

**PROJECT RULES OF
EWA OCEANSIDE**

THESE PROJECT RULES are hereby adopted by SMITH/FOTI DEVELOPMENT LIMITED PARTNERSHIP, a Hawaii limited partnership (the "Developer"), the developer of the Ewa Oceanside condominium project ("Ewa Oceanside"), on behalf of the Association of Apartment Owners of Ewa Oceanside (the "Association"), to ensure the harmonious operation of Ewa Oceanside, and to protect the rights of every Owner to quietly enjoy such Owner's Apartment, the common elements, and the limited common elements.

The responsibility for enforcement of the Project Rules may be delegated to the Managing Agent by the Board. All Owners, Occupants, guests, licensees, invitees, tenants and employees of an Owner, and any other persons entering upon or otherwise using Ewa Oceanside are bound by and shall strictly comply with these Project Rules and the covenants, conditions, and restrictions set forth in the Declaration and the Bylaws, and shall be bound by standards of reasonable conduct whether or not covered by the Project Rules, the Declaration or the Bylaws.

1. Authority for Adoption and Enforcement. These Project Rules are adopted and will be enforced pursuant to authority provided in Section 12.2 of the Bylaws. The Project Rules are intended to supplement the covenants, conditions and restrictions set forth in the Declaration and the Bylaws affecting the land, buildings, and improvements now or hereafter located within Ewa Oceanside.

2. Definitions. Unless otherwise defined herein, all capitalized terms used in these Project Rules shall have the meanings given to them in the Declaration of Condominium Property Regime for Ewa Oceanside, as may be amended from time to time (the "Declaration"), and/or the Bylaws of the Association of Apartment Owners of Ewa Oceanside, as may be amended from time to time (the "Bylaws").

A. "Motor Vehicle" shall mean and include any vehicle powered by engine or motor, including but not limited to automobiles, motorcycles, mopeds, motor scooters, trucks and vans.

B. "Premises" shall mean the Ewa Oceanside condominium project, including all of the buildings and Apartments therein, all of the land thereof, all common areas, common elements and all other improvements, equipment, apparatus, fixtures and articles placed or installed in or on the land and buildings.

C. "Occupant" or "Occupants" and any pronoun used in place thereof shall mean and include any Apartment Owner in the Project, members of the Owner's family, and guests, tenants, licensees and invitees of the Owner, and any other person who may in any manner use the Project.

3. Use of the Project

A. The maximum occupancy of each Apartment shall not exceed that as permitted by law and the Apartments shall only be used for transient and/or permanent residential purposes and uses incidental thereto.

B. All Occupants of the Project shall observe and be bound by the Declaration, the Bylaws and these Project Rules. Owners and Occupants are responsible at all times for the reasonable conduct of their guests and invitees.

C. All Occupants of the Project shall observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority or the Board of Directors applicable to the use of the Project, including the Existing Use Permit.

D. Each Owner and Occupant shall file his or her name, address and phone number with the Managing Agent upon purchasing or taking occupancy of an Apartment.

E. An Owner shall be responsible for designating a local agent ("Agent") to represent his or her interest if he or she will be absent from the Apartment for more than thirty (30) days. The Owner shall file with the Managing Agent his or her address and telephone number and the address and telephone number of the Agent. At his or her expense, the Owner shall have his or her Agent or some other designated person conduct periodic inspections of the closed Apartment, assuming responsibility for the contents of the Apartment.

F. An Occupant of the Project shall be responsible for the conduct of his or her children at all times and shall ensure that their behavior is neither offensive to any Occupant nor damaging to any portion of the Project. Children are not permitted to play in the common element roadway.

G. If the immediate services of the police department, the fire department, an ambulance or doctor are required, the desired agency or person should be called directly. Any emergency, particularly such emergencies as flooding, fire, theft, etc., should also be brought to the attention of the Managing Agent.

H. All radio, television or other electrical equipment of any kind or nature installed or used in each Apartment shall fully comply with all rules, regulations, requirements or recommendations of the public authorities having jurisdiction and the Owner shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Owner's Apartment.

I. Toilets, sinks, and other water or sewer facilities in the Project shall not be used for any purpose other than those for which they were designed. Sweepings, rubbish, rags or other articles shall not be thrown into such facilities. Any damage resulting from misuse of any toilets, sinks or other water facilities in an Apartment shall be repaired by the Owner of such Apartment at his or her sole expense.

J. No activity shall be engaged in and no substance introduced into or manufactured within an Apartment which might result in a criminal or civil violation of the law or which may overload or impair the structural integrity of a building or result in the cancellation of the insurance or increase in the insurance rate on the Project.

4. Common Areas, Limited Common Element Yard Areas

A. All common areas and common elements of the Project shall be used only for their respective purposes as designed.

B. No Owner or Occupant shall permit an unsightly condition to be maintained in open view from such Owner's Apartment or the limited common elements appurtenant thereto or any adjoining common area of the Project. In particular, nothing shall be hung from windows. For the purpose of this provision, "unsightly condition" includes, but is not limited to, the following: litter; trash containers, except as specifically provided; broken or excessively scarred furniture; inoperative or broken vehicles, machinery or equipment or parts thereof; non-decorative gear, equipment, cans, bottles, ladders, crates or barrels; unshaded or improperly shaded lights that create objectionable glare; and weeds, untrimmed grass and other uncultivated plant life. No shades, awnings or window guards shall be used without the prior approval of the Board.

C. The common element roadway and the common element pathway of the Project must not be obstructed or used for purposes other than ingress and egress. Items of personal property shall not be left, parked or allowed to stand in any part of the common elements so as to interfere with ingress and egress. Items left in violation of this section will be removed at the Owner's risk and expense at the direction of the Board. Surfboards and bicycles and related items shall not be left or allowed to stand on any part of the Project, other than within the confines of an Apartment or any storage area within the Yard Area appurtenant to the Apartment.

D. Neither the Board nor the Managing Agent shall be responsible for packages or other deliveries or personal property left at doors of Apartments or any other undesignated place on the Project.

E. No Owner or Occupant may erect, affix or place any signs or other advertising materials in front of or on the common elements visible from any point outside of his or her Apartment or Yard Area, without the prior approval of the Board.

F. No clothes lines or other outside clothes drying or airing facilities shall be permitted on any part of the common elements so as to be visible from other Apartments or the common elements of the Project.

G. Any item creating a nuisance or hazard within any Apartment or the common elements shall be removed upon the request of the Board or the Managing Agent.

H. There shall be no shooting of fireworks of any type at anytime in, from or around the Project.

I. Owners or Occupants of Apartments shall not plant or place any potted tree(s) or other vegetation on any part of the Yard Area with root systems or foliage growth patterns which can impair any portion of the common elements or utility services of the Project, and shall keep vegetation trimmed at all times so as not to interfere with the views of other Apartments. Apartment Owners should consult the Existing Use Permit, as well as the Managing Agent or the Board prior to landscaping or related activities in the Yard Area.

5. Trash Disposal

A. Garbage, rubbish and other trash shall be disposed of only in receptacles or plastic bags, and must be placed only in areas provided therefor. Trash containing food shall be securely wrapped before being placed in a receptacle.

B. Household furnishings, etc. should be disposed of by calling the City and County of Honolulu Bulky Items Pick up at 455-1725.

6. Parking

A. Losses or damages to vehicles parked on the Premises are not the responsibility of the Association.

B. Owners and Occupants shall be responsible for the cleanliness of their respective carports, parking stalls and, if applicable, the appurtenant limited common element driveways, including the removal of any grease build-up. No personal items, such as lumber, crates, potted plants, furniture or recreational equipment, shall be permitted in the parking stalls or driveways.

C. Drivers within the Project shall observe all traffic signs posted on the Project, whether by the appropriate authorities of the City and County of Honolulu or by the Association. Motor Vehicles shall travel at no greater than five (5) miles per hour while within the Project.

D. No Motor Vehicles shall be stopped or parked so as to extend into any portions of the common element roadway, or impede or prevent ready access to any entrance or any exit from the Project by another Motor Vehicle.

E. No parking is allowed on the common element roadway. Boats, non-vehicular and personal items must be stored either within a carport or outside the Project. Motor Vehicles parked in unauthorized locations may be towed away at the expense of the Owner or operator thereof.

F. No major repairs to automobiles, motorcycles or other Motor Vehicles shall be permitted within the Project. No racing of motors shall be permitted and all Motor Vehicles shall be equipped with quiet mufflers. All Motor Vehicles parked in the Project shall be in operating condition with a current vehicle license and safety sticker required by law.

G. The Board and the Managing Agent are authorized to have towed away or removed at the Owner's expense any vehicle or equipment parked, located or used in violation of these Project Rules and shall not be subject to any claim for liability or damage in the exercise of such authority.

7. Maintenance, Repairs and Modifications

A. Every Owner shall at all times promptly perform all repair and maintenance work within his or her Apartment, the appurtenant Yard Area and related Yard Area fences and walls, if applicable, for which the Owner is responsible pursuant to the Declaration and the Bylaws, and shall be responsible for all loss and damage, including loss or damage to any common element or any other Apartment, caused by his or her failure to do so.

B. All repairs and maintenance of internal installations within each Apartment such as water, electric power, sewage, telephone, air conditioning, sanitation, doors, windows, lamps, and all other fixtures and accessories belonging to such Apartment, including interior walls and partitions and the inner decorated or finished surfaces of the perimeter walls, floors and ceilings of such Apartment, shall be at the Owner's expense.

C. It is intended that the Apartments and the Yard Areas present an attractive appearance and to that end, the Board may require the maintenance repair and/or replacement of

Yard Area landscaping and Yard Area fences where an Owner fails to comply with the Board's requirements. The Board is authorized to contract for such maintenance repair and/or replacement of Yard Area landscaping and to make payment therefor out of the maintenance fund in the case of common elements and in the case of individual Apartments, the Board shall individually charge such sums to the respective Owners.

D. No structural changes of any type shall be permitted to an Apartment except as permitted under the Existing Use Permit, the Declaration and the Bylaws. No additions or alterations to the original design of an Apartment, which are visible from the exterior of any Apartment, shall be permitted except as authorized pursuant to the Existing Use Permit, the Declaration and the Bylaws.

E. No private radio, satellite dish, television or other outdoor antenna will be erected or installed on or anywhere within, or attached to or protruding from, the Apartments or the common elements, without the prior written approval of the Board.

F. All improvements and modifications to Apartments must comply with all applicable statutes, ordinances, codes, rules and regulations, including, without limitation, the Existing Use Permit.

8. Pets

A. Only the types and number of pets that are permitted under the Bylaws shall be allowed or kept in or on any part of the Project. Pets shall not be allowed on any common elements of the Project except in transit to and from any automobile or off the Premises or back to the Apartment when carried (or on leash).

B. The Owner or Occupant of any Apartment in which a pet is to be kept pursuant to the Bylaws and these Project Rules shall register the pet with the Board or the Managing Agent prior to or immediately upon bringing such pet onto the Project.

C. Pets shall not be kept, bred or used for any commercial purpose.

D. Any personal injury or property damage to any portion of the Project caused by a pet will be the full responsibility of the pet owner and the Owner of the Apartment in which the pet is kept. Owners and Occupants shall be responsible for the immediate and proper removal and disposal of all fecal matter of pets kept in their Apartments.

E. Any pet which is a nuisance or causes unreasonable disturbance to any Occupant or causes damage to the Project shall be removed by its Owner or by the Occupant of the Apartment in which it is kept promptly upon the request of the Board.

9. Noises, Nuisances and Hazards

A. No Owner or Occupant shall use or permit to be brought into the buildings or common elements of the Project anything deemed hazardous to life, limb or property.

B. No nuisances shall be allowed on the Project and no activity or condition shall be allowed which is improper or offensive in the opinion of the Board or which is in violation of the Declaration, the Bylaws or these Project Rules or which unreasonably interferes with or is an unreasonable annoyance to the peaceful possession or proper use of the Project by other Owners and Occupants.

C. Owners and Occupants shall not cause excessive noise of any kind and shall be considerate of other Occupants at all times. Occupants shall not make or cause, or permit their families or their guests to make or cause, noises which will unreasonably annoy or interfere with the rights, comfort and convenience of other Occupants.

10. General

A. No Occupant shall use or permit to be brought into or onto the Premises anything deemed highly dangerous or hazardous to life, limb or property.

B. No open fires shall be allowed on the Premises, except small, controlled hibachi fires for cooking.

C. Absentee residential Apartment Owners, should they elect to close their Apartment during their absence, must inform the Managing Agent of their absence and their agent who shall be responsible for conducting periodic inspections of their closed Apartment and of assuming responsibility for the contents thereof.

D. No soliciting of goods and services, or religious or political activities shall be permitted on or at the Project unless approved by the Board in writing.

E. The Managing Agent is not required to give access to an Apartment without the written permission of the Owner thereof, a registered Agent of the Owner or a registered Occupant.

F. Each Owner and Occupant will at all times keep his or her Apartment in a strictly clean and sanitary condition and will observe, perform and abide by all laws, ordinances, rules and regulations now or hereafter made by any governmental authority and all restrictions, covenants, conditions, and provisions of the Declaration, the Bylaws, these Project Rules and any agreements, decisions and determinations duly made by the Association.

G. These rules are in effect to the extent that they do not violate applicable laws, ordinances, rules or regulations of the City and County of Honolulu, the State of Hawaii and/or the United States of America.

11. Enforcement of Project Rules

A. All corrective actions with respect to violations of these Project Rules and damages to the common elements shall be enforced by the Board and should be reported promptly to the Board or the Managing Agent. The cost of such corrective actions, including any legal fees of enforcement, may be assessed by the Board against, and shall be paid by, the person or persons responsible, including, but not limited to, any Owner for costs incurred directly or indirectly related to such Owner's Occupants.

B. Damages to common elements shall be surveyed by the Board or the Managing Agent and the costs of repair or replacement incurred, including any legal fees of enforcement, may be assessed by the Board against, and shall be paid by, the person or persons responsible, including, but not limited to, any Owner for damages caused directly or indirectly by such Owner's Occupants.

C. Complaints and suggestions regarding the Project shall be made in writing to the Board or the Managing Agent.

D. Each Owner shall observe and perform these Project Rules and ensure that such Owner's Occupants also observe and perform these Project Rules. The Owner shall be responsible if expenses are incurred due to violations of these rules by such Owner's Occupants.

E. The violation of any of these Project Rules shall give the Board, acting in behalf of the Association, the right to:

(i) Only in such instances where the violation or breach threatens an immediate, substantial and undeniable threat to the life, limb or property of any Owner or Occupant, enter the Apartment (or secure an order permitting entry into an Apartment) in which, or as to which, such violation or breach exists and to summarily abate and remove, at the risk and expense of the defaulting Owner (whether caused by the Owner or by any person for whose conduct the

Owner may be responsible), any structure, thing or condition that may exist therein contrary to the intent and meaning of these rules, and the Board shall not thereby be deemed guilty in any manner of trespass; and/or

(ii) Enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation, and all costs and expenses, including attorneys' fees, shall be borne by the defaulting Owner (whether caused by the Owner or by any person for whose conduct the Owner may be responsible).

F. Every Apartment Owner shall pay to the Association promptly on demand all costs and expenses, including reasonable attorney's fees, incurred by or on behalf of the Association in connection with enforcing any provisions of the Declaration, the Bylaws or these Project Rules against such Owner and/or any Occupants of such Owner's Apartment.

12. Rentals/Temporary Occupancy

A. Owners who permit occupancy of their Apartments by others shall convey a copy of these rules to the Occupant. Each Owner shall be responsible for the actions or omissions of all Occupants of his or her Apartment and their Guests.

B. An Owner shall, upon the request of the Board, immediately abate and remove, at the Owner's expense, any structure, thing or condition that may exist with regard to the occupancy of an Apartment by the Owner's tenants or Guests contrary to the intent and spirit of these rules. If the Owner is unable to control the conduct of the tenants or Guests, the Owner shall, upon request of the Board, immediately remove such tenants or Guests from the Project, without compensation for lost rentals or any other damage resulting from such removal.

C. Owners shall be responsible for designating a local Agent to represent the Owners' interests if their residence is outside the State of Hawaii. Such Owners shall file with the Board the name, address and telephone number of the Agent.

D. The Board shall be notified by the Owner or his Agent of the name and duration of stay of any tenant or guest.

13. Amendment of Project Rules

These Project Rules may be amended from time to time by the Developer, acting as the Association, at any time prior to the first meeting of the Board of Directors and thereafter, only by the Board at a duly called meeting, as provided in the Bylaws, and shall become effective when notice thereof is delivered to the Owners at their respective Apartments.

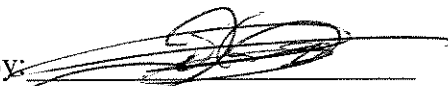
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Certificate of Adoption

The Developer, acting as the initial Association, hereby adopts the foregoing Project Rules as the Project Rules for Ewa Oceanside on behalf of the Association this 20th day of January, 2005.

SMITH/FOTI DEVELOPMENT LIMITED PARTNERSHIP,
a Hawaii limited partnership

By: Smith/Foti Development, Inc.,
Its General Partner

By: 
Name: John Foti
Title: Vice Pres.