligations under the Declaration, or, without notice, at any time for (a) making emergency repairs therein necessary to prevent damage to any unit or Limited Common Element, (b) abating any nuisance or any dangerous, unauthorized, prohibited or unlawful activity, (c) protecting the property rights of any Owner, or (d) preventing death or serious bodily injury to any Owner or other occupant therein; (iii) easements affecting Common

Elements; (iv) easements through adjacent lands; (v) easements necessary to complete the Project, for noise and dust, to conduct sales activities at the Project, and to install and operate central telecommunication receiving and distribution systems and services; and (vi) easements necessary pursuant to the exercise of any reserved rights set forth in the Declaration, all as provided in the Declaration.

-SECOND:-

An undivided 0.233873% interest in all Common Elements of the Project as established by the Declaration, including the land described in the Declaration, or such other interest as hereafter established for the Unit by any amendment of the Declaration, as tenant in common with the holders of other undivided interests in and to said Common Elements.

ALL TOGETHER WITH AND SUBJECT TO as to FIRST and SECOND the covenants, agreements, easements, obligations, conditions, exceptions, reservations and other matters and provisions of the Master Declaration, the Declaration and the Bylaws, all of which are incorporated herein by this reference and which constitute and shall constitute covenants running with the land, equitable servitudes and liens to the extent set forth therein and provided by law, and which are hereby accepted by Grantee as binding and to be binding on Grantee, and Grantee's successors and assigns.

The lands upon which the Project is located are described as follows:

ITEM I:

All of that certain parcel of land situate at Kewalo, Honolulu, City and County of Honolulu, State of Hawaii, being the land(s) described in deregistered Transfer Certificate of Title No. 630,560 recorded at said Bureau as Document No. A-46240645, described as follows:

LOTS: 13, Block 2, area, 5,000.00, square feet, more or less,
14, Block 2, area, 5,000.00, square feet, more or less, and
15, Block 2, area, 5,000.00 square feet, more or less, as

shown on Map 1, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 670 of Victoria Ward, Limited, which lot has been deregistered from the Land Court System pursuant to Hawaii Revised Statutes Section 501-261.

ITEM II:

-PARCEL FIRST:-

All of that certain parcel of land situate at Kewalo, Honolulu, City and County of Honolulu, State of Hawaii, being the land(s) described in deregistered Transfer Certificate of Title No. 630,560 recorded at said Bureau as Document No. A-46240645, described as follows:

LOTS: 18, Block 2, area 5,000 square feet, more or less,
20, Block 2, area 3,561 square feet, more or less,
21, Block 2, area 5,217 square feet, more or less, as shown on Map 1, and
19-A, Block 2, area 4,874 square feet, more or less, and
22-A, Block 2, area 5,656 square feet, more or less,

as shown on Map 29, filed in said Office with Land Court Application No. 670 of Victoria Ward, Limited, which lot has been deregistered from the Land Court System pursuant to Hawaii Revised Statutes Section 501-261.

-PARCEL SECOND:-

BLOCK B, being a portion of Royal Patent 5716, Land Commission Award Number 10605, Apana 7 to Piikoi area 2,816 square feet, as shown on Consolidation Map prepared by Walter P. Thompson, dated August 11, 1966.

ITEM III:

All of that certain parcel of land situate at Kewalo, Honolulu, City and County of Honolulu, State of Hawaii, being the land(s) described in deregistered Transfer Certificate of Title No. 630,560, recorded at said Bureau as Document No. A-46240645, described as follows:

LOT 16, BLOCK 2, area 5,000 square feet, more or less, as shown on Map 1, and
LOT 17-A, BLOCK 2, area 4,644 square feet, more or less, as shown on Map 29,

filed in said Office with Land Court Application No. 670 of Victoria Ward, Limited, which lot has been deregistered from the Land Court System pursuant to Hawaii Revised Statutes Section 501-261.

BEING THE PREMISES ACQUIRED BY DEED

GRANTOR : VICTORIA WARD, LIMITED, a Delaware corporation
GRANTEE : 988 HALEKAUWILA, LLC, a Delaware limited liability company
DATED : September 10, 2015
RECORDED : Document Nos. A-57310811A through A57310811B

SUBJECT, HOWEVER, to the following:

1. Any and all real property taxes that may be due and owing.
2. Mineral and water rights of any nature.
3. AS TO ITEM II, PARCEL SECOND:-

(A) Street Setback Line as shown on the map prepared by Walter P. Thompson, dated August 11, 1966.

(B) GRANT in favor of HAWAIIAN ELECTRIC COMPANY, INC., dated July 15, 1980, recorded in Liber 14873 at Page 193; granting a temporary right and easement to build, construct, rebuild, reconstruct, repair, maintain and operate underground power lines for the transmission and distribution of electricity.

4. The terms and provisions contained in the following:

INSTRUMENT : VICTORIA WARD, LIMITED, MASTER PLAN PERMIT MEMORANDUM OF DECISION AND ORDER

DATED : May 29, 2009

FILED : Land Court Document No. 3869623

RECORDED : Document No. 2009-093051

PARTIES : VICTORIA WARD, LIMITED, a Delaware corporation, "VWL", BANK OF HAWAII, a Hawaii corporation, as trustee under (a) that certain Land Trust Agreement and Conveyance dated October 21, 2004 (Trust No. 89433) and filed as Land Court Document No. 3188119, and (b) that certain Land Trust Agreement and Conveyance dated October 21, 2004 (Trust No. 89434) and filed

as Land Court Document No. 3188118, "Bank of Hawaii Trust", FIRST HAWAIIAN BANK, a Hawaii corporation, as trustee under (a) that certain unrecorded Land Trust Agreement dated September 20, 2006 (Trust No. FHB-TRES 200601), and (b) that certain unrecorded Land Trust Agreement dated September 20, 2006 (Trust No. FHB-TRES 200602), "First Hawaiian Trust", and HAWAII COMMUNITY DEVELOPMENT AUTHORITY, a body corporate and a public instrumentality of the State of Hawaii, "Authority"

5. The terms and provisions contained in the following:

INSTRUMENT : MEMORANDUM OF MASTER PLAN DEVELOPMENT AGREEMENT FOR THE WARD NEIGHBORHOOD MASTER PLAN

DATED : December 30, 2010

FILED : Land Court Document No. 4036891

RECORDED : Document No. 2011-004171

PARTIES : VICTORIA WARD, LIMITED, a Delaware corporation, "VWL", BANK OF HAWAII, a Hawaii corporation, as trustee under (a) that certain Land Trust Agreement and Conveyance dated October 21, 2004 (Trust No. 89433) and filed as Land Court Document No. 3188119, and (b) that certain Land Trust Agreement and Conveyance dated October 21, 2004 (Trust No. 89434) and filed as Land Court Document No. 3188118, "Bank of Hawaii Trust", FIRST HAWAIIAN BANK, a Hawaii corporation, as trustee under (a) that certain unrecorded Land Trust Agreement dated September 20, 2006 (Trust No. FHB-TRES 200601), and (b) that certain unrecorded Land Trust Agreement dated September 20, 2006 (Trust No. FHB-TRES 200602), "First Hawaiian Trust", and HAWAII COMMUNITY DEVELOPMENT AUTHORITY, a body corporate and a public instrumentality of the State of Hawaii, "HCDA"

6. The terms and provisions contained in the following:

INSTRUMENT : COMMUNITY COVENANT FOR WARD VILLAGE

DATED : September 13, 2013

RECORDED : Document No. A-50040794

The foregoing includes, but is not limited to, matters relating to (i) assessment liens which may be superior to certain mortgages; (ii) the By-Laws of Ward Village Owners Association; and (iii) reciprocal appurtenant easements for encroachments and easements for drainage of water runoff, said easements being more particularly described therein.

SUPPLEMENT TO COMMUNITY COVENANT FOR WARD VILLAGE, dated September 10, 2015, recorded as Document No. A-57310810.

7. The terms and provisions contained in the following:

INSTRUMENT : JOINT DEVELOPMENT AGREEMENT FOR LAND BLOCK 5 OF THE WARD MASTER PLAN

DATED : February 26, 2014

RECORDED : Document No. A-51900681

PARTIES : VICTORIA WARD, LIMITED, a Delaware corporation, and FIRST HAWAIIAN BANK, a Hawaii corporation, Trustee under that certain unrecorded Land Trust Agreement No. FHB-TRES 200601, dated September 20, 2006

8. The terms and provisions contained in the following:

INSTRUMENT : DEVELOPMENT AGREEMENT FOR LAND BLOCK 5, PROJECT 1 OF
THE WARD MASTER PLAN

DATED : March 5, 2014

RECORDED : Document No. A-51900684

PARTIES : VICTORIA WARD, LIMITED, a Delaware corporation, and HAWAII
COMMUNITY DEVELOPMENT AUTHORITY, a body corporate and a public
instrumentality of the State of Hawaii

9. -AS TO ITEM II, PARCEL FIRST, LOTS 20, 21 AND 22A, AND ITEM II, PARCEL SECOND ONLY:-

The terms and provisions contained in the following:

INSTRUMENT : DECLARATION OF RESTRICTIVE COVENANTS (PUBLIC FACILITIES
DEDICATION)

DATED : May 15, 2014

RECORDED : Document No. A-52480780

10. The terms and provisions contained in the following:

INSTRUMENT : DEED WITH RESERVATION OF EASEMENTS AND OTHER RIGHTS

DATED : September 10, 2015

RECORDED : Document Nos. A-57310811A through A-57310811B

The foregoing includes, but is not limited to, matters relating to the following:

- (a) right to relocate and consolidate any access rights;
- (b) reservation of easements;
- (c) all rights of and easements under Coordinated Development Instruments;
- (d) Development Related Rights;
- (e) power of attorney.

11. Unrecorded DECLARATORY ORDER re: Applicability of Condition No. 4 of Nunc Pro Tunc Order Re: Hearing Officer's Proposed Findings of Fact, Conclusions of Law, and Decision and Order for a Master Plan Permit, Issued January 14, 2009, issued October 10, 2012 in File No. PL MASP 13-1-3 by Hawaii Community Development Authority, as contained in DEED dated September 10, 2015, recorded as Document Nos. A-57310811A thru A-57310811B.
12. Unrecorded DEVELOPMENT PERMIT FOR WARD VILLAGE LAND BLOCK 5, PROJECT 1, KAK 13-038, approved by the Hawaii Community Development Authority on July 17, 2013, as amended by Findings of Fact, Conclusions of Law, and Decision and Order Granting in Part and Denying in Part Victoria Ward, Limited's Motion to Amend Development Permit Nos. KAK 13-036, 13-037, and 13-038 to Allow Sale and/or Rental of Reserved Housing Units and to Extend Time of Effective Period of Permit KAK 13-038, approved by the Hawaii Community Development Authority on July 22, 2015, as contained in DEED dated September 10, 2015, recorded as Document Nos. A-57310811A thru A-57310811B.

13. Unrecorded SECOND AMENDED AND RESTATED PUBLIC FACILITIES AGREEMENT FOR LAND BLOCK 2, PROJECT 1, LAND BLOCK 3, PROJECT 1, LAND BLOCK 5, PROJECT 1, executed May 20, 2014, as contained in DEED dated September 10, 2015, recorded as Document Nos. A-57310811A thru A-57310811B.

14. Easements to use easement areas on the Property shown on any existing or future subdivision or easement designation map, as contained in DEED dated September 10, 2015, recorded as Document Nos. A-57310811A thru A-57310811B.

15. The terms and provisions contained in the following:

INSTRUMENT : DECLARATION OF CONDOMINIUM PROPERTY REGIME FOR "988 HALEKAUWILA" CONDOMINIUM PROJECT

DATED : February 18, 2016
RECORDED : Document No. A-59140771
MAP : 5514 and any amendments thereto

Said Declaration was amended by instruments dated June 16, 2016, recorded as Document No. A-60160589, dated January 9, 2017, recorded as Document No. A-62840891, and dated March 7, 2019, recorded as Document No. A-70100625.

The foregoing includes, but is not limited to, matters relating to the Reserved Housing Units that are subject to the jurisdiction of HCDA and the terms and restrictions of the Vested Rules, which include, without limitation, residency requirements, income and asset limits, occupancy requirements, HCDA buy-back rights, and share equity requirements.

16. The terms and provisions contained in the following:

INSTRUMENT : BY-LAWS OF THE ASSOCIATION OF UNIT OWNERS

DATED : February 18, 2016
RECORDED : Document No. A-59140772

17. GRANT OF EASEMENT

TO : OCEANIC TIME WARNER CABLE LLC, a Delaware limited liability company
DATED : January 17, 2017
RECORDED : Document No. A-62410765
GRANTING : a non-exclusive right and easement over, under, upon, across and through the Easement Area being more particularly described therein

18. AMENDED NOTICE OF PENDENCY OF ACTION

PLAINTIFF : CITY AND COUNTY OF HONOLULU, acting by and through the HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

DEFENDANT : VICTORIA WARD, LIMITED, et al.

DATED : October 5, 2018
FILED : Circuit Court of the First Circuit, State of Hawaii, Case No. 18-1-1564-10 on October 5, 2018
FILED : Land Court Document No. T-10507183 on October 8, 2018
RECORDED : Document No. A-68550714 on October 8, 2018

RE : Condemnation of easements for the Honolulu Rail Transit project

19. Encroachments, if any, which would be shown on a correct survey.

TOGETHER WITH those appliances and furnishings included with the Unit as described in the 988 Halekauwila Purchase Agreement and Deposit Receipt executed between Grantor and Grantee covering the Unit, and any and all supplements, addenda and amendments thereto.

END OF EXHIBIT "A"

EXHIBIT "B"

REQUIREMENTS FOR RESERVED HOUSING UNITS UNDER THE MAUKA AREA RULES

I. MAUKA AREA RULES AND PLANNED DEVELOPMENT PERMIT

The Unit described in this Deed and being transferred hereby is designated as a "Reserved Housing Unit" in accordance with the terms, conditions and requirements of Subchapter 7 ("Sale and Rental of Reserved Housing Units") of the Kaka'ako Community Development District Mauka Area Rules, Title 15, Subtitle 4, Chapter 22 of the Hawaii Administrative Rules (the "**Mauka Area Rules**"), as administered by the Hawaii Community Development Authority of the State of Hawaii ("**HCDA**"). Accordingly, title to the Unit is being transferred to Grantee by this Deed subject to the terms, conditions, provisions and restrictions for Reserved Housing Units set forth in the Mauka Area Rules, as more specifically implemented in that certain Planned Development Permit dated July 17, 2013, Ref. No. KAK 13-038, as amended (the "**Planned Development Permit**").

II. REQUIREMENTS FOR THE UNIT

A. Regulated Term

The transfer of a Reserved Housing Unit shall be regulated for a minimum number of years following the original sale of the Unit as prescribed in Section 15-22-186(b) of the Mauka Area Rules (the "**Regulated Term**"). During the Regulated Term, HCDA has, among other things, the first option to purchase the Unit from the Grantee at a specified sales price.

The Unit is affordable to qualified persons with adjusted household incomes equal to one hundred twenty-seven percent (127%) of median income.

The Regulated Term for this Unit shall be for a period of two (2) years commencing on the date of recordation in the Bureau of this Deed transferring title to the Unit to Grantee.

B. Equity Sharing Requirements

The Unit is subject to "Equity Sharing Requirements" that requires Grantee to make a payment to HCDA upon transfer of the deed to the Unit to a third party. The calculation of payment is determined by, among other things, the Unit's original fair market value and original sales contract price.

C. Occupancy

The Unit is subject to "Occupancy Requirements" that requires Grantee or other "Qualified Households" to occupy the Unit. Grantee shall occupy the Unit during the Regulated Term.

III. SELECTED PROVISIONS OF THE MAUKA AREA RULES

The Mauka Area Rules include, but are not limited to, the following terms, conditions, provisions and restrictions:

A. The Unit is subject to the terms of Section 15-22-186 of the Mauka Area Rules ("Conditions on transfer of reserved housing units"), which section is hereby expressly incorporated into this Deed by this reference. Section 15-22-186 of the Mauka Area Rules provides, in its entirety, as follows:

§15-22-186 Conditions on transfer of reserved housing units. (a) The transfer of reserved housing units shall be regulated in accordance with the conditions set forth in subsection (c) of this

section for a minimum number of years following the original sale of the unit as prescribed in subsection (b) below. The authority may elect to extend the period on a case-by-case basis.

(b) The regulated term for reserved housing units shall be established based on unit affordability. Unit affordability, expressed as a percentage of median income, shall be determined based on the standard household sizes established in §15-22-185 and affordability criteria set forth in §15-22-185.1. Reserved housing units affordable to qualified persons with adjusted household incomes:

- (1) Less than one hundred per cent of median income shall be regulated for ten years;
- (2) One hundred to one hundred nineteen per cent of median income shall be regulated for five years; and
- (3) One hundred twenty to one hundred forty per cent of median income shall be regulated for two years.

(c) The conditions for transferring reserved housing units during the regulated term are as follows:

- (1) If an owner wishes to transfer title to the reserved housing unit, the authority or a governmental agency approved by the authority shall have the first option to purchase the unit at a sales price based on the lower of:
 - (A) The current fair market value of the reserved housing unit less the authority's share of the equity in the unit as determined by section 15-22-187 of this chapter; or
 - (B) The original sales price of the reserved housing unit adjusted proportionately to the change in median income computed from the date of the purchase to the date of the sale.
- (2) If the owner is purchasing another reserved housing unit as provided in section 15-22-182(c), the owner shall sell the reserved unit to the authority, prior to or upon the closing of the sale of the larger reserved unit, at a sales price based on the lower of:
 - (A) The current fair market value of the reserved housing unit less the authority's share of the equity in the unit as determined by section 15-22-187 of this chapter; or
 - (B) The original sales price of the reserved unit plus one per cent simple interest per year of said sales price computed from the date of the purchase to the date of sale.
- (3) The owner shall notify the authority in writing of the intent to transfer title to the reserved housing unit and the property or the lease. The authority shall respond to the owner's notification by either waiving its option to purchase the unit, or by agreeing to buy the unit or providing a substitute buyer for the unit at the price calculated in subsection (c)(1) or (2). The authority shall notify the owner of its decision within sixty days of receipt of the owner's notification.
- (4) The authority may purchase the unit either outright, free and clear of all liens and encumbrances; or by transfer subject to an existing mortgage. If by outright purchase, the authority shall ensure that all existing mortgages, liens, and encumbrances are satisfactorily paid by the owner.
- (5) In any purchase by transfer subject to an existing mortgage, the authority shall agree to assume and to pay the balance on any first mortgage created for the purpose of enabling the owner to obtain funds for the purchase of the unit and any other mortgages which were created with the approval and consent of the authority. In these cases, the amount to be paid to the owner by the authority shall be the difference between the price as determined herein and the principal balance of all mortgages outstanding and assumed at the time of transfer of title to the authority.

(d) After the end of the regulated term, the owner may sell the unit or assign the property free from any transfer or price restrictions except for applicable equity sharing requirements set forth in §15-22-187 of this chapter.

(e) The conditions prescribed in subsection (c) above shall be automatically extinguished and shall not attach in subsequent transfers of title when a mortgage holder becomes the owner of a reserved housing unit and the land or leasehold interest pursuant to a mortgage foreclosure, foreclosure under power of sale, or a conveyance in lieu of foreclosure after a foreclosure action is commenced. Any law to the contrary notwithstanding, a mortgagee under a mortgage covering a reserved housing unit and land or leasehold interest subject to the transfer restrictions of the authority shall, prior to commencing mortgage foreclosure proceedings, notify the authority of (1) any default of the mortgagor under the mortgage within ninety days after the occurrence of the default, and (2) any intention of the mortgagee to foreclose the mortgage under chapter 667, HRS. The authority shall be a party to any foreclosure action, and shall be entitled to all proceeds remaining in excess of all customary and actual costs and expenses of transfer pursuant to default, including liens and encumbrances of record. The person in default shall be entitled to any amount remaining provided the amount shall not exceed the lower of the amounts computed in subsection (c)(1) above.

(f) The provisions of this section shall be incorporated in any deed, lease, mortgage, agreement of sale, or other instrument of conveyance for reserved housing units. [Eff 9/8/86, comp 1/28/88, comp 2/24/90, am 8/4/95, am 1/13/00] (Auth: HRS §§206E-4, 206E-5, 206E-7) (Imp: HRS §§206E-4, 206E-5, 206E-7)

Historical note: §15-22-186 is based substantially upon §15-17-306 [Eff 4/6/85; R 9/8/86]

B. The Unit is subject to the terms of Section 15-22-187 of the Mauka Area Rules ("Equity Sharing Requirements"), which section is hereby expressly incorporated into this Deed by this reference. Section 15-22-187 of the Mauka Area Rules provides, in its entirety, as follows:

§15-22-187 Equity sharing requirements. (a) The authority's share of the equity in the reserved housing unit shall become due upon:

- (1) Waiver of the authority's first option to purchase the reserved housing unit; or
- (2) Resale of the reserved housing unit after the expiration of the period during which the authority has the first option to purchase the unit.
- (b) The authority's share of the equity in the reserved housing unit shall be the higher of:
 - (1) An amount equivalent to the difference between the original fair market value of the unit and its original sales contract price, not to exceed the difference between the resale fair market value and the original sales contract price; or
 - (2) An amount equivalent to the authority's percentage share of net appreciation calculated as the difference between the original fair market value of the unit and its original sales contract price, divided by the original fair market value of the unit. As used herein, "net appreciation" means resale fair market value less original sales contract price and actual sales costs incurred, if any.

The authority shall determine the fair market value of the unit at the time of the initial sale and at the time of resale.

(c) The price and terms on the resale of units shall be approved by the authority. [Eff 9/8/86, comp 1/28/88, comp 2/24/90, am 8/4/95] (Auth: HRS §§206E-4, 206E-5, 206E-7) (Imp: HRS §§206E-4, 206E-5, 206E-7).

Historical note: §15-22-187 is based substantially upon §15-17-307. [Eff 4/6/85; R 9/8/86]

C. The Unit is subject to the terms of Section 15-22-190 of the Mauka Area Rules ("Occupancy"), which section is hereby expressly incorporated into this Deed by this reference. Section 15-22-190 of the Mauka Area Rules provides, in its entirety, as follows:

§15-22-190 Occupancy. (a) A reserved housing unit purchased or rented under this chapter shall be occupied by the purchaser or renter at all times.

(b) Violation of subsection (a) shall be sufficient reason for the authority, at its option, to purchase the unit as provided in 15-22-186 of this chapter or evict the renter from the unit, as applicable.

(c) Any deed, lease, agreement of sale, mortgage, or other instrument of conveyance issued by the authority shall expressly contain the restrictions on use prescribed in this section.

(d) The restriction prescribed in subsection (a) above shall not apply if the authority waives its option to purchase the reserved housing unit or subsequent to the expiration of the option to purchase period. [Eff 9/8/86, comp 1/28/88, comp 2/24/90] (Auth: HRS §§206E-4, 206E-5, 206E-7) (Imp: HRS §§206E-4, 206E-5, 206E-7)

Historical note: §15-22-190 is based substantially upon §15-17-310. [Eff 4/6/85; R 9/8/86]

D. The Unit is subject to the terms of Section 15-22-191 of the Mauka Area Rules ("Restrictions or conditions on use and sale of a reserved housing unit; effects of amendment or repeal"), which section is hereby expressly incorporated into this Deed by this reference. Section 15-22-191 of the Mauka Area Rules provides, in its entirety, as follows:

§15-22-191 Restrictions or conditions on use and sale of a reserved housing unit; effects of amendment or repeal. (a) Restrictions or conditions on the use, sale and transfer of reserved housing units shall be made as uniform as possible in application to purchasers of all units, and restrictions shall be conformed with agreement of the owner to reflect change or repeal made by any subsequent legislative act, ordinance, rule or regulation. Reserved housing unit owners shall be permitted at their election to sell or transfer units subject to restrictions in effect at the time of their sale or transfer.

(b) The authority, any other department of the State, or any county housing agency maintaining restrictions or conditions, through contract, deed, other instrument, or by rule or regulation, shall notify all owners of any change made by law, ordinance, rule or regulation not more than one hundred eighty (180) days after the change, as the case may be, and such notice shall clearly state the enacted or proposed new provisions, the date upon which they are to be effective and offer to each owner of reserved housing units constructed and sold prior to the effective date, an opportunity to modify the existing contract or other instrument to incorporate the most recent provisions.

(c) No dwelling unit owner shall be entitled to modify the restrictions or conditions on use, transfer, or sale of the reserved housing unit, without the written permission of the holder of a duly-recorded first mortgage on the unit and the owner of the fee simple or leasehold interest in the land underlying the unit, unless the holder of the first mortgage or the owner is an agency of the State or its political subdivisions.

(d) This section shall apply to all reserved housing units developed, constructed and sold pursuant to this chapter and similar programs in the State or its political subdivisions and which are sold on the condition that the purchaser accepts restrictions on the use, sale or transfer of interest in the reserved housing unit purchased.

(e) The provisions of this section shall be incorporated in any deed, lease, instrument, rule or regulation relating to restrictions or conditions on use, sale or transfer of reserved housing units.

[Eff 9/8/86, comp 1/28/88, comp 2/24/90] (Auth: HRS §§206E-4, 206E-5, 206E-7) (Imp: HRS §§206E-4, 206E-5, 206E-7)

Historical note: §15-22-191 is based substantially upon §15-17-311. [Eff 4/6/85; R 9/8/86]

END OF EXHIBIT "B"