

**PULEHUNUI INDUSTRIAL CONDOMINIUM
SALES CONTRACT AND RECEIPT**

This Sales Contract and Receipt (the "**Sales Contract**") is made by and between **CMBY 2011 Investment, LLC**, a Washington limited liability company (the "**Seller**"), and the "**Purchaser**" named in Section B, below. This Contract shall be and become effective and binding in accordance with Sections I(1) and (2), below.

A. DESCRIPTION OF THE PROPERTY COVERED BY THIS SALES CONTRACT

1. Condominium Unit Number ____ (the "**Unit**") in the Pulehunui Industrial Condominium (the "**Project**"), located at Pulehunui, Wailuku, Maui, Hawaii.
2. The Common Interest in the Project appurtenant to the Unit established under the Declaration (as defined below).

B. INFORMATION ABOUT PURCHASER (Include all persons in whom title is to be vested)

1. _____
Name

Street Address or P.O. Box Number

City, State and Zip Code/Country
() _____ () _____ () _____
Bus. Phone No. Cell Phone No. Fax No.
Email Address: _____

C. PURCHASE PRICE & CLOSING DATE

1. TOTAL PURCHASE PRICE \$_____.
2. Schedule and Method of Payment:
 - a. Initial Deposit: \$_____ by way of Deposit paid by check or transfer to Escrow of immediately available funds due when Purchaser signs this Sales Contract ("**Initial Deposit**"). If the Initial Deposit does not clear within seven days of Escrow's receipt of it, Seller shall have the right to immediately cancel this Sales Contract as null and void and any Purchaser funds received shall be returned to Purchaser in full.
 - b. Second Deposit: \$_____ (% of the Total Purchase Price) by way of Additional Deposit paid by check due within thirty (30) days after the date Purchaser signs this Sales Contract.
 - c. The amount of \$_____ (the Total Purchase Price less the amounts paid by Purchaser pursuant to items a and b above) due prior to the Closing Date by way of cash or other immediately available funds.

Each Payment shall be made to Escrow at the place and times described in Section G.1. Closing Costs and Prorations shall be paid as described in Section G.4.

At Closing, Purchaser shall also prepay two (2) months of estimated maintenance fees for the Unit and an Association start-up fee in the amount of \$100.00. Purchaser shall also pay a start-up fee to the Master Association in the amount of \$500.00 and shall prepay two (2) months' estimated monthly assessments to the Master Association. Purchaser shall also pay a \$2,000.00 hookup fee to the Water Association.

3. Closing Date. The Closing Date under this Sales Contract shall be (check one):

forty-five (45) days after Seller's acceptance of this Sales Contract (but subject to the Presale Contingency in Section G.4); or

thirty (30) days after Seller notifies Purchaser that the Project Improvements described in Section F.1 are substantially complete.

4. Sales Contract.

Seller agrees to sell and Purchaser agrees to buy the Unit described in Section A, above, and Section E, below. This Sales Contract shall be and become effective and binding in accordance with Sections I.1 and I.2, below.

THE SALE AND PURCHASE OF THE UNIT IS SUBJECT TO AND IN CONSIDERATION OF THE "ADDITIONAL TERMS AND CONDITIONS" SET FORTH IN SECTIONS D THROUGH I OF THIS SALES CONTRACT, WHICH BY THIS REFERENCE ARE MADE A PART HEREOF AND INCORPORATED HEREIN FOR ALL PURPOSES. PURCHASER ACKNOWLEDGES HAVING READ THIS SALES CONTRACT IN FULL AND IS AWARE OF AND ACCEPTS THE TERMS, CONDITIONS AND LIMITATIONS AND DISCLAIMER OF WARRANTIES DESCRIBED HEREIN AND ACKNOWLEDGES THAT THIS SALES CONTRACT, SECTIONS A THROUGH I, IS THE ENTIRE AGREEMENT BETWEEN THE PARTIES.

5. Receipt of Developer's Public Report(s) and Project Documents. Purchaser acknowledges receiving and having an opportunity to read the following documents ("Project Documents") prior to signing this Sales Contract: Developer's Public Report with Effective Date of _____, the Declaration; Bylaws; and Condominium Map for the Project; the Escrow Agreement; and the form of Unit Deed.

6. Authorization of Electronic Communications. Seller is authorized by Purchaser to deliver communications, notices and documents by email to Purchaser's email address(es) set forth above (check one):

Yes

No

7. Agency Disclosure. Check the paragraph that applies:

No Outside Broker or Agent. Commercial Properties of Maui, LLC, a Hawaii limited liability company ("**Broker**") and all salespersons and licensees employed by or associated with Broker represent only the Seller. Purchaser represents that no broker or agent represented Purchaser in connection with this Purchase. Purchaser agrees to indemnify, defend and hold Seller and Broker harmless from and against any claims or liabilities for commissions, finder's fees, or other compensation by any broker or agent claiming to have represented Purchaser in connection with this purchase. Purchaser confirms that oral or written disclosure of such representation was provided before the signing of this Sales Contract.

Cooperating Broker Representing Purchaser. In connection with the sale and purchase of the Unit, Broker and all salespersons and licensees employed by or associated with Broker represent only the Seller. Purchaser has been represented by _____ (**Cooperating Broker**). Cooperating Broker must sign and submit a Cooperating Brokerage Agreement to Broker at the time Purchaser signs and submits this Sales Contract.

8. ADDITIONAL TERMS AND CONDITIONS FOR THIS SALES CONTRACT CONTINUE BEGINNING ON NEXT PAGE. THOSE TERMS AND CONDITIONS ARE PART OF THIS SALES CONTRACT. If checked, this Sales Contract also includes the attached Addenda, which are incorporated in this Sales Contract by this reference:

() Cooperating Brokerage Agreement

IN WITNESS WHEREOF, Purchaser and Seller have executed this Sales Contract as of the date indicated below.

Purchaser's Signature

Purchaser's Signature

Purchaser's name (print)

Purchaser's name (print)

Date Signed by Purchaser: _____

This Sales Contract is accepted by CMBY 2011 Investment, LLC

CMBY 2011 INVESTMENT, LLC

By Pacific Rim Land, Inc.
Its Manager

By _____
Ryan Churchill
Its President

Date Signed by Seller: _____

ADDITIONAL TERMS AND CONDITIONS FOR THIS SALES CONTRACT

In consideration of the respective covenants and agreements contained in the preceding Sections A, B and C of this Sales Contract and the respective covenants and agreements which follow, Seller and Purchaser agree as follows:

D. DEFINITIONS - Words Used Often in this Sales Contract

Definitions. When used in this Sales Contract with initial capital letters, the terms listed below will have the following meanings:

"ASSOCIATION" means the Association of Unit Owners of the Project as established pursuant to the Declaration and Bylaws.

"BUREAU" means the Bureau of Conveyances of the State of Hawaii.

"BYLAWS" means the Bylaws of the Association of Unit Owners of the Project recorded in the Bureau, as the same may be amended from time to time.

"CLOSING" or "CLOSING DATE" shall mean that date designated in Section C.3 upon which Purchaser and Seller shall perform their respective obligations to purchase and sell the Unit.

"COMMON ELEMENTS" means those portions of the Project designated as Common Elements in the Declaration.

"COMMON ELEMENT ROAD" means the shared private roadway in the Condominium comprising 0.249 acres and shown on the Condominium Map.

"CONDOMINIUM DOCUMENTS" means the Condominium Map, the Declaration, Bylaws, Unit Deed, specimen Sales Contract, Escrow Agreement and all other documents filed with the Real Estate Commission in conjunction with the development and sale of the Project.

"CONDOMINIUM MAP" means the Condominium Map for the Project filed with the Bureau, as the same may be amended from time to time.

"DECLARATION" means the Declaration of Condominium Property Regime for the Project recorded in the Bureau, as the same may be amended from time to time.

"DEEMED ACCEPTANCE" means that Purchaser has, with respect to a Developer's Public Report, Receipt Form and Notice of Right to Cancel delivered to Purchaser pursuant to Hawaii Revised Statutes Section 514B-86, or a Notice of Material Change, an Amendment to a Developer's Public Report or Amended Developer's Public Report disclosing a Material Change, and a Notice of Right to Rescind, delivered to a Purchaser pursuant to Hawaii Revised Statutes Section 514B-87, taken such action or failed to take such action within the time period prescribed by law such that Purchaser is deemed to have approved and accepted such document and waived Purchaser's rights to cancel or rescind with respect thereto. Purchaser is deemed to have approved and accepted a Developer's Public Report if Purchaser (a) indicates Purchaser's acceptance of the report by waiving Purchaser's right to cancel on the Notice of Right to Cancel, (b) does not execute and return the Notice of Right to Cancel within thirty (30) days of the date of delivery of that Notice, or (c) accepts conveyance of the Unit within thirty (30) days of the date of delivery of the Developer's Public Report, Receipt Form and Notice of Right to Cancel. Purchaser is deemed to have approved and accepted a Material Change disclosed by a Notice of Material Change or an Amendment to a Developer's Public Report or Amended Developer's Public Report if Purchaser (a) indicates Purchaser's acceptance of the notice or amendment by

waiving Purchaser's right to cancel on the Notice of Right to Rescind, (b) does not execute and return the Notice of Right to Rescind within thirty (30) days of the date of delivery of that Notice, or (c) accepts conveyance of the Unit within thirty (30) days of the date of delivery of the Notice of Material Change or Amendment to a Developer's Public Report or Amended Developer's Public Report disclosing a Material Change, and Notice of Right to Rescind.

"DEPOSIT" or "DEPOSITS" means the amounts paid by Purchaser to Seller as set forth in item C.2, above.

"EFFECTIVE DATE" means the date that the Sales Contract becomes binding pursuant to the provisions of Section I.2 below following the Deemed Acceptance.

"ESCROW" means TITLE GUARANTY ESCROW SERVICES, INC., a Hawaii corporation.

"ESCROW AGREEMENT" means the Condominium Escrow Agreement executed by and between Seller and Escrow regarding the Project and dated April 22, 2019.

"LIMITED COMMON ELEMENTS" means those portions of the Common Elements designated in the Declaration as being appurtenant to one or more (but less than all) Units in the Project.

"MASTER ASSOCIATION" means the Pulehunui Lot Owners Association, Inc., a Hawaii nonprofit corporation.

"MASTER DECLARATION" means that certain Pulehunui Industrial Subdivision Declaration of Covenants, Conditions and Restrictions dated July 15, 2017 and recorded in the Bureau as Document No. A-64720553, as amended by instrument dated November 28, 2018 and recorded in the Bureau as Document No. A-69220088, as it may be further amended from time to time.

"MATERIAL CHANGE" means a change in the Project which directly, substantially and adversely affects the use or value of the Unit that is the subject of this Sales Contract or Limited Common Elements appurtenant thereto, or the amenities of the Project available for Purchaser's use.

"NOTICE OF MATERIAL CHANGE" means a document by which Seller discloses a Material Change to Purchaser pursuant to Hawaii Revised Statutes Section 514B-87.

"NOTICE OF RIGHT TO CANCEL" means the Notice of Right to Cancel Sales Contract form as required by Hawaii Revised Statutes Section 514B-86.

"NOTICE OF RIGHT TO RESCIND" means the Notice of Right to Rescind Sales Contract form as required by Hawaii Revised Statutes Section 514B-87.

"PROJECT" means the Pulehunui Industrial Condominium project established by the Declaration.

"PROJECT DOCUMENTS" means the documents identified in Section C.5 above, as amended from time to time.

"PUBLIC REPORT" means the Developer's Public Report on the Project for which an effective date has been issued by the Real Estate Commission.

"PULEHUNUI SUBDIVISION" means that certain subdivision known as the "Pua'a Subdivision" or the "Pulehunui Industrial Subdivision," Subdivision File No. 3.2324. The Project is encompassed within and forms part of the Pulehunui Subdivision.

"REAL ESTATE COMMISSION" means the Office of the Real Estate Commission of the Department of Commerce and Consumer Affairs, State of Hawaii.

"RECEIPT FORM" means the Receipt for Developer's Public Report form as required by Hawaii Revised Statutes Section 514B-86.

"SALES CONTRACT" means this Sales Contract and Receipt, together with (where applicable) any addenda attached hereto.

"SELLER" means CMBY 2011 Investment, LLC, a Washington limited liability company, and its successors and assigns.

"TOTAL PURCHASE PRICE" means the amount set forth in Section C, above.

"UNIT" means the condominium unit described in Sections A and E of this Sales Contract.

"UNIT DEED" means the legal document that Purchaser and Seller will sign to transfer fee simple ownership of the Unit at Closing to Purchaser. A specimen copy of the Unit Deed has been supplied to Purchaser; copies are also available from the Broker.

"WATER ASSOCIATION" means the Pulehunui Water Association, Inc., a Hawai'i nonprofit corporation.

"WATER DECLARATION" means that certain Pulehunui Water Association, Inc. Declaration of Covenants dated July 15, 2017 and recorded in the Bureau as Document No. A-64720552, as it may be amended from time to time.

E. INFORMATION CONCERNING THE PROJECT AND THE UNIT

1. Project Information. The Project consists of eight (8) spatial condominium units located on two (2) parcels of land located in the Pulehunui Subdivision located off Veterans Memorial Highway at Pulehunui, Wailuku, Maui, Hawaii. The Project is described in more detail in the Declaration.

2. Description of Unit. Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller, in fee simple, the following property (the "Unit"):

a. The Unit designated in Section A above and more fully described in the Declaration, together with the other Limited Common Elements appurtenant to the Unit, if any, as set forth in the Declaration, and all other rights and easements appurtenant to said Unit as described in the Declaration.

b. The undivided _____ percent (___%) common interest in the Project that is appurtenant to the Unit as set forth in Section A above, as tenant in common with the holders from time to time of all other undivided interests in the Project. The Unit shall be sold in accordance with and subject to all of the applicable limited warranties, terms, covenants, provisions, easements, rights, agreements and other provisions contained herein, and in the Declaration, Bylaws, Unit Deed, and other Project Documents.

F. PROJECT IMPROVEMENTS; COMPLETION DATE

1. Project Improvements. Subject to Section F.3 below, Seller agrees to construct and complete the improvements to the Project described below (collectively, "**Project Improvements**") to the extent necessary to access and serve Purchaser's Unit.

a. Shared Roadway. Seller will construct a paved roadway on the Common Element Road as shown on the Condominium Map for access within the Project. The roadway will be maintained as a common expense of the Association.

b. Telephone and Electrical. Seller and Maui Electric Company, Limited (with Hawaiian Telcom, Inc.) will install electrical and telephone service along the Common Element Road at no expense to Purchaser. Purchaser will be responsible for connecting its service to a connection point near the Unit boundary and paying any additional connection fees. Depending on the location of Purchaser's Unit, the connection point may be across the street.

c. Water. The water distribution system serving the Project is held and operated by the Water Association, of which the owners of all Units in the Project and all lots in the Pulehunui Subdivision shall be members. Costs of maintaining and operating the water distribution system shall be apportioned among all members of the Water Association on an equitable basis, as determined by the Water Declaration and the board of directors of the Water Association from time to time. Purchaser is encouraged to review the Water Declaration before becoming bound under this Sales Contract.

Seller shall install waterlines to a point at or near the boundary of the Unit at no expense to Purchaser (other than Purchaser's Purchase Price for the Unit itself). Purchaser shall be responsible for the hookup fee, the cost of installing a water meter, and monthly and special assessments of the Water Association.

d. Sewer. Each Unit will be served by a private wastewater treatment plant owned and operated as a common facility of the Pulehunui Subdivision under the governance and management of the Master Association. Seller will provide a connection point at or near Purchaser's Unit. Purchaser shall be responsible for connecting Purchaser's building and facilities to said system including a grinder pump and any equipment required to connect to the wastewater system. Costs of operating the plant shall be assessed to all owners of Units in the Project and all owners of lots in the Pulehunui Subdivision pursuant to the requirements of the Master Association.

e. Drainage. Each Unit will be served by the central storm water drainage system that serves all lots in the Pulehunui Subdivision. Seller will construct a main drainage line within the Common Element Road and will provide a stub-out at or near the boundary of Purchaser's Unit; however, Purchaser shall be responsible for connecting to such drain line(s) at Purchaser's expense.

f. Fences. Seller will fence and gate Purchaser's Unit prior to the Closing Date at no expense to Purchaser, provided that Closing of Units 1 and 8 may occur prior to the completion of fencing and gating. Purchasers shall be required to maintain, repair and replace the fencing and gates on their respective Units at their own cost and expense. If wind shall cause trash or other materials to be windblown from one Unit (the "**Sending Unit**") to another Unit (the "**Receiving Unit**"), in a manner that results in unreasonable inconvenience or nuisance to the owners and occupants of the Receiving Unit, the owners of the Sending Unit shall adopt reasonable measures to mitigate such inconvenience or nuisance upon request by the Receiving Unit, all as more particularly described in Section 3.22 of the Master Declaration.

2. Completion Date. Seller agrees to complete construction of the Project Improvements that Seller is obligated to build under Section F.1 that are necessary for access and utility service to the Unit by the date nine (9) months after the date on which the Presale Contingency described below is satisfied or waived by Seller (the "**Completion Date**"); provided,

however, Seller may elect to extend the Completion Date for any period of time during which Seller is actually and necessarily delayed because of fire, rain, storms, earthquake, acts of God, the elements, war or civil protests or disturbances, strikes or other labor disturbances, any litigation or threat of litigation, issuance or enactment of any New Laws as provided in Section 1.3, economic controls making it impossible to obtain the necessary labor or material, governmental action, inaction, delays or intervention, or other circumstances or conditions beyond the control of Seller.

3. Units 1 and 8. With the exception of the Common Element Road, main drainage line and fencing, the Project Improvements for Units 1 and 8 have been completed. Utility connections to Units 1 and 8 are provided from Nopu Street, and no additional connections will be provided. Closing for the sale of Units 1 and 8 shall not be subject to any delay or contingency for completion of the Project Improvements.

G. PAYMENT TERMS, INTEREST ON DEPOSITS, CLOSING AND OCCUPANCY

1. Payment of Total Purchase Price. For the Unit, Purchaser agrees to pay the Total Purchase Price in the amounts and at the times set forth in Section C, above. The Initial Deposit shall be made by payment to Escrow through Seller's Broker or by direct transmission to Escrow of immediately available funds; subsequent payments shall be made by Purchaser directly to Escrow. The Total Purchase Price shall be paid as set forth in Section C.2, above. The Deposits shall not accrue interest.

2. No Financing Contingency. Purchaser's obligations under this Agreement are not subject to or contingent on financing. Purchaser represents that Purchaser is financially capable of making all payments required hereunder when due.

3. Unit Deed; Encumbrances. At Closing, after payment by Purchaser of the Total Purchase Price and performance by Purchaser of all of Purchaser's other obligations under this Sales Contract, Seller agrees to provide Purchaser a duly executed Unit Deed for the Unit and Purchaser agrees to execute and accept such Unit Deed and thereby acquire fee simple title to the Unit. The Unit Deed shall convey the Unit subject to all of the Condominium Documents, the Master Declaration, the Water Declaration, the bylaws for the Master Association and the Water Association, all exceptions and encumbrances identified in this Sales Contract or the Public Report, and all exceptions and encumbrances imposed on the Unit or the Project pursuant to Seller's reserved rights in the Declaration, excepting only any mortgage or other monetary lien affecting both the Unit and any other unit(s) in the Project, which shall be released from the Unit at closing. Prior to Closing Purchaser shall designate the tenancy by which it will hold title.

4. Closing Date; Presale Contingency; Title Insurance.

a. Closing Date. The Closing Date shall be that date upon which Seller and Purchaser shall be required to perform their respective obligations to purchase and sell the Unit under this Sales Contract and the Unit Deed to the Unit is recorded in the Bureau. The Closing Date shall be as set forth in Section C.3, provided that if the Closing Date selected in Section C.3 is a date on which the Bureau is not open for recordings then the Closing Date shall be the next day on which the Bureau is open. If Purchaser in Section C.3 opted to close within forty-five (45) days of Seller's Acceptance of this Sales Contract, but the Presale Contingency described below has not been satisfied or waived, the Closing Date shall be forty-five (45) days after Seller's notice to Purchaser that the Presale Contingency has been satisfied or waived.

b. Presale Contingency. Seller's obligation to convey the Unit to Purchaser and perform Seller's other obligations under this Sales Contract is conditioned upon and made expressly subject to the following contingency (the "**Presale Contingency**"): Seller must enter into binding sales contracts for not less than four (4) Units in the Project, under which (1) all

Deposits required by the purchaser thereunder have been made, (2) the purchaser has provided evidence satisfactory to Seller of the purchaser's ability to perform the purchaser's obligations, and (3) the purchaser has waived or been deemed to waive all cancellation rights.

If the Presale Contingency is not satisfied or waived by Seller within six (6) months of the date of execution of this Sales Contract, then either Seller or Purchaser may unilaterally cancel this Sales Contract without liability or penalty at any time thereafter by giving written notice to the other party, and upon cancellation by either party Seller shall direct Escrow to refund Purchaser's deposits, less any Escrow cancellation charge.

c. Title Insurance. Escrow shall not record Purchaser's Unit Deed until Escrow has received a certificate from a title company authorized to do business in Hawaii and approved by Seller, stating that, upon recordation of such Unit Deed, the Unit and appurtenant common interest are free and clear of all liens, encumbrances and assessments whatsoever other than those permitted by law, this Sales Contract, and as are expressly permitted by Purchaser.

5. Prorations. Prorations and adjustments shall be made between Purchaser and Seller through Escrow on the basis of a thirty (30) day month as of the Closing Date for nondelinquent real property taxes and assessments. If the amount of real property taxes is unavailable for the current year, Seller shall estimate such taxes and assessments taking into consideration the existing tax rate, the Purchase Price, the County of Maui's tax and assessment formula, and such other information and factors as shall be deemed reasonable under the circumstances. From and after the Closing Date, Purchaser shall be responsible for a proportionate share of assessments due to the Master Association and the Water Association with respect to the Unit.

6. Closing Costs. Purchaser shall be responsible for all closing costs, including without limitation the premium for the Title Policy, including any additional costs relating to the issuance of an extended coverage policy (including a lender's policy), the cost of drafting of conveyance documents, including without limitation the cost of drafting of any revisions or addenda to the Sales Contract, Purchaser's (but not Seller's) notary fees, Hawaii conveyance tax on the transfer of the Unit, all escrow fees, the cost of obtaining Purchaser's consents, if any, all recording fees, and any mortgage fees, and Hawaii General Excise Tax. At Closing, Purchaser shall prepay two (2) months' estimated maintenance fees to the Association and two (2) months' estimated monthly assessments to the Master Association. Purchaser shall also pay a non refundable, non transferable start-up fee to the Association in the amount of \$100.00, and a non refundable, non transferable start-up fee to the Master Association in the amount of \$500.00, each of which are one-time assessments at Closing and not advance payments of common expenses or assessments, and which shall be in addition to the normal monthly assessments. Purchaser shall also pay a \$2,000.00 hookup fee to the Water Association.

7. Possession. Delivery of possession of the Unit to Purchaser shall be deemed to have occurred upon Escrow's recordation of Purchaser's Unit Deed in the Bureau. Risk of loss shall transfer from Seller to Purchaser on the Closing Date.

H. PROJECT AND SALES DOCUMENTS

1. Escrow Agreement. Seller has entered into an Escrow Agreement with Escrow, which by this reference is incorporated herein and made a part hereof, covering the Deposit with Escrow of all funds paid by Purchaser under this Sales Contract and the disbursement of such funds by Escrow. All payments to be made hereunder, other than Payment A made through Seller's Broker, shall be paid by Purchaser to Escrow pursuant to the Escrow Agreement. Purchaser hereby acknowledges that Purchaser has examined and does approve the terms of the Escrow Agreement and hereby assumes the benefits and obligations set forth therein.

2. Purchaser's Approval and Acceptance of Project Documentation. Purchaser acknowledges receiving copies of and having had a full opportunity to read and review and hereby approves and accepts the following documents pertaining to the Project: the Condominium Public Report(s) indicated in this Sales Contract, the Declaration, the Bylaws, the form Unit Deed, and the Escrow Agreement. It is understood and agreed that this sale is in all respects subject to said documents.

I. MISCELLANEOUS PROVISIONS

1. This Sales Contract is Binding on Seller only if Seller Signs It. Subject to Section I.2 below, this Sales Contract shall not be binding upon Seller until executed by Seller. Execution of this Sales Contract and/or a receipt of the Deposit or other funds by a broker or salesman or agent of Seller, other than a duly appointed officer of Seller shall not constitute execution or approval by Seller or bind Seller to any obligation to Purchaser pursuant to this Sales Contract or otherwise. Delivery of a copy of this Sales Contract which has not been executed by Seller to a prospective Purchaser does not create an option or any other right in said prospective Purchaser.

2. This Sales Contract is Binding When Purchaser Accepts the Public Report and Waives Purchaser's Right to Cancel. Notwithstanding anything else to the contrary herein, this Sales Contract shall be binding when a true copy of the Public Report, together with the Receipt Form and Notice of Right to Cancel, and a Deemed Acceptance of the report(s) shall have taken place. The date the Sales Contract shall become binding as a contract for the sale of the Unit as set forth above shall be the Effective Date and thereafter, this Sales Contract shall be deemed to be an effective and binding Sales Contract (subject only to any applicable provisions of Chapter 514B, Hawaii Revised Statutes) for the sale of the Unit. Until the Effective Date, this Sales Contract may be unilaterally canceled at any time by either Seller or Purchaser by written notice to the other party, and upon such cancellation by either party, Seller shall direct Escrow to refund to Purchaser all Deposits paid hereunder by Purchaser, without interest. Upon the Effective Date, both Seller's and Purchaser's right of cancellation under this Section I.2 and under said Hawaii Revised Statutes Section 514B-86 shall lapse and any subsequent attempt at such cancellation shall have no force or effect.

3. New Laws. If any governmental body, agency, or court having jurisdiction over the Project should enact, adopt or issue any law, ordinance, rule, regulation, judgment, order, or any other use or building regulation which would prevent or materially delay the construction of the Project or Project Improvements or materially increase the cost of the Project or the Project Improvements, and if the effective date of such law, ordinance, rule or regulation (hereinafter called the "**New Law**") shall be prior to the Closing Date, then Seller shall have the right, within sixty (60) days of the effective date of the New Law but not later than the Closing Date, to either (a) cancel this Sales Contract without liability, whereupon all deposits shall be refunded to Purchaser less any escrow cancellation fee, or (b) notify Purchaser that the Total Purchase Price will increase as a result of the effect of the New Law. Within ten (10) days of such notice of price increase, Purchaser shall elect (1) to pay such increased cost, in which event Purchaser shall waive any rights that he may have to rescind this Sales Contract; or (2) to rescind this Sales Contract, in which case Purchaser shall be entitled to a refund of all moneys paid by Purchaser less any escrow cancellation fee, and the parties shall be released from all obligations and liability hereunder.

4. Material Changes in the Project. If Purchaser, within thirty (30) days from the delivery by Seller of a copy of a Notice of Material Change or Amended Public Report and a Notice of Right to Rescind containing a provision for Purchaser's written approval or acceptance, either personally or by registered or certified mail with return receipt requested, shall fail to execute and return to Seller the Notice of Right to Rescind with Purchaser's written approval or acceptance of any Material Change in the Project which Purchaser may choose to do without penalty, Seller may at its option either: (i) terminate this Sales Contract upon ten (10) days' written notice to Purchaser and upon such termination, Seller shall cause Escrow Agent to refund

to Purchaser all payments previously made by Purchaser without interest; or (ii) if Purchaser does not execute and return the Notice of Right to Rescind within thirty (30) days from the date of delivery of such document, Seller may deem Purchaser to have waived Purchaser's right to rescind and to have approved and accepted such material change, all as provided in Section 514B-87, Hawaii Revised Statutes.

5. Assignment of Sales Contract. This Sales Contract may not be assigned by Purchaser, in whole or in part, without the prior written consent of Seller which consent may be withheld by Seller in its sole and absolute discretion. Any assignment of the Sales Contract made without Seller's written consent is void and of no legal effect.

6. Time; Non-Waiver. Time is of the essence of this Sales Contract. References to "days" in this Sales Contract mean calendar days unless otherwise specified. No action or failure to act on the part of Seller shall constitute a waiver of any of Seller's rights or of any term or condition of this Sales Contract, nor shall such action or failure to act constitute approval of or acquiescence in any breach thereunder, except as the parties hereto shall agree in writing.

7. Default. If either party fails to observe or perform its obligations under this Sales Contract when due, the other party shall have all remedies available at law or in equity. The prevailing party in any action arising from or to enforce this Sales Contract shall be entitled to an award of its reasonable legal fees and costs.

8. Notices. Seller's address for purposes of written notices is:

CMBY 2011 Investment, LLC
c/o Cades Schutte LLP
444 Hana Hwy., Ste. 204
Kahului, Hawaii 96732

Notices to either party may be delivered personally or sent by registered or certified mail, postage prepaid, addressed to such party at its address set forth in this Sales Contract (or such more recent address of which the mailing party may have notice) and shall be deemed to be given when so delivered or mailed. If more than one person is listed as a Purchaser, delivery or mailing may be made to any one of them. Delivery or mailing may also be made to any officer of a corporate party.

9. Cancellation of Sales Contract in Event of Purchaser's Death. If Purchaser, or any one or more of the Purchasers, if there is more than one Purchaser listed in Section B above, should die prior to the Closing Date, Seller reserves the right to cancel this Sales Contract and return Purchaser's payments (including payments to all parties if there is more than one Purchaser listed) less any escrow cancellation costs. In such event, this Sales Contract shall be deemed to be canceled and all parties shall be released from all obligations and liabilities hereunder.

10. This Sales Contract is Binding on the Successors of the Parties and Purchasers are Responsible Individually and Together. The terms "Purchaser" and "Seller" include the persons named and their respective heirs, successors, personal representatives, administrators or permitted assigns. The singular includes the plural and vice versa and the use of any gender includes the other as common sense shall require. If this Sales Contract is signed by more than one person as Purchaser, the contract obligations shall be joint and several.

11. Hawaii Law Governs this Sales Contract; Venue. The laws of the State of Hawaii shall govern all matters with respect to this Sales Contract, including all matters related to the formation, construction and performance of this Sales Contract. The Circuit Courts of the State of

Hawaii and the United States District Court for the District of Hawaii shall be the exclusive venues for any litigation arising from or relating to this Sales Contract.

12. Captions. The captions of the paragraphs of this Sales Contract are for convenience only and do not amplify or limit in any way the provisions hereof.

13. Effect of Partial Invalidity on This Sales Contract. In the event that any provision of this Sales Contract is illegal, void or unenforceable for any reason, the remaining terms of this Sales Contract shall remain in full force and effect.

14. Brokers. Purchaser acknowledges that Seller has disclosed that Seller's Broker represents only Seller in this transaction. Purchaser was represented in Purchaser's purchase of the Unit by Purchaser's Broker, if any, who is identified in Section C.7 of this Sales Contract and the Cooperating Brokerage Agreement, if any. Purchaser acknowledges that all of Seller's sales agents represent Seller only and do not represent Purchaser. Purchaser agrees that Seller is not responsible for any representation or statements of Purchaser's Broker that are inconsistent with those set forth in this Purchase Contract or the Public Reports. If Purchaser has indicated on the signature page of this Sales Contract that Purchaser is not represented by a broker, Purchaser warrants that no real estate broker or other person represented Purchaser or was engaged by Purchaser in connection with Purchaser's purchase of the Unit and agrees to indemnify, defend, and hold Seller harmless against claims to the contrary. Purchaser warrants to Seller that Purchaser has not entered into any agreement or arrangement with Purchaser's Broker for Purchaser to receive or share in any commission paid to Purchaser's Broker in connection with this transaction.

15. This is the Entire Agreement; Certain Obligations to Continue. This Sales Contract constitutes the entire agreement between the parties and supersedes and cancels all prior negotiations, representations, understandings and agreements, both written and oral, of the parties hereto. No fact sheets, informational material, advertising material or other documents which purport to describe the Unit or the Project in any manner beyond or different from the description set forth in the Declaration, Bylaws, and the Real Estate Commission's Public Report(s) shall be valid or enforceable against Seller unless signed by Seller and no variations of this agreement shall be valid or enforceable unless approved by the parties in writing and attached hereto as an addendum. Unless performed at or before closing, provisions of this Sales Contract shall survive the execution and recordation of the Unit Deed.

END OF ADDITIONAL TERMS AND CONDITIONS FOR THIS SALES CONTRACT

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