

CONDOMINIUM PUBLIC REPORT

Prepared &
Issued by:

Developer 3702 Lower Honoapiilani, LLC, a Colorado limited liability company
Business Address P. O. Box 54, Longmont, Colorado 80502

Project Name (*): The Breakers
Address: 3706, 3708 & 3710 Lower Honoapiilani Road, Lahaina, Hawaii 96761

Registration No. 6392 Effective date: November 18, 2009
Expiration date: December 18, 2010

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports: Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

- PRELIMINARY:**
(yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.
 - FINAL:**
(white)
 - This report supersedes all prior public reports.
 - The developer has legally created a condominium and has filed complete information with the Commission.
 - No prior reports have been issued.
 - This report supersedes all prior public reports.
 - This report must be read together with _____
 - SUPPLEMENTARY**
(pink) This report updates information contained in the:
 - Preliminary Public Report dated: _____
 - Final Public Report dated: August 3, 2009
 - Supplementary Public Report dated: _____
- And Supersedes all prior public reports.
 Must be read together with _____
 This report reactivates the _____
 public report(s) which expired on _____

(*) Exactly as named in the Declaration

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report Not Required - Disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued by the developer.

Changes made are as follows:

1. The name of the Project has been changed from "The West Maui Breakers" to "The Breakers".
2. Buildings D and E are now complete. Building F is nearly complete and is expected to be complete by approximately January 2010. Construction of Buildings B and C has not commenced and is expected to be deferred until market conditions allow construction.
3. Due to the deferral of Buildings B and C and to comply with the requirements of the FHA (Federal Housing Administration) for mortgages on apartments in the Project, the Developer has amended the Project's Declaration to provide that the Project may be developed in phases. See Exhibit A for information regarding the phasing.
4. The pet provisions in the Bylaws have been amended to delete the weight restriction on pet dogs to 25 pounds or less.
5. The Developer has amended the project documents to provide that owners of units in the new buildings in this Project will not be assessed for reserves and capital costs of maintaining Building A, which is approximately 30 years old. Those costs will be paid exclusively by owners of units in Building A.
6. The Project Broker has been changed to Locations Maui LLC doing business as Prudential Locations Maui.
7. The initial managing agent has been changed to Commercial Properties of Maui Management, Inc.
8. The Developer has provided an update of the estimated maintenance budget and assessments (Exhibit C).
9. The Developer has changed the parking stall assignments for some unsold apartments (Exhibit D).
10. The Developer has prepared a new sales contract for post-construction sales.

Special Notice

1. **Units Covered.** This Supplementary Public Report covers the 60 units in Buildings D, E and F of The Breakers condominium project. The project also includes a building, Building A, which was constructed in 1978 and which contains 24 units. Those 24 units in Building A are not covered by this registration. The Project is also planned to include two additional buildings, Buildings B and C, that are planned to contain a total of 30 units. Those 30 units are not covered by this registration.

2. **Original Registration.** Douglas E. Myers ("Myers") originally registered The Breakers condominium project with the Real Estate Commission, State of Hawaii under Registration No. 5474. Developer 3702 Lower Honoapiilani, LLC acquired the units covered by this registration in a bulk purchase from Myers. Myers retains ownership of the 24 units in Building A, which are still covered by Registration No. 5474. Those 24 units, together with the 60 units covered by this registration, form a single condominium project.

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General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: 3702 Lower Honoapiilani, LLC Phone: (303) 702-0708
 Name* (Business)
P. O. Box 54
 Business Address
Longmont, Colorado 80502

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):

3702 Lower Honoapiilani, LLC; Reginald V. Golden, Member/Manager; Members are: R&S Golden, LLLP; Suzanne M. Ball; R.V. Golden Retained Annuity Trust; Suzanne M. Ball Retained Annuity Trust; Gemini Capital, LLC.

Real Estate Broker*: Locations Maui LLC dba Prudential Locations Maui Phone: (808) 872-2462
 Name (Business)
151 E. Wakea Street, #204
 Business Address
Kahului, HI 96732

Escrow: Hawaii Escrow and Title, Inc. Phone: (808) 532-2977
 Name (Business)
700 Bishop Street, Suite 1600
 Business Address
Honolulu, HI 96813

General Contractor*: Betsill Brothers Construction, Inc. Phone: (808) 874-6610
 Name (Business)
635 Kenolio Rd
 Business Address
Kihei, Hawaii 96753

Condominium Managing Agent*: Commercial Properties of Maui Management, Inc. Phone: (808) 243-8600
 Name (Business)
1962 Wells St. #B
 Business Address
Wailuku, HI 96793

Attorney for Developer: Richard J. Kiefer Phone: (808) 871-6016
Kiefer & Garneau LLC (Business)
 Name
444 Hana Highway, Suite 204
 Business Address
Kahului, Hawaii 96732

* For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

**II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

A. **Declaration of Condominium Property Regime** contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

<input type="checkbox"/>	Proposed			
<input checked="" type="checkbox"/>	Recorded -	Bureau of Conveyances:	Document No. <u>2005-069181</u>	
			Book _____	Page _____
<input type="checkbox"/>	Filed -	Land Court:	Document No.:	_____

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]:

First Amendment to the Declaration of Condominium Property Regime of The West Maui Breakers, dated January 22, 2007 and recorded in the Bureau of Conveyances as Document No. 2007-020183; Second Amendment to the Declaration of Condominium Property Regime of The West Maui Breakers dated March 22, 2007, recorded in said Bureau as Document No. 2007-078772; Third Amendment to the Declaration of Condominium Property Regime of The West Maui Breakers dated June 1, 2007, recorded in said Bureau as Document No. 2007-111924; and Fourth Amendment to the Declaration of Condominium Property Regime of The Breakers dated September 24, 2009, recorded in said Bureau as Document No. 2009-148543.

B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

<input type="checkbox"/>	Proposed			
<input checked="" type="checkbox"/>	Recorded -	Bureau of Conveyances:	Condo Map No. <u>813</u>	
			Book _____	Page _____
<input type="checkbox"/>	Filed -	Land Court:	Document No.:	_____

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]:

Amendments to Condominium Map No. 813 for the West Maui Breakers filed in the Bureau of Conveyances of the State of Hawaii on February 2, 2007, June 22, 2007 and September 28, 2009.

C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

<input type="checkbox"/>	Proposed			
<input checked="" type="checkbox"/>	Recorded -	Bureau of Conveyances:	Document No. <u>2005-069182</u>	
			Book _____	Page _____
<input type="checkbox"/>	Filed -	Land Court:	Document No.:	_____

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]:

First Amendment to the Bylaws of the Association of Apartment Owners of The Breakers, dated September 24, 2009 and recorded in the Bureau of Conveyances as Document No. 2009-148544.

D. **House Rules.** The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the developer.

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents** Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>75%</u>
Bylaws	65%*	<u>67%**</u>
House Rules	---	<u>Board Vote</u>

* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

**Please see note entitled Recodification of Hawaii Condominium Act on page 20 of this Report.

2. **Developer:**

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

See Exhibit A

Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

Address: 3706, 3708 & 3710 Tax Map Key (TMK): (2) 4-3-6-69
Lower Honoapiilani Rd.
Lahaina, Maui, HI 96761

Address TMK is expected to change because _____

Land Area: 3.05 _____ square feet acre(s) Zoning: Apartment (A-2)

5. Special Use Restrictions:

The Declaration and Bylaws may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to:

- Pets: Owners may have one cat or dog.
- Number of Occupants: _____
- Other: _____
- There are no special use restrictions

6. Interior (fill in appropriate numbers):

Elevators: : 2 Stairways: : 6 Trash Chutes: 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
A	16	1/1	584	123	lanai
B	14	1/1	578	74	lanai
B-HC	2	1/1	582	74	lanai
D	4	studio/1	436	74	lanai
F	2	2/1	654	73	lanai
G	4	2/2	903	123	lanai
H	4	2/2	825	74	lanai
J	6	2/1	809	123	lanai
K	2	2/2	1055	246	lanai
L	2	3/2	1344	148	lanai
M	2	3/2	1015	123	lanai
N	2	2/2	1111	246	lanai

Total Number of Apartments: 60 (total number covered by this registration; does not include 24 units in Building A or 30 units in planned Buildings B and C.

* **Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.**

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment: Interior surface of walls, floor, ceiling. (See Declaration Section B.2.b.)

Permitted Alterations to Apartments: Interior alterations of apartments and combination of two adjoining apartments permitted with prior Board approval. (See Declaration Section M.)

Apartments Designated for Owner-Occupants Only: 52 of 90 new apartments being offered for sale.

Fifty percent (50%) or **residential** apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by section 514A-102, HRS; or include the information here in this public report and in the announcement (see attachment 11a). Developer has X elected to provide the information in a published announcement or advertisement.

See Exhibit D for detailed information on the Apartments.

11. Conformance to Present Zoning Code

- a. No variances to zoning code have been granted.
 Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structure, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>X</u>	_____	_____
Structures	<u>X</u>	_____	_____
Lot	<u>X</u>	_____	_____

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit B

as follows:

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

There are no limited common elements in this project.

The limited common elements and the apartments which use them, as described in the Declaration, are:

described in Exhibit B.

as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit B.

as follows:

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit E describes the encumbrances against the title contained in the title report dated October 2, 2009 and issued by Hawaii Escrow & Title, Inc.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[] There are no blanket liens affecting title to the individual apartments.

[X] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Construction Mortgage (all units) and Mortgage (Building F only)	The units covered by this registration are subject to a construction mortgage in the principal amount of \$25,000,000 in favor of First Hawaiian Bank. The units in Building F are also subject to a mortgage in the principal amount of \$2,500,000 to Flatirons Bank. These mortgages are "blanket liens". Upon conveyance of a unit to a buyer, the mortgage(s) will be released as to the unit being conveyed. If there is a default and foreclosure of the mortgage(s) prior to conveyance, the buyer may lose the right to buy the unit, and the buyer's deposit will be refunded.
Mechanic's and Materialman's Lien	The units covered by this registration are subject to mechanic's and materialman's lien applications filed in the Second Circuit Court. Upon conveyance of a unit to a buyer, the liens will be released as to the unit being conveyed. If the liens are foreclosed prior to conveyance, the buyer may lose the right to buy the unit and the buyer's deposit will be refunded.

F. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

The Developer does not make any warranties for the Project, but merely intends to pass on any warranties made to it by the general contractor (or any other contractor or subcontractor) for the Project to correct any work found to be defective within the applicable warranty period. The general contractor will provide a warranty for work found to be defective within one year after the date of substantial completion of the Project.

2. Appliances:

The Developer will pass on the transfer manufacturers' warranties made to it, if any, on any appliances, products, equipment or other items and furnishing included as part of the unit being conveyed.

G. **Status of Construction and Date of Completion or Estimated Date of Completion:**

Buildings D and E were completed in August, 2009. Building F is nearly complete and is expected to be complete by January 2010. Construction of Buildings B and C has not commenced and is not expected to commence until market conditions warrant construction.

The Breakers condominium project also includes an existing Building A which was completed in 1978. The units in Building A are not covered by this registration and are covered by Registration No. 5474.

H. **Project Phases:**

The developer [] has [] has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

See Exhibit A (Developer's Reserved Rights).

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

- [X] Notice to Owners Occupants
- [X] Specimen Sales Contract
Exhibit G contains a summary of the pertinent provisions of the sales contract.
- [X] Escrow Agreement dated February 20, 2007.
Exhibit F contains a summary of the pertinent provisions of the escrow agreement.
- [X] Other: Exhibit H contains a sample Apartment Deed for apartments that are subject to County of Maui affordable housing restrictions.

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Charter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:

- A) The Developer delivers to the buyer a copy of:
 - 1) Either the Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission; **AND**
 - 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
- B) The buyer is given an opportunity to read the report(s); **AND**
- C) One of the following has occurred:
 - 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
 - 2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
 - 3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; **AND**
- B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been issued an effective date by the Hawaii Real Estate Commission.
 - B) Declaration of Condominium Property Regime, as amended.
 - C) Bylaws of the Association of Apartment Owners, as amended.
 - D) House Rules, if any.
 - E) Condominium Map, as amended.
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
 - H) Other: Agreement, recorded in the Bureau of Conveyances of the State of Hawaii, in Liber 13745, Page 711; Declaration of Covenants, Conditions, and Restrictions (Flood Zone), recorded in the Bureau of Conveyances of the State of Hawaii, in Liber 15525, Page 171; and Section 14.12.080 Agreement for Central Maui Areas, recorded in the Bureau of Conveyances of the State of Hawaii, in Liber 18904, Page 505.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov

Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs

Website to access rules: www.hawaii.gov/dcca/har

This Public Report is a part of Registration No. 6392 filed with the Real Estate Commission on August 3, 2007.

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C. **Additional Information Not Covered Above**

Flood Zone/Tsunami. The Project is located approximately one block from the ocean and has an elevation ranging between 10 feet to 50 feet above mean sea level. According to Panel Number 150003 0151 B of the Flood Insurance Rate Map, June 1, 1981, prepared by the United States Federal Emergency Management Agency, the Project is situated in Flood Zone "C," which represents an area of minimal flooding.

Special Management Area ("SMA"). The Project is located in the Special Management Area (SMA). The Maui County Planning Commission granted a SMA permit on August 10, 2004. Any future improvements may require a SMA permit to be filed with the County of Maui Department of Public Works Development Services Administration. The County of Maui obtained a parcel of land ("County Parcel") adjoining the Project pursuant to a dedication from the State of Hawaii for the purpose of constructing affordable housing and providing emergency evacuation routes from the shoreline. Although the County Parcel is currently vacant, it may be improved at some point in the future. The Developer has no control over what improvements, if any, may be constructed on the County Parcel. Buyers should be aware that improvements on the County Parcel, including the construction of affordable housing rental apartments, could affect the views from and the amount of open space around the Project.

Recodification of Hawaii Condominium Act. On January 1, 2007, the recodification of Hawaii's Condominium Act took effect and HRS Chapter 514A, the old act, was replaced by HRS Chapter 514B. This Condominium is registered under the old Hawaii Condominium Act, HRS 514A, but certain provision of the new Condominium Act apply. Portions of Chapter 514B that apply to this Condominium include: Sections 514B-4(Separate Titles and Taxation), 514B-5 (Conformance with County Land Laws), 514B-35 (Unit/Apartment Boundaries), 514B-41(c) (Assessing costs for limited common elements), 514B-46 (Merger of Project and Increments), 514B-72 (Education Trust Fund and Payments), all of part VI of 514B (Management of Condominium), and those portions of 514B-3 (Definitions) that are necessary to interpret other applicable portions of Chapter 514B.

Security Cameras. Security cameras have been installed on the top of Building A and overlook the parking areas, the pool and other open common areas, so owners and occupants should be aware that they are subject to video surveillance.

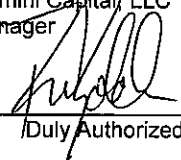
Affordable Housing Condition. Certain units in the Project are being sold pursuant to a County of Maui Affordable Housing Agreement as described in Exhibit E. Under the terms of that agreement, buyers of those units must own and occupy the units for five (5) years from the date of purchase, and if they do not comply with this requirement the County has the option to purchase the unit as set forth in the deed form for affordable units attached as Exhibit H.

Contractor Repair Act Notice. CHAPTER 674E, HAWAII REVISED STATUTES, EFFECTIVE JULY 1, 2004, CONTAINS IMPORTANT REQUIREMENTS YOU MUST FOLLOW BEFORE YOU MAY FILE A LAWSUIT OR OTHER ACTION FOR DEFECTIVE CONSTRUCTION AGAINST THE CONTRACTOR WHO DESIGNED, REPAIRED, OR CONSTRUCTED YOUR HOME OR FACILITY. NINETY DAYS BEFORE YOU FILE YOUR LAWSUIT OR OTHER ACTION, YOU MUST SERVE ON THE CONTRACTOR A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE. UNDER THE LAW, A CONTRACTOR HAS THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR AND/OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY A CONTRACTOR. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THE LAW AND FAILURE TO FOLLOW THEM MAY NEGATIVELY AFFECT YOUR ABILITY TO FILE A LAWSUIT OR OTHER ACTION.

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

3702 LOWER HONOAPIILANI, LLC, a Colorado limited liability company
Printed Name of Developer

By Gemini Capital, LLC
Its Manager

By: 
Duly Authorized Signatory*

8/31/09
Date

Reginald V. Golden, Manager of Gemini Capital, LLC
Printed Name & Title of Person Signing Above

Distribution:
Department of Finance, County of Maui
Planning Department, County of Maui

*** Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.**

EXHIBIT A

RIGHTS RESERVED BY DEVELOPER

As set forth in Sections N and O of the Project's Declaration, the Developer has reserved the following rights:

1. Reservation of Power to Grant Easements. The Developer reserves to itself the non-exclusive right to grant from time to time within the Common Elements (other than the Limited Common Elements), easements and rights-of-way over, under, and across the Common Elements (other than the Limited Common Elements) for utilities, sanitary and storm sewers, drains, cable television and other utility services for two (2) or more Apartments and the right to relocate, realign or cancel the same, on such terms and conditions as the Developer may determine in Developer's reasonable discretion, provided that such easements, their use, relocation, realignment, or cancellation shall not materially impair or interfere with the use of any Apartment.
2. Reservation of Power to Grant Access to TMK (2) 4-4-1-106. The Developer reserves to itself the non-exclusive right to grant from time to time easements over and across the internal roadways of the Project (a) for access to and from Lower Honoapiilani Road by owners and residents of any future residential project developed on the parcel adjacent to the Project bearing Tax Map Key No. (2) 4-4-1-106, provided that such owners' use shall be subject to the same rules, regulations and use restrictions applicable to owners and residents of the Project, and (b) for emergency public access from Lower Honoapiilani Road to Honoapiilani Highway, all on such terms and conditions as the Developer may determine in Developer's reasonable discretion.
3. Reservation of Power to Grant Recreational Facilities Use Rights. The Developer reserves to itself the exclusive right to grant the owners in any future residential project developed by Developer or an affiliate of Developer on the parcel adjacent to the Project bearing Tax Map Key No. (2) 4-4-1-106 a license to use the Project's pool, recreation center, and other recreational facilities on such terms and conditions as the Developer may determine in Developer's reasonable discretion, provided that such owners' use shall be subject to the same rules, regulations and use restrictions applicable to owners and residents of the Project.
4. Reservation of Power to Amend Parking Plan to Create Emergency Vehicle Turnaround. The Declarant reserves to itself the exclusive right to amend the parking plan to create a "turnaround" area for emergency vehicles. The amendment, if made, would move parking stalls number 29 and 30 to a currently vacant area between Building E and Building F. The area currently reserved for parking stalls number 29 and 30 would be used for the turnaround area.
5. Required Amendments. The Developer reserves the right to make, at any time prior to the recordation of an Apartment Deed for the last Apartment in the Project, amendments to the Declaration, the Bylaws, or the Condominium Map that are required by law, by the Real Estate Commission, by a title insurance company, by a mortgage lender, or by any governmental agency (including the VA, HUD, FNMA and/or FHLMC), provided that such amendments shall not change the Common Interest appurtenant to an Apartment or substantially change the design, location or size of any Apartment for which an Apartment Deed has been recorded.
6. Declaration Amendments. The Developer acting alone may amend the Declaration to: (1) file the "as built" verified statement (with plans, if applicable) required by Section 514A-12 of the Act, so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed fully and accurately depict the layout, location, Apartment numbers and dimensions of the Apartments as built, or so long as any plans filed therewith involve only non-material changes to the layout, location, Apartment numbers and dimensions of the Apartments as built; (2) assign or change, from time to time, the assignments of individual parking stalls to individual Apartments for which an Apartment Deed has not been recorded, which assignments or changes in assignments shall be accomplished by an amendment to the Declaration; and (3) exercise the rights reserved to the Developer in Article N of the Declaration.
7. Reserved Right to Change Floor Plans and Areas of Apartments. The Developer has reserved the right to amend the condominium documents to change the floor area and layout of any apartment to reflect marketing considerations and the exercise of any options offered to purchasers.
8. Reserved Right to Develop the Buildings In Phases. The Declarant shall have the reserved right to develop the Buildings in phases and to reduce or increase the number of Buildings and Apartments in the Project notwithstanding anything provided to the contrary. As of September 1, 2009, Buildings A, D and E are complete and shall be deemed the first phase of the Project. Building F shall be deemed the second phase of the Project, and Developer may elect to develop Buildings B and C as one or two additional phases.

a. Rights Incident to Exercise of this Reserved Right. Subject to the provisions above and in furtherance of the rights reserved to Developer hereunder, Developer, its successors and assigns, and their respective contractors and subcontractors, and their respective employees and agents, shall have the right and an easement to enter upon and use the Common Elements of the Project and do all things reasonably necessary, desirable or useful for designing, developing, constructing or completing such additional Buildings or phases, connecting the same to the utility installations of prior phase(s) of the Project, and selling the Apartments contained within the additional Buildings and phases, upon and subject to the following terms and conditions:

i. All additional Buildings, if constructed, shall be constructed in accordance with plans and specifications prepared by a licensed architect and in accordance with the floor plans and elevations contained in the Condominium Map; provided, however, that such plans and specifications shall not require the alteration or demolition of any existing Apartments for which a Apartment Deed has been recorded unless the Apartment Owner consents thereto;

ii. Developer shall have the right, without notice to, or the approval, consent or joinder of, the Association, any Owner, or any other person, to add, delete, relocate, realign, reserve and grant all easements and rights-of-way and to otherwise make alterations in and use the Common Elements for such development and construction, and to designate Limited Common Elements over, under and on the Common Elements, necessary or desirable with respect to the construction or use of any additional Building, including but not limited to easements and rights-of-way for utilities, sanitary and storm sewers, refuse disposal, driveways, parking areas and roadways; provided, that such easements, rights-of-way and limited common elements, upon completion, shall not unreasonably and materially impair the use of any existing Apartment;

iii. Every Owner and all holders of liens affecting any of the Apartments in the Project and each and every other party acquiring an interest in the Project or any part thereof, by acquiring such Apartment, lien or other interest, consents to and agrees that he/she/it shall, if required by law or by Developer, join in, consent to and execute all instruments and documents necessary or desirable to effect the granting of easements and/or rights-of-ways and/or covenants or restrictions affecting the Common Elements or Limited Common Elements and/or the designation of Limited Common Elements or recharacterization of Common Elements provided for hereinabove; and appoints the Developer and its assigns as attorney-in-fact with full power of substitution to execute such documents and to do such things on his/her/its behalf, 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 disability of any such party; and

iv. The Developer, its contractors and subcontractors, and their respective employees and agents, shall not cause any interruption in utility service other than a temporary interruption in the service of utilities to the Project and shall use reasonable efforts without additional cost to the Developer and consistent with maintaining the progress of the design, development, construction, completion and sale, to minimize interference with the Apartment Owners' use and enjoyment of the Project.

The Developer shall further have the right to amend the Declaration, Bylaws and Condominium Map (notwithstanding the lease, sale or conveyance of any or all of the Apartments), without being required to obtain the consent or joinder of the Association, any Owner, lienholder or other persons, and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the rights, powers, or privileges herein reserved to the Developer. Any such action shall be deemed taken by Developer as the true and lawful attorney-in-fact of the respective Owners. Each and every party acquiring an interest in the Project, by such acquisition, consents to the expansion of the Project by construction of all additional Buildings or phases, and to the recording of such documents as may be necessary to effect the same; agrees to execute such documents and do such other things as may be necessary or convenient to effect the same; and appoints the Developer and its assigns his attorney-in-fact with full power of substitution to execute such documents and to do such things on his behalf, 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 disability of any such party.

b. Effect of Exercise of This Reserved Right. Developer is under no obligation to construct any additional phases. However, if Developer should, in its sole discretion, elect to develop any Buildings or phases, the following consequences shall result:

i. This Declaration, the Bylaws and the Condominium Map, as any of them may be amended from time to time, shall be the Declaration, Bylaws, Condominium Map and Administrative Rules applicable to the expanded or modified Project, and there shall be only one Association, one Board and one Managing Agent for the entire Project;

ii. The Developer shall for all purposes be deemed the Owner of the newly created or constructed Apartments and the Common Interest and other rights and easements appurtenant to such Apartments

iii. All Owners of newly created or constructed Apartments shall have the right to use the Common Elements of all of the Project to the same extent and subject to the same limitations as are imposed upon all Owners of Apartments in the initial phases of the Project;

iv. Each Apartment within the Project shall have appurtenant thereto an undivided Common Interest in the Common Elements of the Project as set forth in Exhibit B to the Declaration for the applicable phase of the development. The Common Interest assignments for the initial phase consisting of the Apartments in Buildings A, D and E is set forth in Schedule B-1; the Common Interest assignments when the second phase, Building F, is completed, is set forth in Schedule B-2; and the Common Interest assignments when the final phase, consisting of Buildings B and C is complete, is set forth in Schedule B-3. Upon addition of each additional phase, the Common Interest appurtenant to all Apartments that previously existed shall be deemed to be automatically adjusted to the revised Common Interest set forth in the applicable schedule attached to Exhibit B without the need for any joinder or consent by the Owners of such Apartments and without modification or amendment of the Apartment Deeds therefor. Each Owner, and any other person or entity that acquires any interest in an Apartment, by acquiring the Apartment or any interest therein shall be deemed to have irrevocably consented and agreed to such adjustments in the Apartment's Common Interest in accordance with this provision and Exhibit B. Each Apartment's undivided percentage Common Interest shall constitute such Apartment's proportionate interest in the common profits and common expenses of the expanded Project and such Apartment's proportionate representation for all other purposes, including voting in the Project; provided, however, that newly added Apartments shall not be assessed for Common Expenses nor shall they have any obligation with respect to debts or obligations incurred prior to the issuance of a temporary or permanent certificate of occupancy covering such Apartments. Except as provided in Section B.4(c), all reserve funds shall be consolidated and maintained as a single fund for the expanded Project; and if necessary so that the interest in such reserve funds attributable to each Apartment in the expanded Project shall be equal to that Apartment's Common Interest the Board may make adjustments to the account of each Apartment Owner from time to time as each additional Building or phase is constructed by: (i) refunding in whole or in part; and/or (ii) credit in whole or in part against future assessments; and/or (iii) special assessments or series of assessments; and/or (iv) any other means consistent with generally accepted accounting principles; provided, however, that the Board shall make such adjustments without charging any Apartment Owner a special assessment for reserves in any one month which exceeds more than twenty percent (20%) of the monthly assessment for other common expenses, after excluding any assessments for reserves.

9. Consent to Developer's Reserved Rights and Developer's Authority to Act for Owners and Others. Each and every person acquiring an interest in the Project, by such acquisition, consents to the Developer's exercise of all of its reserved rights and to the execution, delivery and recording of all documents necessary to implement or exercise these rights including all easements affecting the condominium Land, all amendments to the Condominium Declaration, Condominium Bylaws, or Condominium Map and other documents. These reserved rights may be exercised without the consent or joinder of any person holding an interest in an apartment of the Project. If the joinder or consent of any such person shall be required by law or any other document, each such person appoints the Developer as his, her or their attorney-in-fact to execute any such document on behalf of such owner as attorney-in-fact.

THIS SUMMARY IS NOT INTENDED TO BE A THOROUGH OR EXHAUSTIVE EXPLANATION OF ALL OF THE RIGHTS RESERVED BY THE DEVELOPER UNDER THE CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL GUIDE, THE PURCHASER SHOULD REFER TO THE CONDOMINIUM DECLARATION TO DETERMINE THE ACTUAL RIGHTS RESERVED BY THE DEVELOPER. THE PURCHASER SHOULD CONSULT WITH AN ATTORNEY CONCERNING THESE RIGHTS AND THEIR EXERCISE.

IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONDOMINIUM DECLARATION, THE CONDOMINIUM DECLARATION SHALL CONTROL.

EXHIBIT B

Common and Limited Common Elements

As set forth in Section B.3 of the Declaration, the following are the Project's Common Elements:

1. The land underlying the Project, in fee simple, and any and all easements and appurtenances thereto.
2. All unfinished, undecorated portions of all perimeter (including party) walls and interior load-bearing walls, the undecorated or unfinished surfaces of floors and ceilings, all lanai slabs and railings, all structural components, foundations, floor slabs, columns, girders, beams, supports, shafts, ceilings and spaces between the ceiling and the floor slab or roof above, roofs, exterior surfaces of the Project, including any paint or coating thereon, and all exterior windows and sliding doors and their frames, cranks and other window and sliding door hardware.
3. All yards, grounds planters, trellises and landscaping and other refuse facilities, if any, whether within or appurtenant to the Project. All roads, covered and uncovered parking areas, driveways, ramps, loading areas or zones, and walkways which are rationally of common use by Owners of more than one Apartment, including the following parking stalls shown on the Condominium Map which shall be guest parking stalls: Stall Nos. 14, 12, 27, 28, 29, 35, 73, 88, 89, 90, 94, 96, 100, 101, 168, 169, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 200 and 201.
4. All ducts, pumps, valves, sewer lines, drain lines, electrical equipment, cables, wiring, chutes, pipes, shafts, wires, conduits or other utility or service lines which are utilized for or serve more than one Apartment and other central and appurtenant transmission facilities over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, sewer, refuse, telephone and radio and television signal distribution.
5. The individual electrical meters for each of the Apartments, together with the electrical lines from such meters to the Apartments, but only to the point where such lines enter the Apartments.
6. The utility rooms in the Project as shown on the Condominium Map.
7. The pool and pool area.
8. All storage areas, hallways, corridors, stairs, stairways, mechanical rooms, electrical rooms, communications rooms, trash rooms, and other similar areas which are not part of an Apartment.
9. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.
10. Common area percentage ownership is set forth in the table on the immediately following page.

As set forth in Section B.4 of the Declaration, the following are the Project's Limited Common Elements:

1. Parking Stalls. Each Apartment shall have one or more parking stall(s) assigned to it as a limited common element as stated in the Parking Assignment Plan attached to this Exhibit.
2. Mailboxes. Each Apartment shall have as a limited common element the mailbox located at the Project that bears the same number as the Apartment.
3. Building Structure. The Building Structure of Building A shall be a Limited Common Element appurtenant to the Apartments in Building A collectively. The Building Structures of Buildings B, C, D, E & F, collectively, shall be a Limited Common Element appurtenant to the Apartments in Buildings B, C, D, E & F, collectively. For purposes of this Declaration, a "Building" means a building in the Project that contains Apartments, which are shown on the Condominium Map as Buildings A through F, inclusive, and "Building Structure" means all portions of a Building that are not included within the Apartments as defined in Section B.2.b, including all perimeter and party walls, load bearing walls, columns, beams, trusses, foundations, footings, floor slabs, girders, supports, elevators, hallways, stairs and stairways, exterior walls, roofs and exterior paint or coating, and all other apparatus and installations existing for common use or support of the Apartments in the Building. Notwithstanding anything to the contrary herein or in the Bylaws, (1) the costs and expenses of maintaining, repairing, renovating, and replacing the Building Structure of Building A, including reserves for such costs and expenses, shall be assessed only to the Owners of the 24 Apartments in Building A in proportion to their

respective Common Interests, and (2) the costs and expenses of maintaining, repairing, renovating, and replacing the Building Structures of Buildings B, C, D, E & F, including reserves for such costs and expenses, shall be assessed only to the Owners of the 90 Apartments in Buildings B, C, D, E & F, collectively, in proportion to their respective Common Interests.

AOAO The Breakers
 OPERATING BUDGET Building ADEF
 Prepared on a Cash basis
 9/3/09 prepared

Exhibit C
 Estimates of Initial Maintenance Fees and Disbursements

	January	February	March	April	May	June	July	August	September	October	November	December	Total
INCOME:													
Maintenance Fees	23363.33	23363.33	23363.33	23363.33	23363.33	23363.33	23363.33	23363.33	23363.33	23363.33	23363.33	23363.33	280359.96
Building A reserve	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	24300.00
Building D-E-F reserve	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	95760.00
TOTAL INCOME	33,368.33	33,368.33	33,368.33	33,368.33	33,368.33	33,368.33	33,368.33	33,368.33	33,368.33	33,368.33	33,368.33	33,368.33	400,419.96
ADMINISTRATION FEES ALL													
Bank Fees	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	240.00
Annual/Board Meetings	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	900.00
Audit/Tax Fees	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	1,800.00
Legal Fees	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Management Fees	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	1,400.00	16,800.00
Office Expenses	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Payroll Services (GM)	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	21,600.00
General Excise Tax	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	60.00
Dues & Fees	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	360.00
TOTAL ADMINISTRATION	3,630.00	3,630.00	3,630.00	3,630.00	3,630.00	3,630.00	3,630.00	3,630.00	3,630.00	3,630.00	3,630.00	3,630.00	43,560.00
COMMON EXPENSES ALL													
Electricity	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00
Cable	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	24,000.00
Insurance-Property/Liability	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00
Insurance-D&O & Bond	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	30,000.00
Fire Safety	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Janitorial Services (includes parki	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	30,000.00
Grounds Maintenance	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	36,000.00
Pest Control	425.00	425.00	425.00	425.00	425.00	425.00	425.00	425.00	425.00	425.00	425.00	425.00	5,100.00
Maintenance - Building	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	10,800.00
Pool/Spa Maintenance/supplies	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	24,000.00
Refuse	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	12,000.00
Reserves	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	25,200.00
Water & Sewer	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	30,000.00
TOTAL COMMON	22,025.00	22,025.00	22,025.00	22,025.00	22,025.00	22,025.00	22,025.00	22,025.00	22,025.00	22,025.00	22,025.00	22,025.00	268,800.00
BUILDING A EXPENSES													
Elevator	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	7,200.00
Reserves per study	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	17,100.00
TOTAL BUILDING A	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	24,300.00
RESERVE - Building D-E-F													
Hot Water System	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	74,160.00
TOTAL BUILDING D-F	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	95,760.00

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency

AOAO BREAKERS
Buildings A,D,E,F

Exhibit C
Estimates of Initial Maintenance Fees and Disbursements

TOTAL ANNUAL ADMIN COSTS
TOTAL ANNUAL COMMON
TOTAL ANNUAL BUILDING A
TOTAL ANNUAL BUILDING D-F

\$43,560.00
\$236,800.00
\$24,300.00
\$95,760.00

BLDG/ UNIT NO.	Building A	Square Footage	% Allocation	Admin/Common	Monthly % Share	Monthly Share by Building	Monthly Building A ONLY	Monthly Building B-C ONLY	Monthly Building D-F ONLY	Total Monthly Recovery
125		616	1.0555%	246.60	3.87568%	78.48				325.08
126		607	1.0401%	243.00	3.81905%	77.34				320.34
127		607	1.0401%	243.00	3.81905%	77.34				320.34
128		607	1.0401%	243.00	3.81905%	77.34				320.34
129		607	1.0401%	243.00	3.81905%	77.34				320.34
130		616	1.0555%	246.60	3.87568%	78.48				325.08
225		616	1.0555%	246.60	3.87568%	78.48				325.08
226		607	1.0401%	243.00	3.81905%	77.34				320.34
227		607	1.0401%	243.00	3.81905%	77.34				320.34
228		607	1.0401%	243.00	3.81905%	77.34				320.34
229		607	1.0401%	243.00	3.81905%	77.34				320.34
230		616	1.0555%	246.60	3.87568%	78.48				325.08
325		616	1.0555%	246.60	3.87568%	78.48				325.08
326		607	1.0401%	243.00	3.81905%	77.34				320.34
327		607	1.0401%	243.00	3.81905%	77.34				320.34
328		607	1.0401%	243.00	3.81905%	77.34				320.34
329		607	1.0401%	243.00	3.81905%	77.34				320.34
330		616	1.0555%	246.60	3.87568%	78.48				325.08
425		829	1.4204%	331.85	5.21580%	105.62				437.47
426		814	1.3947%	325.85	5.12143%	103.71				429.56
427		814	1.3947%	325.85	5.12143%	103.71				429.56
428		814	1.3947%	325.85	5.12143%	103.71				429.56
429		814	1.3947%	325.85	5.12143%	103.71				429.56
430		829	1.4204%	331.85	5.21580%	105.62				437.47
TOTALS		15,894			100%	2,025.00	0.00	0.00		

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency

Exhibit C
Estimates of Initial Maintenance Fees and Disbursements

Building D

D-20	584	1.0007%	233.80	1.37515%	109.74	343.53
D-21	578	0.9904%	231.39	1.36102%	108.61	340.00
D-22	578	0.9904%	231.39	1.36102%	108.61	340.00
D-23	584	1.0007%	233.80	1.37515%	109.74	343.53
D-24	584	1.0007%	233.80	1.37515%	109.74	343.53
D-25	578	0.9904%	231.39	1.36102%	108.61	340.00
D-26	582	0.9972%	232.98	1.37044%	109.36	342.34
D-27	584	1.0007%	233.80	1.37515%	109.74	343.53
D-30	584	1.0007%	233.80	1.37515%	109.74	343.53
D-31	578	0.9904%	231.39	1.36102%	108.61	340.00
D-32	578	0.9904%	231.39	1.36102%	108.61	340.00
D-33	584	1.0007%	233.80	1.37515%	109.74	343.53
D-34	584	1.0007%	233.80	1.37515%	109.74	343.53
D-35	578	0.9904%	231.39	1.36102%	108.61	340.00
D-36	578	0.9904%	231.39	1.36102%	108.61	340.00
D-37	584	1.0007%	233.80	1.37515%	109.74	343.53
D-40	903	1.5472%	361.48	2.12631%	169.68	531.16
D-41	436	0.7471%	174.55	1.02666%	81.93	256.47
D-42	825	1.4136%	330.26	1.94264%	155.02	485.29
D-43	809	1.3862%	323.86	1.90496%	152.02	475.88
D-44	809	1.3862%	323.86	1.90496%	152.02	475.88
D-45	825	1.4136%	330.26	1.94264%	155.02	485.29
D-46	436	0.7471%	174.55	1.02666%	81.93	256.47
D-47	903	1.5472%	361.48	2.12631%	169.68	531.16
TOTALS	15,246				2864.82	
				0.00		

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency

Building E

Exhibit C

Estimates of Initial Maintenance Fees and Disbursements

E-20	584	1.0007%	233.80	1.37515%	109.74	343.53
E-21	582	0.9972%	232.98	1.37044%	109.36	342.34
E-22	578	0.9904%	231.39	1.36102%	108.61	340.00
E-23	584	1.0007%	233.80	1.37515%	109.74	343.53
E-24	584	1.0007%	233.80	1.37515%	109.74	343.53
E-25	578	0.9904%	231.39	1.36102%	108.61	340.00
E-26	578	0.9904%	231.39	1.36102%	108.61	340.00
E-27	584	1.0007%	233.80	1.37515%	109.74	343.53
E-30	584	1.0007%	233.80	1.37515%	109.74	343.53
E-31	578	0.9904%	231.39	1.36102%	108.61	340.00
E-32	578	0.9904%	231.39	1.36102%	108.61	340.00
E-33	584	1.0007%	233.80	1.37515%	109.74	343.53
E-34	584	1.0007%	233.80	1.37515%	109.74	343.53
E-35	578	0.9904%	231.39	1.36102%	108.61	340.00
E-36	578	0.9904%	231.39	1.36102%	108.61	340.00
E-37	584	1.0007%	233.80	1.37515%	109.74	343.53
E-40	903	1.5472%	361.48	2.12631%	169.68	531.16
E-41	436	0.7471%	174.55	1.02666%	81.93	256.47
E-42	825	1.4136%	330.26	1.94264%	155.02	485.29
E-43	809	1.3862%	323.86	1.90496%	152.02	475.88
E-44	809	1.3862%	323.86	1.90496%	152.02	475.88
E-45	825	1.4136%	330.26	1.94264%	155.02	485.29
E-46	436	0.7471%	174.55	1.02666%	81.93	256.47
E-47	903	1.5472%	361.48	2.12631%	169.68	531.16
Totals	15,246				2,864.82	

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency

Exhibit C
Estimates of Initial Maintenance Fees and Disbursements

Building F									
F-20	1,111	1.9036%	444.74	2.61609%	208.76	653.51			
F-21	1,344	2.3020%	537.82	3.16474%	252.55	790.37			
F-22	1,055	1.8077%	422.34	2.48422%	198.24	620.58			
F-23	1,055	1.8077%	422.34	2.48422%	198.24	620.58			
F-24	1,344	2.3020%	537.82	3.16474%	252.55	790.37			
F-25	1,111	1.9036%	444.74	2.61609%	208.76	653.51			
F-40	809	1.3862%	323.86	1.90496%	152.02	475.88			
F-41	654	1.1206%	261.81	1.53998%	122.89	384.70			
F-42	1,015	1.7392%	406.34	2.39003%	190.72	597.06			
F-43	1,015	1.7392%	406.34	2.39003%	190.72	597.06			
F-44	654	1.1206%	261.81	1.53998%	122.89	384.70			
F-45	809	1.3862%	323.86	1.90496%	152.02	475.88			
Totals	11,976				2,250.36				
TOTAL ALL	58,362	100%	23,363.33			32,722.91			

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency

AGAO The Breakers
 OPERATING BUDGET
 Prepared on a Cash basis
 9/1/09 prepared

Exhibit C
 Estimates of Initial Maintenance Fees and Disbursements

	January	February	March	April	May	June	July	August	September	October	November	December	Total
INCOME:													
Maintenance Fees	30676.33	30676.33	30676.33	30676.33	30676.33	30676.33	30676.33	30676.33	30676.33	30676.33	30676.33	30676.33	368115.96
Building A	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	2025.00	24300.00
Building B-C	4000.00	4000.00	4000.00	4000.00	4000.00	4000.00	4000.00	4000.00	4000.00	4000.00	4000.00	4000.00	48000.00
Building D-E-F	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	7980.00	95760.00
TOTAL INCOME	44,681.33	44,681.33	44,681.33	44,681.33	44,681.33	44,681.33	44,681.33	44,681.33	44,681.33	44,681.33	44,681.33	44,681.33	536,175.96
ADMINISTRATION FEES ALL													
Bank Fees	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	240.00
Annual/Board Meetings	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	900.00
Audit/Tax Fees	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	150.00	1,800.00
Legal Fees	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	600.00
Management Fees	1,875.00	1,875.00	1,875.00	1,875.00	1,875.00	1,875.00	1,875.00	1,875.00	1,875.00	1,875.00	1,875.00	1,875.00	22,500.00
Office Expenses	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	3,000.00
Payroll Services (GM)	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	24,000.00
General Excise Tax	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	60.00
Dues & Fees	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	360.00
TOTAL ADMINISTRATION	4,455.00	4,455.00	4,455.00	4,455.00	4,455.00	4,455.00	4,455.00	4,455.00	4,455.00	4,455.00	4,455.00	4,455.00	53,460.00
COMMON EXPENSES ALL													
Electricity	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	30,000.00
Cable	2,950.00	2,950.00	2,950.00	2,950.00	2,950.00	2,950.00	2,950.00	2,950.00	2,950.00	2,950.00	2,950.00	2,950.00	35,400.00
Insurance-Property/Liability	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	26,400.00
Insurance-D&O & Bond	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	30,000.00
Fire Safety	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1,200.00
Janitorial Services (Includes parki	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	42,000.00
Grounds Maintenance	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	36,000.00
Pest Control	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	8,400.00
Maintenance - Building	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00
Pool/Spa Maintenance/supplies	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	24,000.00
Refuse	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00
Reserves	2,063.00	2,063.00	2,063.00	2,063.00	2,063.00	2,063.00	2,063.00	2,063.00	2,063.00	2,063.00	2,063.00	2,063.00	24,756.00
Water & Sewer	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	48,000.00
TOTAL COMMON	28,513.00	28,513.00	28,513.00	28,513.00	28,513.00	28,513.00	28,513.00	28,513.00	28,513.00	28,513.00	28,513.00	28,513.00	344,656.00
BUILDING A EXPENSES													
Elevator	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	7,200.00
Reserves per study	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	1,425.00	17,100.00
TOTAL BUILDING A	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	2,025.00	24,300.00
BUILDING B/C EXPENSES													
Elevators	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00
RESERVE - Building B/C (estimate)	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00	30,000.00
TOTAL BUILDING B/C	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	48,000.00
RESERVE - Building D-F	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	6,180.00	74,160.00
Hot Water System	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	1,800.00	21,600.00
TOTAL BUILDING D-F	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	7,980.00	95,760.00

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

AOAO BREAKERS

Exhibit C

Estimates of Initial Maintenance Fees and Disbursements

TOTAL ANNUAL ADMIN COSTS
 TOTAL ANNUAL COMMON
 TOTAL ANNUAL BUILDING A
 TOTAL ANNUAL BUILDING B-C
 TOTAL ANNUAL BUILDING D-F

\$53,460.00
 \$314,656.00
 \$24,300.00
 \$48,000.00
 \$95,760.00

BLDG/ UNIT NO.	Square Footage	% Allocation	Admin/Common	Monthly % Share	Monthly % Share by Building	Monthly Building A ONLY	Monthly Building B-C ONLY	Monthly Building D-F ONLY	Total Monthly Recovery
Building A									
125	616	0.7651%	234.70	3.87568%	78.48			313.19	
126	607	0.7539%	231.27	3.81905%	77.34			308.60	
127	607	0.7539%	231.27	3.81905%	77.34			308.60	
128	607	0.7539%	231.27	3.81905%	77.34			308.60	
129	607	0.7539%	231.27	3.81905%	77.34			308.60	
130	616	0.7651%	234.70	3.87568%	78.48			313.19	
225	616	0.7651%	234.70	3.87568%	78.48			313.19	
226	607	0.7539%	231.27	3.81905%	77.34			308.60	
227	607	0.7539%	231.27	3.81905%	77.34			308.60	
228	607	0.7539%	231.27	3.81905%	77.34			308.60	
229	607	0.7539%	231.27	3.81905%	77.34			308.60	
230	616	0.7651%	234.70	3.87568%	78.48			313.19	
325	616	0.7651%	234.70	3.87568%	78.48			313.19	
326	607	0.7539%	231.27	3.81905%	77.34			308.60	
327	607	0.7539%	231.27	3.81905%	77.34			308.60	
328	607	0.7539%	231.27	3.81905%	77.34			308.60	
329	607	0.7539%	231.27	3.81905%	77.34			308.60	
330	616	0.7651%	234.70	3.87568%	78.48			313.19	
425	829	1.0296%	315.84	5.21580%	105.62			421.46	
426	814	1.0110%	310.14	5.12143%	103.71			413.85	
427	814	1.0110%	310.14	5.12143%	103.71			413.85	
428	814	1.0110%	310.14	5.12143%	103.71			413.85	
429	814	1.0110%	310.14	5.12143%	103.71			413.85	
430	829	1.0296%	315.84	5.21580%	105.62			421.46	
TOTALS	15,894			100%	2,025.00	0.00	0.00		

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency

Exhibit C
Estimates of Initial Maintenance Fees and Disbursements

Building B									
B-20	584	0.7253%	222.50	2.63633%	105.45	327.95			
B-21	582	0.7229%	221.76	2.62730%	105.09	326.85			
B-22	578	0.7179%	220.23	2.60925%	104.37	324.60			
B-23	584	0.7253%	222.50	2.63633%	105.45	327.95			
B-24	584	0.7253%	222.50	2.63633%	105.45	327.95			
B-25	578	0.7179%	220.23	2.60925%	104.37	324.60			
B-26	578	0.7179%	220.23	2.60925%	104.37	324.60			
B-27	584	0.7253%	222.50	2.63633%	105.45	327.95			
B-30	584	0.7253%	222.50	2.63633%	105.45	327.95			
B-31	578	0.7179%	220.23	2.60925%	104.37	324.60			
B-32	578	0.7179%	220.23	2.60925%	104.37	324.60			
B-33	584	0.7253%	222.50	2.63633%	105.45	327.95			
B-34	584	0.7253%	222.50	2.63633%	105.45	327.95			
B-35	578	0.7179%	220.23	2.60925%	104.37	324.60			
B-36	578	0.7179%	220.23	2.60925%	104.37	324.60			
B-37	584	0.7253%	222.50	2.63633%	105.45	327.95			
B-40	903	1.1215%	344.04	4.07638%	163.06	507.09			
B-41	436	0.5415%	166.11	1.96822%	78.73	244.84			
B-42	825	1.0247%	314.34	3.72427%	148.97	463.31			
B-43	809	1.0048%	308.24	3.65204%	146.08	454.32			
B-44	809	1.0048%	308.24	3.65204%	146.08	454.32			
B-45	825	1.0247%	314.34	3.72427%	148.97	463.31			
B-46	436	0.5415%	166.11	1.96822%	78.73	244.84			
B-47	903	1.1215%	344.04	4.07638%	163.06	507.09			
TOTALS	15,246				2,752.98	0.00			

Building C						
C-21	1,399	1.7376%	533.03	6.31546%	252.62	785.65
C-22	1,399	1.7376%	533.03	6.31546%	252.62	785.65
C-23	1,399	1.7376%	533.03	6.31546%	252.62	785.65
C-24	1,399	1.7376%	533.03	6.31546%	252.62	785.65
C-30	655	0.8135%	249.55	2.95684%	118.27	367.83
C-31	655	0.8135%	249.55	2.95684%	118.27	367.83
TOTALS	6,906				1,247.02	0.00

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency

Exhibit C
Estimates of Initial Maintenance Fees and Disbursements

Building D										
D-20	584	0.7253%	222.50	1.37515%	109.74	332.23				
D-21	578	0.7179%	220.23	1.36102%	108.61	328.84				
D-22	578	0.7179%	220.23	1.36102%	108.61	328.84				
D-23	584	0.7253%	222.50	1.37515%	109.74	332.23				
D-24	584	0.7253%	222.50	1.37515%	109.74	332.23				
D-25	578	0.7179%	220.23	1.36102%	108.61	328.84				
D-26	582	0.7229%	221.76	1.37044%	109.36	331.12				
D-27	584	0.7253%	222.50	1.37515%	109.74	332.23				
D-30	584	0.7253%	222.50	1.37515%	109.74	332.23				
D-31	578	0.7179%	220.23	1.36102%	108.61	328.84				
D-32	578	0.7179%	220.23	1.36102%	108.61	328.84				
D-33	584	0.7253%	222.50	1.37515%	109.74	332.23				
D-34	584	0.7253%	222.50	1.37515%	109.74	332.23				
D-35	578	0.7179%	220.23	1.36102%	108.61	328.84				
D-36	578	0.7179%	220.23	1.36102%	108.61	328.84				
D-37	584	0.7253%	222.50	1.37515%	109.74	332.23				
D-40	903	1.1215%	344.04	2.12631%	169.68	513.71				
D-41	436	0.5415%	166.11	1.02666%	81.93	248.04				
D-42	825	1.0247%	314.34	1.94264%	155.02	469.36				
D-43	809	1.0048%	308.24	1.90496%	152.02	460.25				
D-44	809	1.0048%	308.24	1.90496%	152.02	460.25				
D-45	825	1.0247%	314.34	1.94264%	155.02	469.36				
D-46	436	0.5415%	166.11	1.02666%	81.93	248.04				
D-47	903	1.1215%	344.04	2.12631%	169.68	513.71				
TOTALS	15,246				2864.82					
				0.00						

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency

Building E
 Exhibit C
 Estimates of Initial Maintenance Fees and Disbursements

E-20	584	0.7253%	222.50	1.37515%	109.74	332.23
E-21	582	0.7229%	221.76	1.37044%	109.36	331.12
E-22	578	0.7179%	220.23	1.36102%	108.61	328.84
E-23	584	0.7253%	222.50	1.37515%	109.74	332.23
E-24	584	0.7253%	222.50	1.37515%	109.74	332.23
E-25	578	0.7179%	220.23	1.36102%	108.61	328.84
E-26	578	0.7179%	220.23	1.36102%	108.61	328.84
E-27	584	0.7253%	222.50	1.37515%	109.74	332.23
E-30	584	0.7253%	222.50	1.37515%	109.74	332.23
E-31	578	0.7179%	220.23	1.36102%	108.61	328.84
E-32	578	0.7179%	220.23	1.36102%	108.61	328.84
E-33	584	0.7253%	222.50	1.37515%	109.74	332.23
E-34	584	0.7253%	222.50	1.37515%	109.74	332.23
E-35	578	0.7179%	220.23	1.36102%	108.61	328.84
E-36	578	0.7179%	220.23	1.36102%	108.61	328.84
E-37	584	0.7253%	222.50	1.37515%	109.74	332.23
E-40	903	1.1215%	344.04	2.12631%	169.68	513.71
E-41	436	0.5415%	166.11	1.02666%	81.93	248.04
E-42	825	1.0247%	314.34	1.94264%	155.02	469.36
E-43	809	1.0048%	308.24	1.90496%	152.02	460.25
E-44	809	1.0048%	308.24	1.90496%	152.02	460.25
E-45	825	1.0247%	314.34	1.94264%	155.02	469.36
E-46	436	0.5415%	166.11	1.02666%	81.93	248.04
E-47	903	1.1215%	344.04	2.12631%	169.68	513.71
Totals	15,246				2,864.82	

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency

Building F
 Exhibit C
 Estimates of Initial Maintenance Fees and Disbursements

F-20	1,111	1.3799%	423.30	2.61609%	208.76	632.07
F-21	1,344	1.6693%	512.08	3.16474%	252.55	764.63
F-22	1,055	1.3103%	401.95	2.48422%	198.24	600.19
F-23	1,055	1.3103%	401.95	2.48422%	198.24	600.19
F-24	1,344	1.6693%	512.08	3.16474%	252.55	764.63
F-25	1,111	1.3799%	423.30	2.61609%	208.76	632.07
F-40	809	1.0048%	308.24	1.90496%	152.02	460.25
F-41	654	0.8126%	249.28	1.53998%	122.89	372.17
F-42	1,015	1.2607%	386.74	2.39003%	190.72	577.46
F-43	1,015	1.2607%	386.74	2.39003%	190.72	577.46
F-44	654	0.8126%	249.28	1.53998%	122.89	372.17
F-45	809	1.0048%	308.24	1.90496%	152.02	460.25
Totals	11,976				2,250.36	
TOTAL ALL	80,514	100%	30,676.33			44,059.54

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency

I, Mary Jane Kramer, as agent for/and/or employed by Commercial Properties of Maui Mgmt the condominium managing agent/developer for the The Breakers condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Mary Jane Kramer
Signature

9-8-09
Date

(*)Mandatory reserves assessment and collection in effect beginning 1994 budget year. The Developer is to attach to this Exhibit an explanation whether, in arriving at the figure for "Reserves", the Developer has conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

Pursuant to §514A-83.6, HRS, a new association created after January 1, 1993, need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

Exhibit D

Apartment Descriptions, Common Interest Ownership, and Parking Stall Assignment

Note: Only Buildings D, E & F are covered by this registration.

Building	Apartment No.	Apartment Type	Square Feet	Lanai Sq. Ft.	Total Sq. Ft.	Parking Stall(s)
BLDG. A	125	X-2	616	103	719	31
	126	X-3	607	103	710	30
	127	X-3	607	103	710	13
	128	X-3	607	103	710	12
	129	X-3	607	103	710	26
	130	X-2	616	103	719	11
	225	X-2	616	103	719	25
	226	X-3	607	103	710	10
	227	X-3	607	103	710	24
	228	X-3	607	103	710	9
	229	X-3	607	103	710	23
	230	X-2	616	103	719	8
	325	X-2	616	103	719	22
	326	X-3	607	103	710	7
	327	X-3	607	103	710	20
	328	X-3	607	103	710	6
	329	X-3	607	103	710	21
	330	X-2	616	103	719	3
	425	Y-6	829	103	932	5/75
	426	Y-7	814	103	917	4/76
427	Y-7	814	103	917	19/79	
428	Y-7	814	103	917	18/80	
429	Y-7	814	103	917	16/17	
430	Y-6	829	103	932	1/2	
BUILDING B	B-20	A	584	123	707	71
	B-21	B-HC	582	74	656	74
	B-22	B	578	74	652	70
	B-23	A	584	123	707	69
	B-24	A	584	123	707	81
	B-25	B	578	74	652	33
	B-26	B	578	74	652	34
	B-27	A	584	123	707	82
	B-30	A	584	123	707	47/48
	B-31	B	578	74	652	51/52
	B-32	B	578	74	652	49/50
	B-33	A	584	123	707	45/46
	B-34	A	584	123	707	43/44
	B-35	B	578	74	652	41/42
	B-36	B	578	74	652	39/40
	B-37	A	584	123	707	37/38
	B-40	G	903	123	1026	67/68
	B-41	D	436	74	510	72
B-42	H	825	74	899	63/64	
B-43	J	809	123	932	55/56	
B-44	J	809	123	932	53/54	
B-45	H	825	74	899	61/62	
B-46	D	436	74	510	32	
B-47	G	903	123	1026	65/66	
BUILDING C	C-21	C	1399	135	1534	57/58
	C-22	C	1399	135	1534	59/60
	C-23	C	1399	135	1534	104/105
	C-24	C	1399	135	1534	106/107

Building	Apartment No.	Apartment Type	Square Feet	Lanai Sq. Ft.	Total Sq. Ft.	Parking Stall(s)
	C-30	E	655	0	655	77
	C-31	E	655	0	655	78
BUILDING D	D-20	A	584	123	707	85
	D-21	B	578	74	652	98
	D-22	B	578	74	652	86
	D-23	A	584	123	707	87
	D-24	A	584	123	707	92
	D-25	B	578	74	652	93
	D-26	B-HC	582	74	656	97
	D-27	A	584	123	707	95
	D-30	A	584	123	707	108/109
	D-31	B	578	74	652	110/111
	D-32	B	578	74	652	120/121
	D-33	A	584	123	707	114/115
	D-34	A	584	123	707	116/117
	D-35	B	578	74	652	118/119
	D-36	B	578	74	652	130c/131c
	D-37	A	584	123	707	112/113
	D-40	G	903	123	1026	132/133
	D-41	D	436	74	510	83
	D-42	H	825	74	899	124/125
	D-43	J	809	123	932	126/127
D-44	J	809	123	932	128/129	
D-45	H	825	74	899	122/123	
D-46	D	436	74	510	84	
D-47	G	903	123	1026	134/135	
BUILDING E	E-20	A	584	123	707	172c
	E-21	B-HC	582	74	656	173c
	E-22	B	578	74	652	102
	E-23	A	584	123	707	174c
	E-24	A	584	123	707	103
	E-25	B	578	74	652	170c
	E-26	B	578	74	652	171c
	E-27	A	584	123	707	175c
	E-30	A	584	123	707	152/153
	E-31	B	578	74	652	140c/141c
	E-32	B	578	74	652	176c/177c
	E-33	A	584	123	707	158/159
	E-34	A	584	123	707	150/151
	E-35	B	578	74	652	148/149
	E-36	B	578	74	652	178c/179c
	E-37	A	584	123	707	154/155
	E-40	G	903	123	1026	136/137/*91/ *99/*182c/*195c
	E-41	D	436	74	510	180c
	E-42	H	825	74	899	142/143
	E-43	J	809	123	932	144/145
E-44	J	809	123	932	146/147	
E-45	H	825	74	899	156/157	
E-46	D	436	74	510	181c	
E-47	G	903	123	1026	138/139	

*Stalls 91, 99, 182 and 195 are extra stalls held for sale by Developer. They are temporarily assigned to Apt. E-40 pending sale.

BUILDING F	F-20	N	1111	246	1357	210/211
	F-21	L	1344	148	1492	206/207
	F-22	K	1055	246	1301	166/167
	F-23	K	1055	246	1301	164/165
	F-24	L	1344	148	1492	208/209
	F-25	N	1111	246	1357	212/213
	F-40	J	809	123	932	160/161
	F-41	F	654	73	727	198c/199c
	F-42	M	1015	123	1138	202/203
	F-43	M	1015	123	1138	204/205
	F-44	F	654	73	727	196c/197c
	F-45	J	809	123	932	162/163
TOTALS			79,410	12,346	91,756	

Note: Parking stalls with the letter "c" designation after the stall no. indicates that it is a compact stall.

EXHIBIT E

ENCUMBRANCES AGAINST TITLE

The Title Commitments, issued by Hawaii Escrow & Title, Inc., Escrow Department on October 2, 2009, list the following encumbrances on Title:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. Reservation and Covenant contained in Land Patent Grant No. S-14,686 and Grant No. S-

14,687, to-wit:

"Reserving to the State of Hawaii, its successors and assigns, in perpetuity, all minerals and surface and ground waters appurtenant to the land described, together with the right to enter, sever, prospect for, mine and remove such minerals by deep mining, strip mining, drilling and any other means whatsoever, and to occupy and use so much of the surface as may be required therefor or to capture, divert or impound water; provided, that the state shall pay just compensation to the surface owner for improvements taken as a condition precedent to the exercise of such reserved rights.

The patentee, for itself, her heirs and assigns, covenants that the use and enjoyment of the land herein granted shall not be in support of any policy which discriminates against anyone based upon race, creed, color or national origin."

3. Reservation set forth in Deed dated August 22, 1950, recorded in the Bureau of Conveyances of the State of Hawaii, in Liber 2388, Page 81, (as to that portion covered by Royal Patent Number 415, Land Commission Award Number 75 to C. Crockett).

4. Consolidation Agreement dated May 9, 1979, recorded in said Bureau in Liber 13831, Page 197, by and between William A. Jorgensen, Tove K. Jorgensen, James E. Cain and Priscilla A. Cain, as Owner and the County of Maui.

5. Section VII (C) Agreement for West Maui Areas, dated January 19, 1981, recorded in said Bureau in Liber 15304, Page 82, by and between the County of Maui, Department of Water Supply, "County", William A. Jorgensen and Tove K. Jorgensen, Husband and Wife, "Owner", and J & J Development Co., Inc., a Hawaii corporation, "Developer".

6. Easement dated November 16, 1981, recorded in said Bureau in Liber 16049, Page 650, in favor of Maui Electric Company, Limited, a Hawaii corporation, and Hawaiian Telephone Company, a Hawaii corporation (now known as Verizon Hawaii, Inc.) for utility purposes .

7. Terms, provisions, covenants, conditions and reservations contained in Affordable Housing Agreement for The West Maui Breakers dated ----- (acknowledged on February 24, 2005 and February 25, 2005), recorded in said Bureau as Document No. 2005-042884.

8. Terms, provisions, covenants, conditions and reservations contained in Declaration of Condominium Property Regime of The Breakers dated February 25, 2005, recorded in said Bureau as Document No. 2005-069181.

Said Declaration amends and restates in its entirety that certain Declaration of Horizontal Property Regime of Hale Kahekili, dated August 27, 1980 recorded in said Bureau as Document No. in Liber 15676, Page 172, which was heretofore amended by instruments dated August 28, 1981, recorded in said Bureau in Liber 15789, Page 796, dated May 13, 1982, recorded in said Bureau in Liber 16374, Page 782, dated March 29, 1985, recorded in said Bureau in Liber 18542, Page 116, dated May 16, 1989, recorded in said Bureau in Liber 23208, Page 1, and dated May 16, 1989, recorded in said Bureau in Liber 23208, Page 41.

Said Declaration was amended by instruments dated January 22, 2007, recorded in said Bureau as Document No. 2007-020183, dated March 22, 2007, recorded in said Bureau as Document No. 2007-078772, dated June 1, 2007, recorded in said Bureau as Document No. 2007-111924, and dated September 24, 2009, recorded in said Bureau as Document No. 2009-148543.

9. Condominium Map No. 813, filed in said Bureau, as amended.

10. The Bylaws of the Association of Apartment Owners of The Breakers dated February 25, 2005, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2005-069182, as amended by First Amendment dated September 24, 2009 and recorded in said Bureau as Document No. 2009-148544.

11. Any and all matters shown on ALTA/ACSM Land Title Survey of Arthur P. Valencia, Licensed Professional Land Surveyor, Certificate No. 10026, dated April 26, 2007.

12. A mortgage to secure an indebtedness in the amount of \$1,250,000.00 by Douglas E. Myers in favor of 3702 Lower Honoapiilani LLC, a Colorado limited liability company, dated May 20, 2005, recorded in said Bureau as Document No. 2005-104537.

Said Mortgage is also subject to the Subordination Agreement dated June 5, 2007, recorded in said Bureau as Document No. 2007-101263.

Note: Said Mortgage and Subordination Agreement pertains to Apartment Nos. 125 thru 130, inclusive, 225 thru 230, inclusive, 325 thru 330, inclusive and 425 thru 430, inclusive, all of which are part of Building A of The Breakers. Building A is covered by Registration No. 5474.

13. A mortgage to secure an indebtedness in the amount of \$25,000,000.00 by 3702 Lower Honoapiilani LLC, a Colorado limited liability company in favor of First Hawaiian Bank, a Hawaii corporation, dated June 5, 2007, and recorded in said Bureau as Document No. 2007-101260.

Note: Said Mortgage pertains to Apartment Nos. B-20 thru B-27, inclusive, B-30 thru B-37, inclusive, B-40 thru B-47, inclusive, C-21 thru C-24, inclusive, C-30 and C-31, D-20 thru D-27, inclusive, D-30 thru D-37, inclusive, D-40 thru D-47, inclusive, E-20 thru E-27, inclusive, E-30 thru E-37, inclusive, E-40 thru E-47, inclusive and F-20 thru F-25, inclusive and F-40 thru F-45, inclusive. All said Apartment Nos. are part of Buildings B, C, D, E and F, respectively.

14. A mortgage to secure an indebtedness in the amount of \$25,000,000.00 by Douglas E. Myers, as Trustee of the Douglas E. Myers Revocable Trust dated June 8, 2005 in favor of First Hawaiian Bank, a Hawaii corporation, dated June 5, 2007, recorded in said Bureau as Document No. 2007-101261.

Note: Said Mortgage pertains to Apartment Nos. 125 thru 130, inclusive, 225 thru 230, inclusive, 325 thru 330, inclusive and 425 thru 430, inclusive, all of which are part of Building A of The Breakers. Building A is covered by Registration No. 5474.

15. An Assignment of Leases and Rents as security for the repayment of \$25,000,000.00 by Douglas E. Myers, as Trustee of the Douglas E. Myers Revocable Trust dated June 8, 2005 and 3702 Lower Honoapiilani LLC, a Colorado limited liability company, collectively as Assignor to First Hawaiian Bank, a Hawaii corporation, as Assignee, dated June 5, 2007, recorded in said Bureau as Document No. 2007-101262.

16. A Financing Statement by 3702 Lower Honoapiilani LLC, a Colorado limited liability company as Debtor and First Hawaiian Bank, a Hawaii corporation as Secured Party, dated June 5, 2007, and recorded in said Bureau as Document No. 2007-101264.

Note: Said Financing Statement pertains to Apartment Nos. B-20 thru B-27, inclusive, B-30 thru B-37, inclusive, B-40 thru B-47, inclusive, C-21 thru C-24, inclusive, C-30 and C-31, D-20 thru D-27, inclusive, D-30 thru D-37, inclusive, D-40 thru D-47, inclusive, E-20 thru E-27, inclusive, E-30 thru E-37, inclusive, E-40 thru E-47, inclusive and F-20 thru F-25, inclusive and F-40 thru F-45, inclusive. All said Apartment Nos. are part of Buildings B, C, D, E and F, respectively.

17. A Financing Statement by Douglas E. Myers as Debtor and First Hawaiian Bank, a Hawaii corporation as Secured Party, dated June 5, 2007, and recorded in said Bureau as Document No. 2007-101265.

Note: Said Financing Statement pertains to Apartment Nos. 125 thru 130, inclusive, 225 thru 230, inclusive, 325 thru 330, inclusive and 425 thru 430, inclusive, all of which are part of Building A of The Breakers. Building A is covered by Registration No. 5474.

18. A mortgage to secure an indebtedness in the amount of \$2,500,000.00 by 3702 Lower Honoapiilani LLC, a Colorado limited liability company in favor of Flatirons Bank, a Colorado corporation, dated June 4, 2009, and recorded in said Bureau as Document No. 2009-085455.

Note: Said Mortgage pertains to Apartment Nos. F-20 thru F-25, inclusive and F-40 thru F-45, inclusive. All said Apartment Nos. are part of Building F.

19. Application for Mechanic's and Materialman's Lien filed in the Circuit Court of the Second Circuit of the State of Hawaii on July 15, 2009, M. L. No. 09-1-0021 (2), by TJ Gomes Trucking Co., Inc., a Hawaii corporation, as

Lienor against Betsill Brothers Construction, Inc., a Hawaii corporation, 3702 Lower Honoapiilani, LLC, a Colorado limited liability company, Douglas E. Myers, Trustee of the Douglas E. Myers Revocable Trust dated June 8, 2005, collectively as Respondents.

20. Application for Mechanic's and Materialman's Lien filed in the Circuit Court of the Second Circuit of the State of Hawaii on July 21, 2009, M. L. No. 09-1-0023 (1), by Island Tile, Inc., a Hawaii corporation as Lienor against 3702 Lower Honoapiilani, LLC, dba The Breakers, as Respondent.

EXHIBIT F

Escrow Agreement Summary

A copy of the executed Escrow Agreement for the Project between Hawaii Escrow & Title, Inc. ("Escrow") and Developer has been filed with the Commission. The Escrow Agreement provides for the deposit of the funds of a purchaser of an Apartment (a "Purchaser") pursuant to a Sales Contract and also provides for the retention or disbursement of the funds.

The Escrow Agreement provides in part that any interest earned on money on deposit shall be paid to the parties in accordance with the terms of the Sales Contract. In the event that the Reservation Agreement or Sales Contract or Hawaii Revised Statutes Chapter 514A entitle a Purchaser to a refund of Purchaser's Deposits held by Escrow, the Escrow, upon instruction from Developer, will refund Purchaser's deposits, less any escrow cancellation fee (which may not exceed \$250) or other costs payable by the Purchaser (e.g., loan processing fees, cost of credit reports, etc.) as provided in the Sales Contract, Chapter 514A, Hawaii Revised Statutes, as amended, or Purchaser's loan application, commitment or prequalification letter.

The Escrow Agreement provides that a Purchaser's deposits may be disbursed from Escrow prior to closing as needed to pay for actual project construction costs and project architectural, engineering, finance and legal fees if (a) a Final Public Report for the Project has been issued, (b) Developer provides escrow with written certification that all legal requirements have been satisfied, the Purchaser's contract has become binding, and that Developer has waived any right to cancel the contract, and (c) the costs or fees to be paid are approved by Developer's construction lender or another qualified, financially-disinterested person. Purchaser's deposits may not otherwise be disbursed from Escrow until construction is completed, Escrow is satisfied that any liens have been cleared or otherwise covered, and the Purchaser's purchase closes.

If the sales contract is cancelled by Developer or Purchaser and Purchaser is not in breach of the sales contract, Purchaser is entitled to return of funds, as more specifically described in the Escrow Agreement and described above. If Purchaser is in default of the sales contract and Developer elects to cancel the sales contract, Purchaser's funds held in Escrow shall be forfeited to Developer.

Prospective Purchasers should read the Escrow Agreement with care.

EXHIBIT G

SUMMARY OF SALES AGREEMENT

The Reservation Agreement, Sales Contract and Receipt contains the price and other terms and conditions under which a purchaser will agree to buy an Apartment in The Breakers Condominium Project. Among other things, the Reservation Agreement, Sales Contract and Receipt states:

- a. The total purchase price, method of payment and additional sums which must be paid in connection with the purchase of an Apartment.
- b. That the purchaser acknowledges having received and read a final public report for the Project prior to signing the Reservation Agreement, Sales Contract and Receipt.
- c. That the Developer makes no representations concerning rental of an Apartment, income or profit from an Apartment, or any other economic benefit to be derived from the purchase of an Apartment.
- d. That the purchaser's money will be held in escrow, under the terms of the Escrow Agreement for the Project, and may be subject to the terms of the Escrow Agreement be disbursed prior to closing to pay for certain project development costs.
- e. Requirements relating to the purchaser's financing of the purchase of an Apartment.
- f. That the Apartment and the Project will be subject to various other legal documents which the purchaser should examine, and that the Developer may change these documents under certain circumstances.
- g. That the Developer makes no warranties regarding the Apartment, the Project or anything installed or contained in the Apartment or the Project.
- h. That the Project may be subject to ongoing sales activities which may result in certain annoyances to the purchaser.
- i. That the purchaser must close the purchase at a certain date and pay closing costs, in addition to the purchase price.
- j. That the purchaser shall at Closing pay an Association start-up fee and one month's estimated maintenance fees.
- k. That the purchaser's Sales Contract is subordinate to the mortgage of the Project's construction lender.
- l. For certain apartments in the Project that are being sold at affordable prices to qualified affordable buyers, the Sales Contract provides that the affordable apartments must be used as the buyer's principal residence and are subject to certain resale restrictions. Buyers of affordable units should carefully review the form Apartment Deed for details on these requirements and restrictions.

The Reservation Agreement, Sales Contract and Receipt contains various other important provisions relating to the purchase of an Apartment in the Project. It is incumbent upon purchasers and prospective purchasers to read with care the specimen Reservation Agreement, Sales Contract and Receipt on file with the Real Estate Commission.

EXHIBIT H

LAND COURT SYSTEM

REGULAR SYSTEM

Return by Mail Pickup To:

TITLE OF DOCUMENT:

AFFORDABLE APARTMENT DEED WITH COVENANTS
AND FIVE-YEAR BUY-BACK OPTION

PARTIES TO DOCUMENT:

GRANTOR: 3702 LOWER HONOAPIILANI, LLC, a Colorado limited liability
company

GRANTEE:

TAX MAP KEY(S): Maui 4-3-006-069; CPR No. _____

(This document consists of ___ pages.)

**This Apartment Deed form applies only to units purchased under the Project's
Affordable Housing Agreement.**

AFFORDABLE APARTMENT DEED WITH COVENANTS
AND FIVE-YEAR BUY-BACK OPTION

KNOW ALL MEN BY THESE PRESENTS:

That on this _____ day of _____, 20____, 3702 LOWER HONOAPIILANI, LLC, a Colorado limited liability company, hereinafter called the "Grantor", for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration to the Grantor paid by _____, whose address is _____,

hereinafter called the "Grantee", the receipt whereof is hereby acknowledged, do hereby grant, bargain, sell and convey unto the Grantee all of that certain real property more particularly described in Exhibit A attached hereto and made a part hereof, subject to the encumbrances noted therein (the "Apartment").

TOGETHER WITH all the rights, easements, privileges and appurtenances thereunto belonging or appertaining.

TO HAVE AND TO HOLD the same unto the Grantee, _____, in fee simple, forever.

PROVIDED, that Grantee is purchasing the Apartment pursuant to an Affordable Housing Agreement and program entered into between Grantor and the County of Maui, which Agreement is recorded in the State of Hawaii Bureau of Conveyance as Document No. 2005-042884, pursuant to which Grantee certified that (1) Grantee is an "Affordable Buyer" as defined in the Affordable Housing Agreement; (2) Grantee would continue to own and occupy the Apartment as a primary residence for a period of five years from the date of this Deed; (3) Grantee agrees to all other terms and conditions set forth in the Affordable Housing Agreement; and (4) Grantee has granted to the County of Maui the right and option to purchase the Apartment from Grantee if Grantee fails to comply with the owner-occupant requirement of the Affordable Housing Agreement, at a price which shall not exceed the sum of:

- (1) Grantee's actual cost to purchase the Apartment;
- (2) The cost of any improvements made to the Apartment by the Grantee; and
- (3) Simple interest on the Grantee's cash equity in the Apartment calculated at a rate of seven percent (7%) per year from the date of this deed.

AND the Grantor does hereby covenant with the Grantee that the Grantor is lawfully seised in fee simple of said granted premises and that the said premises are free and clear of all encumbrances except as aforesaid, and except for assessments for

real property taxes not yet by law required to be paid. And the Grantor further covenants and agrees that the Grantor has good right to sell and convey the said premises in the manner aforesaid; that the Grantor will WARRANT AND DEFEND the same unto the Grantee against the lawful claims and demands of all persons, except as aforesaid.

AND the Grantee does hereby covenant and agree to and with the Grantor that the Grantee's interest under this Warranty Deed shall be subject to, and the Grantee will observe, perform, comply with and abide by, the Declaration of Condominium Property Regime of the condominium project described in said Exhibit A and the By-Laws of said condominium project, as either of the same may have been or may hereafter be amended.

IT IS MUTUALLY AGREED that the terms "Grantor" and "Grantee", as and when used hereinabove or hereinbelow shall mean and include the masculine or feminine, the singular or plural number, individuals, associations, trustees, corporations or partnerships, and their and each of their respective successors in interest, heirs, executors, personal representatives, administrators and permitted assigns, according to the context thereof, and that if these presents shall be signed by two or more grantors, or by two or more grantees, all covenants of such parties shall be and for all purposes deemed to be joint and several.

The covenants and agreements of the Grantee shall run with the property described in Exhibit "A" attached hereto, shall be binding upon the Grantee and the Grantee's successors and assigns, and shall run in favor of and inure to the benefit of the Grantor and the Grantor's successors and assigns.

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

3702 LOWER HONOAPIILANI, LLC

By _____

Its

Grantor

Grantee

EXHIBIT I

Condominium Public Report On The Breakers

Disclosure Abstract

1. (a) PROJECT: The Breakers
Honokowai, Maui, Hawaii
- (b) DEVELOPER: 3702 Lower Honoapiilani, LLC
P O Box 54
Longmont, Colorado 80502
- (c) REAL ESTATE BROKER: Locations Maui LLC dba Prudential Locations Maui
151 E. Wakea Street, #204
Kahului, HI 96732
- (d) PROPERTY MANAGER:
(Proposed) Commercial Properties of Maui Management, Inc.
1962 Wells St. #B
Wailuku, HI 96793

2. USE OF APARTMENTS:

- (a) Number of apartments in Project for residential use: 84 (60 covered by this registration)
- (b) Proposed number of apartments in Project for hotel use: 0
- (c) Extent of commercial or other non-residential development in the Project: None

3. WARRANTIES:

Developer makes no separate warranties on construction, habitability, or on appliances and fixtures. Developer expects that the general contractor will issue standard one-year warranties of construction. Developer will pass through all manufacturers' warranties on appliances and fixtures to purchasers. Purchaser agrees that the Condominium Map is not a warranty of any type, and is intended only to show the project location, layout, apartment numbers and apartment dimensions.

4. BREAKDOWN OF ANNUAL MAINTENANCE CHARGES AND ESTIMATED COSTS FOR EACH APARTMENT:

Attached to this Public Report as Exhibit C is a breakdown of the annual maintenance charges and the monthly estimated cost for each apartment in the Project, prepared by the Project Manager for a one-year period, and certified to have been based on generally accepted accounting principles. The attached breakdown of annual maintenance charges and the estimated cost for each apartment is subject to change based on actual costs of the items listed. The Developer can make no assurances regarding the estimated maintenance assessments. Variables such as inflation, uninsured casualty loss or damage, increased or decreased services from those contemplated by the Project Manager, apartment owner delinquencies and other factors may cause the maintenance assessments to be greater or less than the estimated maintenance assessments.

The breakdown in the estimated maintenance costs do not include individual charges for utilities or services beyond those listed in this Public Report or the Buyer's obligation for real property taxes and does not include or otherwise take into account the one-time "start-up" fee required to be paid in addition to the normal maintenance charges.

NOTE: THE DEVELOPER ADVISES THAT COSTS AND EXPENSES OF MAINTENANCE AND OPERATION OF A CONDOMINIUM PROJECT ARE VERY DIFFICULT TO ESTIMATE INITIALLY AND EVEN IF SUCH MAINTENANCE CHARGES HAVE BEEN ACCURATELY ESTIMATED, SUCH CHARGES WILL TEND TO INCREASE IN AN INFLATIONARY ECONOMY AND AS THE IMPROVEMENTS AGE, MAINTENANCE CHARGES CAN VARY DEPENDING ON SERVICES DESIRED BY APARTMENT OWNERS. THE BUYER SHOULD EXAMINE THE MAINTENANCE CHARGE SCHEDULE TO SEE WHAT SERVICES ARE INCLUDED IN THE SCHEDULE.

5. TEMPORARY ASSUMPTION BY THE DEVELOPER OF ACTUAL COMMON EXPENSES:

The Developer may assume all the actual common expenses of the Project (and therefore an apartment owner will not be obligated for the payment of his or her respective share of the common expense) until such time as the Developer files with the Real Estate Commission of the State of Hawaii an amended Disclosure Abstract which states that after a date certain, the respective apartment owner shall thereafter be obligated to pay for his respective share of common expenses that is allocated to his apartment; provided, however, that such amended Disclosure Abstract shall be filed at least thirty (30) days in advance with the Real Estate Commission, with a copy thereof being delivered either by mail or personal delivery after the filing to each of the apartment owners whose maintenance expenses were assumed by the Developer. The Developer shall have no obligation to pay any start-up fees or to pay for any cash reserves or other reserve amounts with respect to or attributable to the period during which the Developer assumes the actual common expenses of the Project.