

**MINUTES OF THE ANNUAL MEETING
OF THE ASSOICATION OF APARTMENT OWNERS
HAWAIKI TOWER
MONDAY, MARCH 20, 2000
7:00 P.M., ONSITE, 36TH FLOOR**

CALL TO ORDER

The 2000 Annual Meeting of the Association OF Apartment Owners of Hawaiki Tower was called to order at 6:15 p.m. by President D. Scott MacKinnon.

DETERMINATION OF QUORUM

President MacKinnon announced that the owners comprising 81.0691 percent of the common interest were present in person or represented by proxy, thus constituting a quorum.

PROOF OF NOTICE OF MEETING

President MacKinnon announced that a notice of this Annual Meeting was sent to all owners of record on February 18, 2000 and that a copy will be made a part of the Annual Meeting file.

INTRODUCTION OF BOARD MEMBERS AND GUESTS

President MacKinnon thanked the owners for attending and introduced the Board of Directors and invited guests as follows:

Sharon H. Nishi, Vice President
Patricia K. Kawakami, Secretary
Katherine A. Bustillos, Treasurer
Alies Mohan, Director
Douglas W. Hung, Director
Ruth Goldstein, Director

Excused: Dr. A. A. "Manny" Sultan, Director
 Amy E. Harris, Director

Also introduced were the following persons:

Paul McCurdy, Resident Manager
Ed Robinson, Management Executive, Hawaiiiana Management Co. Ltd.
Susan Capinia, Recording Secretary, Hawaiiiana Management Co. Ltd.
Denise Sasaki, Trudy Benigno, Annie Kekoolani and Delilah Luis , Tally Clerks

President MacKinnon informed owners that the meeting was being recorded, therefore to identify themselves by name and unit number when they are recognized.

PARLIAMENTARY AUTHORITY

There being no objections, President MacKinnon stated that Robert's Rules of Order, Newly Revised, would be the governing authority for this meeting in any instances not covered by the Association By-Laws or Hawaii Revised Statute Chapter 514A.

APPROVAL OF MINUTES OF PRECEEDING MEETING

By unanimous consent the minutes of the December 1, 1999 Inaugural Meeting were approved as submitted. There being no objections, the Board was authorized to approve the minutes of this Annual Meeting.

REPORTS OF OFFICERS

President's Report – President MacKinnon delivered the Presidents report and an update from the Developer regarding development plans for the immediate area.

AUDITOR'S REPORT

Mr. MacKinnon announced that Terry S. C. Wong, CPA, Inc. has audited the books for the accounting period ending December 31, 1999. Copies of the audit were made available to all owners at the time of registration. There being no objections, the auditor's report was accepted as presented.

ELECTION OF THREE (3) DIRECTORS

President MacKinnon stated that Section 1 of Article III of the Association specifies that the affairs of the Association shall be governed by a Board of Directors composed of not less than nine persons, all of whom shall be owners, co-owners vendeers under an agreement of sale, or an officer of any corporate owner of an apartment. President MacKinnon announced there are three vacancies on the Board to fill. Each will be elected for three years.

Remaining on the Board are:

D. Scott MacKinnon
Patricia K. Kawakami
Alies Mohan

Sharon H. Nishi
Katherine A. Bustillos
Dr. A. A. "Manny" Sultan

Ruth Goldstein, Amy Harris, and Douglas Hung whose terms are expiring, are standing for re-election. There being no nominations from the floor, President MacKinnon declared the nominations closed.

SELECTION OF INSPECTORS

Norman Sosner unit 1009 and Thomas Doan unit 1411 were appointed as inspectors.

EXPLANATION OF BALLOT

President MacKinnon explained the voting process to all owners. A recess was called at 6:24 p.m. while votes were cast and tallied. At 6:46 p.m., the meeting was called back to order.

NEW BUSINESS

- A. Resolution on Assessments - President MacKinnon read the following Tax Rollover Resolution, and requested a motion of approval:

“RESOLVED, by the owners of Hawaiiki Tower, Association of Apartment Owners, that the amount by which members’ assessments in 2000 exceeded the total expenses of the Association for the purpose of managing, operating, maintaining and replacing the common elements of the Association, shall be applied against the 2001 OPERATING EXPENSES.”

MOTION: A motion was made by William Elliott unit 2101, seconded by Stanley Fernandes unit 1003 and unanimously carried to adopt the tax resolution.

- B. Board Resolution on Collection of Rent from Tenants of Delinquent Apartment Owners:

President MacKinnon announced that copies of the resolution, adopted by the Board of Directors at its January 24, 2000 meeting, were mailed to all owners with the annual meeting packet and passed out when you checked in for this meeting. He asked for a motion to adopt the Resolution.

MOTION: A motion was made by Norman Macritchie unit 1005, seconded by Norman Sosner unit 1009 and unanimously carried to adopt the Resolution on Collection of Rent from tenants of delinquent apartment owners.

C. Board Resolution on Terminating Common Utilities and Services to Delinquent Apartment Owners.

President MacKinnon announced that copies of the resolution, adopted by the Board of Directors at its January 24, 2000 meeting, were mailed to all owners with the annual meeting packet and passed out when you checked in for this meeting. He asked for a motion to adopt the Resolution.

MOTION: A motion was made by Lois Miller unit 801, seconded by Leonard Carman unit 603 and unanimously carried to adopt the Resolution on Terminating Common Utilities and Services to Delinquent Apartment Owners.

D. Purchase of Apartment for Resident Manager

President MacKinnon stated that the Developer, Nauru Phosphate Royalties Development (Honolulu) Inc., has offered the Association an option to purchase unit 2702 for an initial purchase price of \$340,000. The discount is \$85,000 or 20% below the list price of \$425,000. To make the acquisition the by-laws requires

RESOLVED, that the Board of Directors ("Board") of the Association of Apartment Owners of Hawaiiki Tower ("AOAO") be and they are hereby authorized to: (a) purchase Apartment No. 2702 of the Hawaiiki Tower Condominium (the "Apartment") for use by the Resident Manager for a purchase price not to exceed \$340,000.00; (b) to borrow a sum not to exceed \$340,000.00 from a Hawaii lending institution to finance the purchase of the apartment on such terms and conditions as the Board may deem acceptable, and to secure repayment of such borrowed funds by mortgaging the Apartment; (c) designate any two (2) officers of the AOAO Hawaiiki Tower to execute and deliver any and all applications, statements, agreements or documents related to the purchase and/or financing of the purchase of the Apartment, and to take any and all such other action or actions as may be necessary, proper, appropriate or convenient in order to consummate the purchase and/or financing of the purchase of the Apartment and to effectuate the intent of these resolutions and to consummate the matters authorized in these resolutions.

Motion: A motion was made by Leonard Carman unit 603, seconded by Norman Sosner unit 1009 and unanimously carried to vote on the purchase of unit 2702.

While votes were cast and tallied President MacKinnon gave a brief update on future development plans for Nauru Phosphate Royalties Development (Honolulu), Inc.

VOTING RESULTS - #2702

President MacKinnon received the results from the tally clerks and announced that over seventy five percent voted in favor of the motion to purchase and finance apartment 2702. The motion passed.

ELECTION RESULTS

President MacKinnon announced the following election results:

Ruth Goldstein	3 Year Term
Amy Harris	3 Year Term
Douglas Hung	3 Year Term

President MacKinnon congratulated the new directors and announced that there will be a short Organizational Meeting immediately following the annual meeting for the purpose of electing the officers for the ensuing year.

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:16 p.m.

Respectfully Submitted,

Susan Capinia
Recording Secretary