



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

OAHU

CONSENT TO MORTGAGE FOR LOT FV-8, HARBOR LEASE NO. H-05-24,
SITUATED AT THE DOMESTIC COMMERCIAL FISHING VILLAGE, PIER 38,
HONOLULU HARBOR, IWILEI, HONOLULU, OAHU, TMK: 1ST/1-5-042-001

LEGAL REFERENCE:

Sections 171-6, 171-11, 171-13, 171-22, and 171-59, Hawaii Revised Statutes, as amended.

APPLICANT:

Fresh Island Fish LLC, (Lessee under the Harbors Lease No. H-05-24), a domestic Limited Liability Company, whose business and mailing address is 1135 North Nimitz Highway, Honolulu, Hawaii 96817. The Lessee sub-leased the demised property to Fresh Island Fish, Inc, as recorded by the Bureau of Conveyances of the State of Hawaii as Document No. 2007-156933. Fresh Island Fish, Inc. is the sole member of Fresh Island Fish LLC.

CHARACTER OF USE:

The use of the parcel of land designated as Unit FV8, of the Declaration of Condominium Property Regime dated 27th of June 2006, recorded as Document No. 2006-120534, Oahu, Hawaii, Tax Map Key No. (1)-1-5-42-001, is maritime-related pursuant to HRS 171-59. Unit FV8 is a part of the Domestic Commercial Fishing Village established pursuant to the Declaration of Condominium Property Regime.

LOCATION:

Lessee, Fresh Island Fish LLC, (Lessee under the Harbors Lease No. H-05-24), is located at 1135 North Nimitz Highway, Honolulu, Hawaii 96817, at Piers 36 through 38. Lessee occupies the parcel of land designated as Unit FV8, of the Declaration of Condominium

Property Regime dated 27th of June 2006, recorded as Document No. 2006-120534,
Oahu, Hawaii, Tax Map Key No. (1)-1-5-42-001.

AREA:

The total area is 27,364 square feet

CONSIDERATION:

Lease No. H-05-24 was indentured on the 14th day of September 2005 with a term of 35 years. Lessee is in its third five (5) year period with annual payment of \$101,325.27.

ZONING:

State Land Use District: Urban
City & County of Honolulu: Waterfront Industrial (I-3)

TERM:

Lease No. H-05-24 was indentured on the 14th day of September 2005 with a term of 35 years ending September 2040. The lease has been extended pursuant to HRS 171-36(b) for the term of the economic life and amortization of re-roofing the metal seamed roof through September 2064. Rent increases are 3% per year for the extended term of the lease.

COMMENCEMENT DATE:

Upon Approval.

TRUST LAND STATUS:

Non-ceded.

CURRENT USE STATUS:

Under Harbors Lease No. H-05-24, Lessee operates storage, processing, and wholesale distribution of seafood products and ancillary services and products, including the operation of a seafood restaurant (Uncle's), and retail sales of seafood products and produce.

LAND TITLE STATUS:

Governor's Executive Orders No. 1346 and 4092 set aside lands to the Department of Transportation, Harbors Division.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This use is exempt from Office of Environmental Quality Control for the *types of actions* that fall within the given classes of action requirements pursuant to Sub-Chapter 11-200-8 of the Hawaii Administrative Rules: Class 1. D.10, "Leases of Property for continuing aeronautical uses or complementary airport purposes." The request to Consent to Mortgage falls within the given classes of action requirements pursuant to Sub-Chapter 11-200-8 of the Hawaii Administrative Rules.

A declaration of exemption from preparation of an environmental assessment has been made by the Director of Transportation for this proposed use.

APPLICANT REQUIREMENTS:

At all times during the term of the Lease, Applicant shall be required to comply with all terms of Harbors Lease No. H-05-24, as amended, including all exhibits, addendums, and other lease documents, and comply with all applicable laws, statutes, ordinances, rules and regulations whether state, county, federal, which are now or hereafter may be in effect.

REMARKS:

Harbor Lease No. H-05-24 was indentured on the 14th day of September 2005 with a term of 35 years with a minimum capital investment of \$2,000,000. The Department of Transportation (DOT) Harbors Division (DOTH) gave its Consent to Mortgage on two previous occasions.

Central Pacific Bank and Bank of Hawaii. On October 28th, the DOT consented to a mortgage of \$3,759,300 through Central Pacific Bank. On June 11, 2011, Bank of Hawaii secured the remaining balance of the loan from Central Pacific Bank for \$2,342,050. The loan balance is \$1.67 million.

HEDCO Local Development Corporation and U. S. Small Business Administration. On July 31, 2007, the DOT gave its second Consent to Mortgage for \$2,000,000, through HEDCO Local Development Corporation with funds from the U. S. Small Business Administration. The loan balance is \$1.19 million.


The DOT extended the term of the Lease ending September 2040 [pursuant to HRS 171-36(b)] for the term of the economic life and amortization of re-roofing the metal seamed roof through September 2064 and a minimum investment of \$2,000,000 before September 2035.

Lessee requests the State to approve the mortgage through Bank of Hawaii in an amount not to exceed \$5,580,000. The BOH loan consolidates the existing BOH loan and the balance of the Small Business Administration loan. The DOT requested, and the Applicant provided, Bank of Hawaii's statement of Lessee's credit worthiness (see Attached) and preliminary Title report (see Attached). Bank of Hawaii affirms the Applicant's credit worthiness.

RECOMMENDATION:


That the Board authorize the Department of Transportation Harbors Division to approve the Applicant's request to Consent to Mortgage in the amount not to exceed Bank of Hawaii's limit of \$5,580,000.

Respectfully submitted,



JADE T. BUTAY
Director of Transportation

APPROVED FOR SUBMITTAL:



SUZANNE CASE
Chairperson and Member
Board of Land and Natural Resources



18 OCT 18 AM 11:07

October 18, 2018

HARBORS DIVISION

Mr. Davis K. Yogi
State of Hawaii
Department of Transportation
79 S. Nimitz Highway
Honolulu, HI 96813

Re: Consent to Mortgage Harbor Lease no. H-05-24, Situated at the Domestic Commercial Fishing Village, Pier 38, Honolulu Harbor, Iwilei, Honolulu, Oahu

Dear Mr. Yogi,

Fresh Island Fish Co., Inc. and Fresh Island Fish LLC (real estate holding company) is in the process of refinancing their existing Bank of Hawaii Mortgage with Bank of Hawaii due to the 100% stock purchase of the companies. Fresh Island Fish Co., Inc. remains credit worthy and capable of repaying refinance debt.

The new mortgage on the Pier 38 property will be a 10-year term and 25-year amortization. As part of the refinance, Bank of Hawaii will have a leasehold mortgage on the property. Currently, Bank of Hawaii and U.S. Small Business Administration ("SBA") HEDCO Local Development Corporation have existing liens on the property, which will be paid off and released upon the completion of the stock purchase. All other previous liens prior to Bank of Hawaii's commercial mortgage refinance in 2011 and SBA HEDCO's commercial mortgage loan in 2007 have been released, per Preliminary Title Report dated September 7, 2018.

Enclosed are the following documents for your review and approval:

- Copy of Consent to Mortgage.
- Copy of Preliminary Title Report.

Please review the enclosed and should you have any questions, please feel free to call me at (808) 694-6501.

Sincerely,
Bank of Hawaii

Nicholas Tasaka
Vice President

After Recordation, Return by Mail (X) Pickup () To:

Bank of Hawaii
P. O. Box 2900
Honolulu, Hawaii 96846
Attn: Dirk Yoshizawa; Pearlridge CBC#159

Total No. of Pages:

TMK No.: (1) 1-5-042-001 C.P.R. No. 0015

CONSENT TO MORTGAGE OF HARBOR LEASE NO. H-05-24

CONSENT is hereby given by the STATE OF HAWAII, by the Director of Transportation (the “**Director**”) and the Chairperson of the Board of Land and Natural Resources (the “**Chairperson**”), acting pursuant to Section 171-22, Hawaii Revised Statutes, as amended (the “**Lessor**”), under that certain Lease, a short form of which is filed in the Bureau of Conveyances of the State of Hawaii (the “**Bureau**”) as Document No. _____, leased to Fresh Island Fish, LLC, whose address is 1135 North Nimitz Highway, Honolulu, Hawaii 96817, and further subleased to Fresh Island Fish Co., Inc. (the “**Lessee**”) pursuant to that certain Sublease, a short form of which is filed in the Bureau as Document No. 2007-156933 (collectively, the “**Lease**”), under that certain FIRST LEASEHOLD MORTGAGE, SECURITY AGREEMENT, FIXTURE FILING AND FINANCING STATEMENT securing a Loan, **provided that the principal amount of the Loan secured by said Mortgage shall not exceed the sum of FIVE MILLION FIVE HUNDRED EIGHTY THOUSAND AND NO/100 DOLLARS (US \$5,580,000.00)**, dated _____, 2018 from FRESH ISLAND FISH, LLC, a Hawaii limited liability company, as Mortgagor, to BANK OF HAWAII, a Hawaii corporation, as Mortgagee, filed in the Bureau as Document No. _____ (the “**Mortgage**”), and to any foreclosure and sale thereunder of the Lessee’s interest, in and to Harbor Lease No. H-05-24; SUBJECT, HOWEVER, to the provisions of Section 171-21, Hawaii Revised Statutes, as amended, relating to the rights of holders of a security interest; PROVIDED, FURTHER, that any foreclosure and sale of the Lessee’s interest shall be limited to maritime purposes only, as noted in Paragraph 2 of the Lease entitled “USE OF PREMISES.”

IT IS FURTHER UNDERSTOOD AND AGREED that, except as provided herein, should there be any conflict between the terms of the Lease and the terms of the Mortgage, the former shall control; and FURTHER, that except as provided herein, this Consent shall not waive any of the terms, covenants and conditions of the Lease and, also, that no further mortgage of the Lease shall be

made without the written consent of the Director and the Chairperson being first obtained and endorsed thereon.

IN WITNESS WHEREOF, the STATE OF HAWAII, by the Chairperson of the Board of Land and Natural Resources, has caused the seal of the Department of Land and Natural Resources to be hereunto affixed and these presents to be duly executed this ____ day of _____, 2018.

STATE OF HAWAII

By _____

Director of Transportation

By _____

Chairperson and Member
Board of Land and Natural Resources

APPROVED AS TO FORM:

Deputy Attorney General

SCHEDULE B CONTINUED

-Note:- Any recorded amendments to the Declaration of Horizontal or Condominium Property Regime amending the assignment of parking stalls to and from apartments other than the specific apartment described herein, are not shown.

11. The terms and provisions contained in the following:

INSTRUMENT : BY-LAWS OF THE ASSOCIATION OF APARTMENT OWNERS

DATED : June 27, 2006

RECORDED : Document No. 2006-120535

12. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

MORTGAGOR : FRESH ISLAND FISH, LLC, a Hawaii limited liability company

MORTGAGEE : HEDCO LOCAL DEVELOPMENT CORPORATION, a Hawaii corporation

DATED : July 31, 2007

RECORDED : Document No. 2007-156931

AMOUNT : \$2,000,000.00

CONSENT : Given by STATE OF HAWAII, by the Director of Transportation and the Chairperson of the Board of Land and Natural Resources, acting pursuant to Section 171-22, Hawaii Revised Statutes, as amended, by instrument dated August 28, 2007, recorded as Document No. 2007-156932

ABOVE MORTGAGE ASSIGNED

TO : U.S. SMALL BUSINESS ADMINISTRATION, an agency of the United States of America

DATED : July 31, 2007

RECORDED : Document No. 2007-156937

SCHEDULE B CONTINUED

SUBORDINATION AGREEMENT

DATED : June 30, 2011
RECORDED : Document No. 2011-145094
CONSENT : given by Small Business Administration, recorded as
Document No. 2011-145095

Subordinates said above Mortgage to the lien of that certain
Mortgage recorded as Document No. 2011-145090.

13. UNRECORDED SUBLEASE

SUBLESSOR : FRESH ISLAND FISH, LLC, a Hawaii limited liability
company
SUBLESSEE : FRESH ISLAND FISH CO., INC., a Hawaii corporation
DATED : July 31, 2007
TERM : four (4) years and six months, commencing on August
1, 2007 and continuing until January 31, 2012

A SHORT FORM SUBLEASE is dated July 31, 2007, recorded as
Document No. 2007-156933.

SUBORDINATION AGREEMENT

DATED : June 30, 2011
RECORDED : Document No. 2011-145093

Subordinates said above Sublease to the lien of that certain
Mortgage recorded as Document No. 2011-145090.

Said SUBLEASE is subject to the following:

(A) MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

MORTGAGOR : FRESH ISLAND FISH, CO., INC., a Hawaii corporation

SCHEDULE B CONTINUED

MORTGAGEE : HEDCO LOCAL DEVELOPMENT CORPORATION, a Hawaii corporation

DATED : July 31, 2007

RECORDED : Document No. 2007-156934

AMOUNT : \$2,000,000.00

CONSENT : Given by FRESH ISLAND FISH, LLC, a Hawaii limited liability company, by instrument dated July 31, 2007, recorded as Document No. 2007-156935

ABOVE MORTGAGE ASSIGNED

TO : U.S. SMALL BUSINESS ADMINISTRATION, an agency of the United States of America

DATED : July 31, 2007

RECORDED : Document No. 2007-156937

SUBORDINATION AGREEMENT

DATED : June 30, 2011

RECORDED : Document No. 2011-145094

Subordinates said above Mortgage to the lien of that certain Mortgage recorded as Document No. 2011-145090.

(B) FINANCING STATEMENT

DEBTOR : FRESH ISLAND FISH CO., INC.

SECURED
PARTY : BANK OF HAWAII

RECORDED : Document No. A-60570188

RECORDED ON: August 1, 2016

(C) Any other matters arising from or affecting the same.

SCHEDULE B CONTINUED

14. ASSIGNMENT OF LEASES AND RENTS

ASSIGNOR : FRESH ISLAND FISH, LLC, a Hawaii limited liability
company
ASSIGNEE : HEDCO LOCAL DEVELOPMENT CORPORATION, a Hawaii
corporation
DATED : July 31, 2007
RECORDED : Document No. 2007-156936
AMOUNT : \$2,000,000.00

ABOVE ASSIGNMENT ASSIGNED

TO : SMALL BUSINESS ADMINISTRATION, an agency of the
United States of America
DATED : July 31, 2007
RECORDED : Document No. 2007-156938

SUBORDINATION AGREEMENT

DATED : June 30, 2011
RECORDED : Document No. 2011-151547

Subordinates said above Assignment of Leases and Rents to the
lien of that certain Assignment of Leases and Rents recorded as
Document No. 2011-145092.

15. FINANCING STATEMENT

DEBTOR : FRESH ISLAND FISH, LLC, a Hawaii limited liability
company
SECURED
PARTY : HEDCO LOCAL DEVELOPMENT CORPORATION
RECORDED : Document No. 2007-156939
RECORDED ON: August 31, 2007

SCHEDULE B CONTINUED

ASSIGNMENT to U.S. SMALL BUSINESS ADMINISTRATION, recorded as Document No. 2007-156940 on August 31, 2007.

CONTINUATION recorded as Document No. A-45700865 on July 6, 2012.

CONTINUATION recorded as Document No. A-63680712 on June 8, 2017.

16. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT (FIXTURES FILING)

MORTGAGOR : FRESH ISLAND FISH, LLC, a Hawaii limited liability company

MORTGAGEE : BANK OF HAWAII, a Hawaii corporation

DATED : June 30, 2011

RECORDED : Document No. 2011-145090

AMOUNT : \$2,342,050.00

CONSENT : given by the STATE OF HAWAII, by the Director of Transportation and the Chairperson of the Board of Land and Natural Resources, by instrument dated August 22, 2011, recorded as Document No. 2011-145091

17. ASSIGNMENT OF LEASES AND RENTS

ASSIGNOR : FRESH ISLAND FISH, LLC, a Hawaii limited liability company

ASSIGNEE : BANK OF HAWAII, a Hawaii corporation

DATED : June 30, 2011

RECORDED : Document No. 2011-145092

AMOUNT : to secure the repayment of a loan in the principal sum of \$2,342,050.00

SCHEDULE B CONTINUED

18. FINANCING STATEMENT

DEBTOR : FRESH ISLAND FISH, LLC

SECURED
PARTY : BANK OF HAWAII

RECORDED : Document No. 2011-145096

RECORDED ON: September 9, 2011

CONTINUATION recorded as Document No. A-60640233 on August 8, 2016.

19. GRANT

TO : CITY AND COUNTY OF HONOLULU, a municipal corporation of the State of Hawaii

DATED : December 28, 2007

FILED : Land Court Document No. T-9663241

RECORDED : Document No. A-60110817

GRANTING : a non-exclusive for Sewer Force Main purposes in, over, under and across easement area more particularly described therein

20. Any claim that the Title is subject to a trust or lien created under The Perishable Agricultural Commodities Act (7 U.S.C. Section 499a, et seq.) or the Packers and Stockyards Act (7 U.S.C. Section 181 et seq.) or under similar state laws.

SCHEDULE B CONTINUED

21. Any other unrecorded permits, leases and matters arising from or affecting the same.
22. The files at the State of Hawaii, Department of Transportation, Harbors Division are not available for our perusal. This report is incomplete insofar as the above matter is concerned and reference is hereby made to the Harbors Division for further information.
23. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land described in Schedule C herein.
24. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

END OF SCHEDULE B

SCHEDULE C

UNRECORDED HARBOR LEASE NO. H-05-24

LESSOR : STATE OF HAWAII, by its director of Transportation

LESSEE : FRESH ISLAND FISH, LLC

DATED : September 14, 2005

TERM : 35 years commencing September 14, 2005 and
terminating September 13, 2040

A SHORT FORM LEASE is dated September 14, 2005, recorded as
Document No. 2005-229424.

Said Lease was amended by JOINDER BY FRESH ISLAND FISH, LLC,
LESSEE, TO DECLARATION OF CONDOMINIUM PROPERTY REGIME AND BY-LAWS
OF FISHING VILLAGE AND AMENDMENT TO UNRECORDED LEASE NO. H-05-24,
dated ----- (acknowledged June 27, 2006), recorded as Document
No. 2006-120536.

Said Lease, as amended, demising the following described
premises:

I.

Unit No. FV8 of the Condominium Project known as "FISHING
VILLAGE", as established by Declaration of Condominium Property
Regime dated June 27, 2006, recorded in the Bureau of Conveyances
of the State of Hawaii as Document No. 2006-120534, as amended,
and as shown on Condominium Map No. 4283 and any amendments
thereto.

Together with the following appurtenant easements:

- (A) An exclusive easement to use the parking stall(s), if any,
as shown in said Declaration, as the same may be amended,
from time to time.
- (B) Non-exclusive easements in the common elements designed for
such purposes for ingress to, egress from, utility services
for and support of said Unit; and in the other common
elements for use according to their respective purposes.

SCHEDULE C CONTINUED

- (C) Exclusive easements to use other limited common elements appurtenant thereto designated for its exclusive use by the Declaration, as the same may be amended, from time to time.

II.

An undivided 10% percent as being appurtenant to said Unit in all common elements of the Project, including the land of the Project, as established for the Unit by the Declaration, as tenant in common with the other owners thereof.

The lands upon which said Condominium Project is located is described as follows:

-PARCEL FIRST:-

All of that certain parcel of land (being all of the land(s) described in and covered by Land Patent Grant Number 11915 of Pacific Refiner's Limited, being also portion(s) of Royal Patent Number 7834, Land Commission Award Number 7714-B, Apana 7 to Moses Kekuaiwa) and covered by Governor's Executive Order No. 1346, situate, lying and being at Kapalama and Iwilei, City and County of Honolulu, State of Hawaii, being LOT 1-C, HONOLULU HARBOR COMPLEX and thus bounded and described:

Beginning at the north corner of this parcel of land on the southwest side of Nimitz Highway (Federal Aid Project Nos. SN-A-F 44(4) and F-092-1(2)), the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 2,769.74 feet north and 9,579.06 feet west, and running by azimuths measured clockwise from true South:

1. Along the southwest side of Nimitz Highway (Federal Aid Project Nos. SN-A-F44 (4) and F-092-1 (2)), on a curve to the right with a radius of 1,372.40 feet, the chord azimuth and distance being:

313° 33' 38" 161.72 feet;

SCHEDULE C CONTINUED

2. Thence along same, on a curve to the right with a radius of 90.00 feet, the chord azimuth and distance being:
352° 28' 54" 104.64 feet;
3. 28° 01' 30" 74.62 feet along same;
4. 298° 01' 30" 50.00 feet along same;
5. Thence along same, on a curve to the right with a radius of 74.00 feet, the chord azimuth and distance being:
266° 37' 28" 126.32 feet;
6. Thence along same, on a curve to the right with a radius of 1,754.35 feet, the chord azimuth and distance being:
330° 18' 08" 310.58 feet;
7. 335° 22' 50" 142.38 feet along same;
8. 65° 22' 50" 81.36 feet along Hart Street Sewage Pumping Station Site;
9. 1° 47' 194.04 feet along same;
10. 24° 34' 50" 150.26 feet along Lot 1-D along the remainder of Royal Patent Number 7834, Land Commission Award Number 7714-B, Apana 7 to M. Kekuaiwa;
11. 118° 01' 30" 1000.00 feet along Kapalama Basin;
12. 208° 01' 30" 287.53 feet along Kapalama Drainage Canal;
13. 227° 25' 30" 496.58 feet along same;
14. 309° 33' 23" 30.01 feet along the southwest side of Nimitz Highway (Federal Aid Project nos. SN-A-F 44(4) and F-0923-1(2));

SCHEDULE C CONTINUED

15. 227° 25' 30" 30.00 feet along same to the point of beginning and containing an area of 13.200 acres, more or less.

-PARCEL SECOND:-

All of that certain parcel of land (being portion(s) of the land(s) described in and covered by (Royal Patent Number 7834, Land Commission Award Number 7714-B, Apana 7 to Moses Kekuaiwa), being also portion(s) of Executive Order No. 4092 and Executive Order No. 4006) situate, lying and being at Kapalama and Iwilei, City and County of Honolulu, State of Hawaii, and thus bounded and described:

LANDS ABUTTING LOT 1-C

Being a portion of the filled land of Kapalama Basin, being also a portion of R. P. 7834, L. C. Aw. 7714-B, Apana 7 to Moses Kekuaiwa

Beginning at the north corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 2,145.84 feet north and 10,063.28 feet west, and running by azimuths measured clockwise from true South:

1.	298° 01' 30"	614.23	feet along Lot 1-B (Honolulu Harbor Complex);
2.	28° 01' 30"	127.00	feet along Kapalama Basin;
3.	118° 01' 30"	251.27	feet along same;
4.	28° 01' 30"	362.00	feet along same;
5.	81° 00"	27.56	feet along same;
6.	28° 01' 30"	94.41	feet along same;
7.	118° 01' 30"	340.96	feet along same;

SCHEDULE C CONTINUED

8. 208° 01' 30" 600.00 feet along Kapalama Drainage Canal to
the point of beginning and containing
an area of 247,428 square feet or
5.680 acres, more or less.

Said parcels of land being more particularly described in Declaration
of Condominium Property Regime dated June 27, 2006, recorded in said
Bureau of Conveyances as Document No. 2006-120534, as amended.

END OF SCHEDULE C

GENERAL NOTES

1. There is hereby omitted from any covenants, conditions and reservations contained herein any covenant or restriction based on race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, or source of income, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law. Lawful restrictions under state or federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status.

GUIDELINES FOR THE ISSUANCE OF INSURANCE

- A. Taxes shown in Schedule B are as of the date such information is available from the taxing authority. Evidence of payment of all taxes and assessments subsequent to such date must be provided prior to recordation.
- B. Evidence of authority regarding the execution of all documents pertaining to the transaction is required prior to recordation. This includes corporate resolutions, copies of partnership agreements, powers of attorney and trust instruments.
- C. If an entity (corporation, partnership, limited liability company, etc.) is not registered in Hawaii, evidence of its formation and existence under the laws where such entity is formed must be presented prior to recordation.
- D. If the transaction involves a construction loan, the following is required:
 - (1) a letter confirming that there is no construction prior to recordation; or
 - (2) if there is such construction, appropriate indemnity agreements, financial statements and other relevant information from the owner, developer, general contractor and major sub-contractors must be submitted to the Company for approval at least one week prior to the anticipated date of recordation.

Forms are available upon request from the Company.

- E. Chapter 669, Hawaii Revised Statutes, sets forth acceptable tolerances for discrepancies in structures or improvements relative to private property boundaries for various classes of real property. If your survey map shows a position discrepancy that falls within the tolerances of Chapter 669, call your title officer as affirmative coverage may be available to insured lenders.
- F. The right is reserved to make additional exceptions and/or requirements upon examination of all documents submitted in connection with this transaction.
- G. If a policy of title insurance is issued, it will exclude from coverage all matters set forth in Schedule B of this report and in the printed Exclusions from Coverage contained in an ALTA policy or in the Hawaii Standard Owner's Policy, as applicable. Different forms may have different exclusions and should be reviewed. Copies of the policy forms are available upon request from the Company or on our website at www.tghawaii.com.
- H. Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.

DATE PRINTED: 9/07/2018

STATEMENT OF ASSESSED VALUES AND REAL PROPERTY TAXES DUE

TAX MAP KEY

DIVISION ZONE SECTION PLAT PARCEL HPR NO.
(1) 1 5 042 001 0015

CLASS: INDUSTRIAL

AREA ASSESSED: 27,364 SF

ASSESSED VALUES FOR CURRENT YEAR TAXES: 2018

The records of this division show the assessed values and taxes on the property designated by Tax Key shown above are as follows:

BUILDING	\$	3,113,300
EXEMPTION	\$	0
NET VALUE	\$	3,113,300
LAND	\$	1,806,000
EXEMPTION	\$	0
NET VALUE	\$	1,806,000
TOTAL NET VALUE	\$	4,919,300

Installment (1 - due 8/20; 2 - due 2/20) Tax Info As Of - 7/01/2018

Tax Year	Installment	Tax Amount	Penalty Amount	Interest Amount	Other Amount	Total Amount	
2018	2	30,499.66				30,499.66	PENDING
2018	1	30,499.66				30,499.66	PENDING
2017	2	29,497.12				29,497.12	PAID
2017	1	29,497.12				29,497.12	PAID
2016	2	28,459.24				28,459.24	PAID
2016	1	28,459.24				28,459.24	PAID

Total Amount Due: 60,999.32

Penalty and Interest Computed to: 7/01/2018

The real property tax information provided is based on information furnished by the respective counties, is deemed reliable but not guaranteed, and no warranties are given express or implied. Billing and tax collection details may have changed. Please refer to the appropriate county real property tax offices for any further information or updates for the subject property.