



February 27, 2018

Hawaii City Plaza LP
1585 Kapiolani Boulevard, Suite 1215
Honolulu, Hawaii 96814

Attn: Mr. Jay Fang, Manager

RE: Hawaii Ocean Plaza TOD
Project No. 1802-001
Permit Expediting/Third Party Review

Dear Mr. Fang,

Thank you for considering Palekana Permits, LLC ("Palekana") to provide its consulting services to secure approval of the building permit application for the Hawaii Ocean Plaza Condominium Project at 1362, 1370 and 1374 Kapiolani Boulevard. This proposal is based on schematic plans by FSC dated March 10, 2017 to include 214 Apartment Units and 175 Hotel Units a 40-story mixed use tower with retail, parking and amenities.

This proposal includes phased permitting (Foundation and Superstructure) as required to facilitate the Construction Schedule.

This is a lump sum fee proposal for third party reviews and permit application processing and unless noted above, additional routing for separated permits such as Demolition, Foundation, Superstructure Permits and amendments or design changes requiring additional reviews and routing may be subject to additional fees.

We understand that we will be working as a part of a team of architects, engineers, and planners ("consultant group").

What follows is a scope of work and compensation proposal based on material we have received from you, discussions we have had with agencies of the city government, and our familiarity of the process:

1. Perform Third Party Review of building permit plans as defined by § 20-2-9 Revised Ordinances of Honolulu ("ROH") for building code and Chapter 7 of the Department of Planning and Permitting ("DPP") Rules Relating to Administration of Codes, for building code, mechanical code, structural code and electrical code compliance as required.
2. Route application through the City & County of Honolulu Building Branch for section reviews such as zoning, Fire Department ("Fire"), Board of Water Supply ("BWS"), Wastewater ("WWB") etc. as required, as well as, to State of Hawaii Board of Health as required.
3. Expedite the approval of the building permit application. Because this service deals with government agencies and is dependent upon the Design Team to respond to comments, Palekana cannot guaranty that the plans will be approved by DPP for neither permitting nor guaranty the timing of such approval. (NOTE: Palekana is not responsible for any permit fees payable to the

City and County of Honolulu or the State of Hawaii.) If applicable, Client also understands that the Civil Engineer's grading and site work plans must be approved by Site Development Branch prior to final review by BWS, WWB, and Fire.

4. Exclusions: Application or permit fees of any kind, printing and copying, Grading and Sign Permits, entitlement or special processing such as Special Design District Permits, Conditional Use Permits, SMA, etc.

Compensation: For the services enumerated above, Palekana shall be compensated at a lump sum fee of **\$128,000.00** plus Hawaii General Excise Tax ("GET") of \$6,031.36, currently calculated at 4.712% for total of \$134,031.36. Palekana requests an initial payment of \$10,471.20 including GET and will begin work on this assignment upon receipt of the retainer check. The balance of the fee shall be due based upon increment progress with the final payment due upon approval by all third-party reviewers and County and State agencies required for the building permit application approval.

All reimbursable expenses shall be assessed a service fee equal to 10% of the reimbursable expense. All reimbursable expenses shall be authorized in writing by Owner or Owner's representative.

All payments are due upon receipt of invoice. Amounts unpaid Fifteen days (15) days after the invoice date shall bear interest from the date payment is due at the annual rate of eighteen percent (18%), or in the absence thereof, at the legal rate prevailing at Honolulu, Hawaii.

Additional Services: Palekana shall provide the additional services upon request;

Assist with Building Permit Pick up (each):	\$ 314.14 including GET
Process changes to Building Permit (each):	\$ 314.14 including GET
Process Courtesy Inspection Request (each):	\$ 314.14 including GET
Project Close Out Services fee proposal available on request, these services include assistance with coordinating Building Final Inspections and Certificate of Occupancy or Completion, Food Service License, Department of Health Sanitation Inspections for Food Service or Swimming Pools, Fire Department Inspections etc.	

Limitation of Liability: To the fullest extent permitted by law, and notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of Palekana's partners, employees, agents and Palekana's Consultants, and any of them, to the Client and anyone claiming by, through, or under Client for any and all claims, losses, costs, or damages whatsoever arising out of, resulting from or in any way related to the Project or the Agreement from any cause or causes, including but not limited to the negligence, professional errors or omissions, strict liability or breach of contract, or warranty express or implied of Palekana's partners, employees, agents, or Palekana's Consultants, or any of them, shall not exceed the total compensation received by Palekana under this Agreement.

This fee assumes that that plans produced by your office and your consultants shall be in conformance with the applicable regulations, codes, and internal standards required by the various governmental agencies to obtain the required permits and approvals for a project such as yours to proceed to construction. Further, this fee assumes that the consultant group will use its best efforts to respond to comments made by regulatory agencies and Palekana as soon as possible. Communication regarding any changes to the drawings or written submittals required by the various governmental agencies will be done primarily through email and telephone. This proposal shall remain open for acceptance for 7 days from date of this proposal.

Thank you for considering Palekana Permits, LLC to assist you. If this proposal is acceptable to you, please sign and complete billing information below and return the original to Palekana with the retainer check at your earliest convenience.

Sincerely,



Palekana Permits, LLC
By: Dennis Enomoto, Member

Accepted:



By Zhe Fang
Its Manager
Date: 3/11/2018

PLEASE PROVIDE PROJECT BILLING CONTACT INFORMATION

LAST NAME: <u>Zhe Fang</u>		FIRST NAME: <u>Zhe</u>	
COMPANY: <u>USA Realty Construction Group</u>			
ADDRESS: <u>1585 Kapiolani Blvd #1215</u>		ADDRESS 2:	
CITY: <u>Honolulu</u>	STATE: <u>HI</u>	ZIP CODE: <u>96814</u>	
EMAIL: <u>EB5Jay@gmail.com</u>		PHONE NUMBER: <u>808-800-6723</u>	
ANY ADDITIONAL INFORMATION THAT YOUR COMPANY REQUIRES ON AN INVOICE FOR PAYMENT:			

CC: Jonn Serikawa, Palekana Permits, LLC
Heather Enomoto, Palekana Permits, LLC