

DESIGN REVIEW MANUAL

Association of Apartment Owners
Hokulani in Kailua

A Message from the Board

Welcome to condominium ownership. This manual was prepared by the Board of Directors of Hokulani in Kailua to ease the process of making alterations to your unit. Many Owners do not realize that most work WITHIN their units requires at a minimum, Board approval, and in some cases, Association membership approval. The Board hopes that this manual will help you through the process.

The Board is pleased to provide these Architectural Standards for your use. We are sure that Owners at Hokulani in Kailua will agree that dedication to standards of quality and the maintenance of these standards are vital to the preservation of the value of their property and to the enjoyment of the residents over the years. To maintain and improve the aesthetic and environmental quality of Hokulani in Kailua, the Hokulani in Kailua Board of Directors reviews all alteration requests pursuant to the Declaration and By-Laws of the Association of Apartment Owners. The Board will work with Owners in guiding any new improvements and the use of the property towards a clearly established standard of quality for the area. The Board will review all applications for alterations. All approvals shall be by a quorum of the Board as a whole or when necessary by the required percentage of homeowners in accordance with the Declaration of Condominium Property Regime.

The establishment and maintenance of a standard of quality for Hokulani in Kailua is not an easy thing to do in view of the differences in people's taste and means. However, the Board of Directors has a responsibility to all of the Owners to establish adequate standards of quality, design and use. The Board of Directors must provide the necessary control to adhere to those standards so that Hokulani in Kailua will provide the optimum enjoyment, productive potential, and value protection for all Owners.

The Board of Directors wants Owners to know that the Board is dedicated to helping each Owner achieve the level of improvement and use desired for their unit. The Board feels that this can be accomplished within the established provisions of the Declaration, By-Laws, House Rules, and these Architectural Standards. The Board and each Owner can work together in establishing a safe and quality project and an enjoyable way of life at Hokulani in Kailua. Doing so will optimize our lifestyle and maximize our value as Owners at beautiful Hokulani in Kailua.

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I. MAINTENANCE, MODIFICATION AND RENOVATION GUIDELINES

Maintenance, modification and renovation work items are organized into three categories:

- Category A. Work requiring no Board notification or approval.
- Category B. Minor Work requiring Board notification & approval.
- Category C. Major Work requiring Board notification & approval.

The lists following each category below are not meant to be comprehensive, but are intended to provide a guide to the general types of work included in each category. When in doubt, apply in writing to the Board of Directors.

CATEGORY A

Maintenance which may be undertaken by the homeowner without Board of Directors notification or approval.

Procedures: Homeowner coordinate the intended work hours, and any required utility shut-off (i.e. water, electricity, etc.) with the Resident Manager, as needed.

1. Interior Painting of the apartment unit (excluding the walls and ceiling of the lanais).
2. Application of wallpaper or wall covering to interior of apartment.
3. Installation of drapery, mini-blinds, or vertical blinds in (white, or off-white color required for the drapery lining and blinds).
4. Installation of New Carpets. (Note: A carpet pad at least "3/8" thick must be installed under any new carpet).
5. Replacement of kitchen or bathroom faucets, toilets, sinks, cabinets at the original locations (if no electrical wiring is needed), interior light fixtures, electrical outlets, garbage disposal and other non built-in appliances (Note: use of a licensed contractor is required).
6. Replacement of window screens.
7. Installation of electrical wiring and ceiling fans. (Note: these may be installed on the surface of walls or ceiling as long as they are covered with an electrical raceway. Use of a licensed contractor is strongly recommended. Cutting, chipping, or coring of concrete walls and ceilings for electrical installations is prohibited).
8. Replacement of existing vinyl flooring in kitchens and bathrooms with same. (See Category B for other floor coverings).
9. Installation of drywall inserts, picture hooks or similar type fasteners. (Note: If these are to be installed, you should first contact the Resident Manager to verify if the wall contains utility piping. Owners will be held responsible for any damage they cause to wiring or plumbing contained in the walls).

CATEGORY B

Minor maintenance, modification and renovation work which requires notification and approval.

Procedures:

(1) Homeowners presents proposal for desired project to the Resident Manager who, in turn presents the proposal to the Board at its next scheduled meeting (normally every second Monday of the month). Proposal must include description of the work, and sketches or plans. (Note that Category B projects usually require building permits). (2)

Board approves or denies approval of proposed project. Resident Manager informs homeowner of decision. (3) If approval is denied, homeowner may re-submit proposal with indicated changes.

1. Replacement of a bathtub/shower no larger than the original tub/shower.
2. Relocation of concealed electrical lines, junction boxes and other electrical components (excluding unit electrical panels) concealed in a non-load bearing interior unit wall.
3. Replacement of kitchen or bathroom cabinets at their original locations, if electrical wiring or plumbing alterations are needed.
4. Replacement of circuit breakers and bussing of the unit electrical panel requires (a licensed electrician if required).
5. Installation or replacement of hard flooring material (i.e. ceramic tile, marble, wood, etc.). An acoustic underlayment must be installed under all hard flooring materials. The combination of flooring material and underlayment must achieve 50 IIC (Impact Isolation Class). The manufacturer's specifications for any proposed hard flooring material and recommended underlayment must clearly state that the material and underlayment will achieve 50 IIC.
6. Due to the importance of proper maintenance of each apartment's fan coil unit(s) and the high potential for disruption of service and property damage to other apartments which may result from negligent fan coil maintenance, the Board believes that it is in the best interest of all owners to provide for regular routine inspections of all fan coil units. The inspections (at owners' expense) are usually limited to periodic inspections and use of anti-algaecides in the condensation drip pans. Any malfunctions and/or leaks should be reported immediately to the Resident Manager.

CATEGORY C

Major modification and renovation work which requires Board notification and approval.

Procedure: (1) Homeowner presents proposal for desired project to the Resident Manager who, in turn, presents the proposal to the Board at its next scheduled meeting (normally every second Tuesday of the month). The proposal must include a description of work, sketches or plans prepared by a licensed architect, contractor, or engineer. All Category C projects require building permits. (2) Board approves or denies approval of proposed project. Resident Manager informs homeowner of decision. (3) If approval is denied, homeowner may re-submit proposal with indicated changes. (4) If approved, the working hours & utility shut-offs needed during work must be coordinated with the Resident Manager prior to start of the project.

1. Relocation of any plumbing and drain lines.
2. Relocation of, or modification to, common drain, plumbing or water lines concealed within a common element.
3. Relocation of, or modification to, electrical lines, junction boxes, unit electrical panel or any other electrical component concealed within a common element.
4. Replacement of an existing bathtub/shower with a bathtub/shower of larger dimensions and/or volume.
5. Relocation of any major appliance or toilet, sink and lavatory.
6. Any relocation and/or alteration to non-load bearing interior walls. Plans must be provided to verify if concealed utilities or common elements within the wall may be impacted.

II. ARCHITECTURAL GUIDELINES AND APPROVED MODIFICATIONS GENERAL COMMENTS:

Before making any alterations or additions, included Category B and C of the guidelines, to the apartments or the common or limited common elements, owners are required to obtain the written approval of the Board of Directors. The Board has established guidelines relating to a number of different alterations and additions, to the common or

limited common elements. The guidelines established to date are set forth below for your review. These guidelines do not cover every possible alteration or addition for which approval may be sought for common or limited common elements.

NOTE: You must submit an application for approval by the Board of Directors for alterations and/or additions to your unit, the common elements, and/or the limited common elements, regardless of whether the alterations and/or additions are referenced below.

These guidelines are subject to change from time to time, however, homeowners will be advised of changes.

A. The following is a list of alterations and additions that are generally considered permissible, **provided that the written approval of the Board of Directors is first obtained.**

1. Installation of window air-conditioning units except under MBR window (requires a recorded modification agreement). Air conditioning units that are visible from any portion of the exterior of the building from the lanai in question, will not be permitted.
2. Replacement of original entry doorknob. Replacement entry doorknobs must be a bronze color and of a style that matches the original entry doorknob.
3. Installation of replacement or additional dead bolt in entry doors. New or replacement dead bolts must be a bronze color and of a style that matches the original equipment.
4. Replacement of entry door threshold. The exterior appearance of the new threshold must match the original equipment.
5. Temporary installation of seasonal decorations on front door for up to 30 days. The Board reserves its right to regulate the length of time said decorations may be displayed.
6. Replacement of original doorbell or installation of door buzzer. Replacement doorbells must be of the same style and color of the original equipment. The sound must not be disturbing to other occupants.

B. The following alterations and additions will **not be permitted.**

1. Enclosure of lanai with screen or glass.
2. Relocation of original lanai glass line.
3. Repainting of entry door exterior with non-standard color.
4. Replacement of jalousie's with fixed glass.
5. Installation of tile in exterior corridor entry door alcove, or on lanai (unless written permission is granted).
6. Repainting of lanai walls with non-standard color.
7. Cutting, chipping, or coring of concrete floors for plumbing, electrical, or other installations.
8. Placement of personally owned plants, planters, decorations, etc. on exterior walls or on lanai floors, walls, or entry doors.

9. Penetrations in structural walls within or between units (except for hanging pictures and decorations with common wall anchors).
10. Replacement or addition of exterior light fixtures.

OTHER GENERAL GUIDELINES:

NOTE: Owners shall report any losses or damages to personal property caused by water intrusion from leaking windows and window frames to the Resident Manager.

1. Drapery, Shades, Shutters: The Association’s bylaws states that in order to preserve the uniform exterior appearance of the Project, exterior windows of apartments may only utilize white, or off white drapery, lining, shades, blinds and shutters.
2. Antennas: See House Rules.
3. Plumbing (pipes & fixture):
 1. Washing machine valves and hoses, and the valves and water supply lines located beneath sinks and in kitchens are the responsibility of the owner to maintain. Owners are advised to check these fixtures regularly for necessary replacement.
 2. Procedures for water shut-off: If it becomes necessary to have the water supply shut off in order to install new fixtures or to make repairs, owners must contact the Resident Manager.

III. PROCEDURES

A. The Buildings and Grounds Committee will consider all applications which are submitted, confer with the owner as necessary, retain professionals to review plans and specifications as necessary, (to be paid for by the applicant); and make a recommendation to the Board of Directors.

B. Application

1. Form: The Application must be submitted on a form provided by the Association or it can be a simple narrative letter so long as it contains all of the requisite information and is signed by the owners of the unit. See attached Exhibit “1” for a sample Application form.
2. Inclusions: The B & G Committee and/or Board may require that the application include (1) detailed plans and specifications drawn and stamped by an architect; (2) a certificate of an architect that the plans, specifications and drawings fully and accurately depict the proposed alterations and additions as approved by the Building Department of the City and County of Honolulu; (3) proof of compliance with governmental requirements; (4) an executed recordable agreement in a form specified by the Board indemnifying the Association and assuming responsibility for maintenance of the alteration/addition (a sample form is enclosed as Exhibit “2” which, of course, is subject to modification by the Board depending on the nature of the proposed project); and (5) other information as necessary to enable the Committee and Board to make a review. Depending on the nature of the proposed project, other information or materials may be required.
3. Site Inspection: The Resident Manager and an B & G Committee member and/or Board member, will make a site inspection prior to approval of the application, and also during the

modification or renovation. Owners must make arrangements for the B & G Committee and Manager to inspect the site during the work in progress.

4. Committee Meeting: The owner and his/her representative will be invited to attend a meeting of the Board to answer questions which the members may have concerning of the proposed improvement.

5. Recommendation of Committee: Once the committee has received a complete application and has had an opportunity for a site inspection, review by a professional if required and a meeting with the owner, the Committee will vote on a recommendation to be made to the Board. The recommendation complete with the application will be submitted to the Board and at least one member of the Committee will attend the Board meeting at which the application is placed on the agenda. If the Committee votes to disapprove the application, it must provide a report detailing the basis for disapproval to the Board and to the applicant. The applicant must be given the report at least 5 days prior to the Board meeting to enable him to prepare a response, if so desired.

6. Board Approval/Disapproval: At the Board meeting, the owner and his/her representative will be given an opportunity to speak to the Board following the presentation of the report/recommendation of the Committee. The Board may make a decision at the meeting or may defer its decision to a future meeting. The Board may require that further information be submitted before considering the application. The Board of Directors has authority to withhold approval of any alterations or additions, at its discretion, on aesthetic grounds, to preserve the uniformity of the appearance of the project, or for any other reason, provided that such approval shall not be unreasonably withheld. The Board of Directors may adopt reasonable rules and regulations with regard to any proposed alteration or addition or other matter for which approval is sought. The Board may require the owner requesting approval to provide the Board and the Association with a written agreement which shall be recorded at the Bureau of Conveyances of the State of Hawaii whereby the owner agrees to a number of things, including, but not limited to, to be responsible for the repair and maintenance of the alterations or additions, to remove the alteration or addition if necessary to repair a common element, or limited common element, to indemnify the Association and the Board in the event of damages to the common elements, or limited common elements or any other apartment. The Board's approval is conditional on the agreement of the owner to pay any attorneys' fees and costs incurred by the Association in connection with the owner's request for Board approval.

7. Right of Appeal: Any owner whose application is denied in whole or in part may present an appeal of the decision at the next meeting of the Board of Directors following the denial. The owner will be permitted to submit any additional information, which is relevant to the denial, and to speak or to have a representative speak. The Board may make its decision at the meeting at which the appeal is considered or defer its decision to a later meeting.

8. Approval of Owners: Once the Board has approved the application, the Board will seek the approval of owners if required by the Building documents or the Statutes. The applicant may be required to pay all or part of the cost of seeking owners' approval.

IV. Request Form Instructions

Instructions, General Comments, Conditions:

Request Forms are to be completed by Owners only. Rental tenants must have the unit Owner submit the form in their behalf if so desired. Rental agents must have the owner submit the form.

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Instructions for the completion of the Request Form are provided on the form itself. All forms must include the information requested. Incomplete forms or forms without the supporting documentation as required by these design guidelines and standards is cause for immediate denial and will not be considered by the Board.

The Apartment Owner, by submitting an Request Form, agrees to indemnify and defend the Board and the Association of Apartment Owners against and hold them harmless from, all damages, losses, liabilities, expenses (including reasonable attorney's fees), obligations, claims, demands, cause or causes of action, and suit or suits of any nature whatsoever, in connection with loss of life, personal injury and/or damage to the apartment unit and appurtenant limited common elements, adjacent apartment units and appurtenant limited common elements and common elements of the project or arising out of the construction and/or use of the alterations or by any acts of the apartment Owner's, their agents, contractor, or employees. This provision shall survive the completion of the construction.

Submittal of Request forms:

All forms should be mailed or hand delivered to the address below. The Board of Directors meetings are usually held on the second Monday of every month and in order to be considered at the meeting all forms and documentation must be submitted 2 weeks prior to the scheduled meeting date.

Requests received after that period will be considered at the following meeting.

Mail or deliver to:

Touchstone Properties
Hokulani in Kailua Board of Directors
c/o Touchstone Properties, Ltd.
680 Iwilei Road, Suite 550
Honolulu, HI 96817

V. Air Conditioner Guidelines

Types of Units:

Split type:

These units are designed in two separate components. The fan/blower unit is located entirely within the apartment. The compressor or condenser coil unit is located outside the apartment. The Association has only allowed the compressor unit to be located on the lanais and must not be visible above the lanai railing. Compressor units are not allowed in any other exterior area. Since installation of these units requires charging the coolant, they must be installed by licensed and insured air conditioning contractors (federal environmental requirement). These units may operate on 110 or 220 volts.

Window type:

These units may be installed in the Master Bedroom only. The units must be framed in an acceptable material. All air conditioners must operate on 110 or 220 volts and may be of the type that uses condensation to aid in cooling rather than eliminate condensation through a drain tube. A licensed and insured contractor may perform the installation. If the air conditioner uses a condensate drain, the condensate may not drip or drain onto the building or in any way affect the common elements. The owner must complete an agreement entitled Encumbrance on Title, by providing the necessary information and signing before a notary. Once the air conditioner is approved by the Board, two officers of the Board also execute the Encumbrance document and it is forwarded to Association counsel for recording. There is a fee paid by the owner for this. Once recorded, the approval of the air conditioner and the responsibility for maintenance passes with the title should the owner ever sell his unit. This protects the owner and the Association.

Electrical load:

110-volt and 220-volt systems may be installed. The cooling capacity shall be sized to effectively cool the room/rooms.

Installation:

Structural Integrity:

Equipment may not be installed in such a manner that they affect the structural and/or watertight integrity of the building. This includes cutting or drilling of window and/or door headers, structural walls, posts or other structural members. The master bedroom air conditioner passes through the common element exterior structural wall. That is why the owner must get permission from the Board and must enter into an encumbrance agreement (see above).

Contractor:

Air conditioners must be installed by licensed and insured air conditioning contractors when the unit is a split-system type. The through the wall window units installed in master bedrooms can be installed by general contractors.

After approval and prior to commencement of the work, the approved contractor shall furnish Touchstone Properties, Ltd. a certificate of insurance acceptable to Touchstone Properties, Ltd., naming the Hokulani in Kailua AOA and Touchstone Properties, Ltd. as additional insured.

Approval:

The Board must approve of the proposed plans in writing prior to installation. The Owner should submit detailed plans, including, but not limited to the above items, and shall complete the Request form (form attached) for the Board's review. Provided that the aforementioned has been provided, the Board will act on the specific request at the next regularly scheduled Board meeting.

This is the extent of the air conditioner policy adopted by the Hokulani in Kailua AOA Board of Directors on (July 14, 2004). Any situation not specifically addressed in this policy shall be addressed by the Board on an individual basis and may be added to this policy at such time.

VI. Window Screens and Screen Door Guidelines

This policy is a design guideline and a basic specification. All screen doors are to be furnished, installed and maintained by the individual unit Owner and/or tenant. This policy covers one basic style of screen doors, of metal, wood or synthetic material.

Screen Doors:

Screen Doors shall be fabricated from aluminum, synthetic wood, or wood in a grade suitable for door construction. Finish shall be white. Screen doors are to be maintained by the unit owner and any rust must be removed when it occurs. Painting of screen doors is the owner's responsibility and is not considered a part of the project's re-painting cost.

Screen Door Frames:

A frame shall only be installed as required to provide clearance between the entry door handle and the screen door handle. The frame or trim shall be fabricated from any paint grade lumber suitable for paint finish. All wood to be treated with a termite insecticide. Frames to be painted to match building trim color.

Accessories:

Hardware shall include all hinges, closers, latches, locks and other items as provided by door manufacturer. Screen shall be fiberglass mesh in a charcoal color, however, wood frame doors are standard with gold tone screens.

All screws, nails and other fastening devices shall be either hot dip galvanized or stainless steel.

Installation:

Qualified homeowner or contractor shall do installation. Any contractors coming onto project to do work shall fulfill all the requirements as set forth in the house rules and project By-Laws. If a contractor is used the contractor shall furnish Touchstone Properties a certificate of insurance acceptable to Touchstone Properties, naming the Hokulani in Kailua AOA and Touchstone Properties, Ltd. as additional insured. All maintenance and upkeep shall be the responsibility of the Owner and shall conform to the standards set forth in the House Rules.

Approval:

All screen doors require approval of the Hokulani in Kailua AOA Board of Directors. Proper submission to the Board shall include a Request Form, catalog cut sheets or brochures and a detailed description and/or drawings of any modifications to any part of the building (such as notching of rafters or modification of trims or frame installation)

Screen doors previously installed, which do not comply with this policy, may remain at the sole discretion of the Hokulani in Kailua Board of Directors. Replacement of any screen door will require submission for approval and compliance with this policy as noted above. A screen door at the end of it's useful life or substantially damaged or worn must be removed by the Owner.

This is the extent of the screen door policy as approved by the Hokulani in Kailua AOA Board of Directors on August 7, 1996. Any situation not covered in this policy shall be addressed on an individual basis by the Board and may be added to this policy at such time.

VII. Front Door Guidelines

Front Doors are Association owned. No Alteration allowed for replacement, see Resident Manager.

VIII. Window Repair and Replacement Guidelines

This policy outlines the responsibilities of each Owner and the requirements for the repair or replacement of any aluminum framed window or door assembly on the exterior of the building. It is the intent of this policy to maintain uniformity between all buildings and provide guidelines for the maintenance and repair of windows and doors.

Repair:

Repair shall be defined as the replacement or repair of any part of the window except the window frame that is attached to the building exterior or building framing. Any Owner or tenant shall contact the Resident Manager to report window problems. Awning window cranks and levers are maintained by owners/residents on a daily basis, but when failure occurs, the Association will repair or replace such parts through its Contractor, Custom Contractors Inc.

All parts shall be of the same material as those they are replacing. Exceptions to this are concealed hardware items may be substituted with stainless steel or other non-corrosive materials should they be available from an authorized dealer. Repairs do not require approval of the Hokulani in Kailua Board of Directors.

Example of Repairs:

- Sliding Door and window roller hardware.
- Sliding door and window locks and latches.
- Sliding window locks, including operator bars and connecting linkages.
- Glass stops for fixed glass windows.
- Weather stripping and seals.
- All glass and glazing.

Under no circumstances during repair shall the window's frame that contacts the exterior of the building and/or the building framing be moved or removed. If removal is required to facilitate repair, the procedures under replacement shall be required.

Replacement:

The Declaration of Condominium Property Regime defines windows and doors and window frames and door frames as common elements. Therefore, the Board of Directors has control over replacement of any and all windows and exterior doors. Owners can submit written requests for replacement of failed windows. Replacement shall be defined as replacement of any window frame or door frame that comes in contact with the building siding or framing, or re-installation of windows removed for any reason.

This is the extent of the window replacement and repair policy adopted by the Hokulani in Kailua AOA Board of Directors. Any situation not specifically addressed in this policy shall be addressed by the Board on an individual basis and may be added to this policy at such time.

IX. Window Tint Material and Installation Guidelines

Clear heat reductions film may be allowable, Apply to the Board.

X. Installation or Replacement of Hard Flooring Material

General Design Guideline:

The Board of Directors recognizes that the governing documents do not prohibit the installation of hardwood or tiled floor surfaces within an apartment. However, in most two-story townhouse projects, noise readily transmits between apartments from normal living activities that are primarily related to wood structure construction. The Board of Directors has adopted this guideline to minimize the transmission of sound to other apartments in accordance with current industry standards.

Owners must request and receive written approval from the Board to verify that the installation meets the required sound deadening specifications prior to proceeding with the installation of hard flooring materials.

Materials:

The combination of flooring material and acoustic under-layment must achieve 50 IIC (Impact Isolation Class). The manufacturer's specification for any proposed hard flooring material and recommended under-layment must clearly state that the material and under-layment will achieve 50 IIC.

Approval:

Board approval is required. Submissions shall include a completed Request form, with copies of the under-layment manufacturer's specification sheets showing material to be used and the Impact Isolation Class rating.

The Board must approve of the proposed plans in writing prior to construction. The Owner shall be required to submit copies of the design plans with any modifications clearly noted in red ink, and shall complete the request form for the Board's review. Provided that the aforementioned has been provided, the Board will act on the specific request at the next regularly scheduled Board meeting.

XI. Front Entry and Lanai Lights

Per the Amended and Restated Declaration of Condominium Property Regime of Hokulani in Kailua, the front entry and lanai lights are common elements limited to each apartment owner's use. Therefore if the light bulb fails, the owner must replace it but if the fixture fails, the owner must contact the Board of Directors through its Resident Manager who will have the fixture repaired or replaced, as necessary.

XII. Storage Closets – No Alterations

Storage closets are not to be altered in any way.

XIII. Prohibitions

The following are not allowed at this time at HOKULANI IN KAILUA:

- 1) Lanai Enclosures
- 2) Awnings