

12-31-07  
RECEIVED

**TASI 17  
APPLICATION  
FOR A  
FINAL PUBLIC REPORT**

**Horizontal Property Regime (Condominium)**

**Registration No. 154**

**Developer:** Lucky Dragon Development Co., Ltd.

**No. of Units:** Seventeen (17) residential condominium units.

**Project:** A three (3) storey reinforced concrete building, with basement, consisting of seventeen (17) residential condominium units, parking facilities, swimming pool, deck area, generator, and other common elements.

**Location:** Lot No. 5067-1-4, Tumon, Municipality of Tamuning (formerly of Dededo), Guam.

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**NOTICE OF INTENTION**

Tamuning, Guam

December 18, 2007

To the Guam Land Use Commission

Guam

Department of Land Management

In accordance with the provisions of 21 Guam Code Annotated Sections 45129 and 45130 for Guam, the undersigned gives notice to the Commission of the Developer's intention to sell the fee interest in the condominium units hereinafter described.

Applicant,

**LUCKY DRAGON DEVELOPMENT CO., LTD.**



By: CHANG SHENG WANG, Its General Manager

**GUAM LAND USE COMMISSION**

**DEPARTMENT OF LAND MANAGEMENT  
GOVERNMENT OF GUAM  
HAGATNA, GUAM 96910**

**HORIZONTAL PROPERTY REGIME (CONDOMINIUM)  
QUESTIONNAIRE**

In accordance with 21 Guam Code Annotated, Chapter 45, as amended.

**INSTRUCTIONS**

Filing of questionnaire is required where a condominium plan or project under which two or more apartments, rooms, office spaces, or other units in existing or proposed building(s) or structure(s) are offered or proposed to be offered for sale or lease in Guam.

- No unit in a condominium project shall be offered for sale or lease until the Commission shall have issued a Preliminary or Supplementary Public Report thereon, nor shall reservations to purchase be taken until the Commission has issued a Preliminary or Supplementary Public Report.
- Any change in the project or amendment in document(s) made after registering the plan or project must be immediately reported to the Commission.
- A \$100.00 filing fee must accompany questionnaire. This fee is not refundable.
- At the time of filing, an amount estimated by the Commission to be necessary to cover inspection expense of the project, including travel expenses, shall be deposited with the Commission.
- Questionnaire must be either typed or printed legibly. The Commission will accept for examination only the TPC(LM) 001 Copies, reproductions or facsimiles of the Questionnaire and Notice of Intention are unacceptable.

Warning: Incomplete, illegible or otherwise insufficient Questionnaire, Notice of Intention, Documents, Exhibits and Printed Matter will be cause for rejection of the submission as well as delays in processing.

## REQUIRED DOCUMENTS

The following documents must accompany this questionnaire and constitute a part of the Notice of Intention. For any document not submitted a letter of explanation must accompany the submission giving reasons of non-availability and a statement as to the approximate date they will be made available to the Commission. Check square to illustrate if submitted. Underscore the particular document forwarded with the questionnaire.

- Copy of Master Deed or Master Lease and Recording Data.
- Copy of Declaration in compliance with §45111.
- Copy of By-Laws of Association of Apartment Owners.
- Set of the floor plans of the building or buildings, showing the layout, location, apartment numbers and dimensions of the apartments.
- Copy of corporate papers (Articles of Incorporation and By-Laws and Affidavit of Officers), limited liability company documents, partnership agreement, or joint venture agreement of the Developer. (Proof of previous recording).
- Photostatic, and certified or acknowledged copies of all options, contracts of purchase, mortgages and trust agreements, lease agreements on the property submitted to the regime. (Proof of previous recording).
- A current copy of Policy of Title Insurance, Abstract of Title, Certificate of Title or Lien Letter.
- Copy of executed escrow agreement.
- Copy of Agency Contract(s) or Broker Listing Agreement(s).
- Copies of Reservation Agreement, Contract of Sale or Agreement of Sale and the Apartment Deed or Apartment Lease to be used to convey property to purchaser. These forms to be completely filled in and identified by the word SPECIMEN.
- Statement of program of financing project, including any general or specific letter of loan commitment.
- Statement of all costs involved in completing the project.
- Building Plans, Drawings and Specification.
- Copy of Building Contract.
- Copy of Performance Bond and Mechanics or Materialmen's Lien.
- Copy of Property Management Contract.
- Copy of House Rules.

Note: Answer all questions. If not applicable, please so indicate. Failure to completely answer all questions and submit required documents will cause delay in the issuance of the Public Report.

1. DEVELOPER

(a) If corporation (limited liability company), name, title and address of officers:

Lin, Zongxiang (Director/President)  
Suite 302, 68 Alley, Xihe Avenue  
Ningbo, Zhejiang, China

Wu, Jiayu (Director/Vice President)  
76 Xingning Rd.  
Ningbo, Zhejiang 315040, China

Wang, Ruiyun (Director/Secretary)  
123E Harmon Villa Garden  
Harmon, Guam 96913

Ou, Yangming (Director/Treasurer)  
20-K Winner Building  
245 S. Marine Corps Drive  
Tamuning, Guam 96913

Fu, Defang (Director)  
35 Changchun Rd.  
Ningbo, Zhejiang, China

Lin, Lei (Director)  
129 Yaohang Avenue  
Ningbo, Zhejiang, China

(b) If partnership or joint venture, name, title, address and telephone of members:

N/A.

(c) If individual, name, address and telephone:

N/A.

(d) Others:

N/A.

2. NAME OF PROJECT

"TASI 17"

3. STATUS OF PROJECT

- (a) Has construction of project begun? Yes.
- (b) If not, when will it start? N/A.
- (c) If work commenced,
  - (1) Give date work begun on project. October 2005.
  - (2) What percentage has been completed to date? One Hundred Percent (100%).
  - (3) What is the estimated date of completion? December 13, 2007.
- (d) If project completed,
  - (1) Give date of completion December 13, 2007 .
  - (2) What number or percentage of units sold to date, if any? None.
  - (3) When did sale commence? N/A.

4. LOCATION, LEGAL DESCRIPTION, BUILDING SETBACK, RECORDATION

Lot No. 5067-1-4, Tumon, Municipality of Tamuning (formerly of Dededo), Estate No. 13581, Suburban, as said Lot is marked and designated on Drawing No. PRB-93-75A, as L.M. Check Number 449 FY 93, and recorded on November 26, 1993, under Document No. 498850 at the Department of Land Management, Government of Guam.

Last Certificate of Title being No. 76702 in the name of Paul J. Bordallo.

Land Area: 5,270 ± square meters (comp); 56,730 ± square feet (comp).

Zoning: Commercial

Buildings' Setback: Front side: 12 feet.  
Right side: 0 feet.  
Left side: 0 feet.  
Rear: 0 feet.

Number of parking stalls Available: Sixty-two (62).

Master Deed or Master Lease: Warranty Deed

Date of Recording: March 25, 2004

Recording Data Instrument: No. 690130.

5. UNITS TO BE SOLD

Total Number: Seventeen (17) condominium units.

Number of Floors: Each of the seventeen (17) condominium units has three (3) floors.

Types: Type 1 – One (1) condominium unit with four (4) bedrooms, four (4) bathrooms, kitchen, living room, dining room, storage area, and two (2) balconies.

Type 2 – Sixteen (16) condominium units with four (4) bedrooms, three and one-half (3-1/2) bathrooms, a foyer, kitchen, living room, dining room, garage with two(2) parking stalls, and two (2) balconies.

Floor Area of each Unit:

Type 1 – 3,990.80 square feet, inclusive of the floor area of the two (2) balconies of approximately 506 square feet, and the storage area of approximately 280 square feet.

Type 2 – 3,871.99 square feet, inclusive of the floor area of the garage of approximately 430 square feet, and floor the area of the two (2) balconies of approximately 252 square feet.

If furnished, name appliances, equipment, etc.:

Central air conditioning, refrigerator, oven, microwave oven, range top, garbage disposal, dishwasher, trash compactor, Jacuzzi, sauna, hot water heater, tankless water heater, water softener, reverse osmosis water system and typhoon shutters.

6. ARCHITECT/ENGINEER: Name, address and telephone.

Architect: Oscar A. Coloma, RA.

Telephone: (671) 649-4196

Guam Registration Number: 186

7. ATTORNEY REPRESENTING DEVELOPER: Name, address and telephone:

Melinda C. Swavely, Esq., Dooley, Roberts & Fowler LLP, Suite 201, Orlean Pacific Plaza, 865 South Marine Corps Drive, Tamuning, Guam 96911; (671) 646-1222.

8. ESCROW DEPOSITORY OR CLIENTS' ACCOUNT

Will the purchasers' funds  
be placed in a neutral escrow  
depository? Yes.

What is the name of the  
depository? Deposits made by purchaser prior to closing shall be placed in escrow in an interest bearing account with either a duly licensed title insurance company or bank, with interest to be credited to the purchaser. Applicant has entered into an Escrow Agreement with Security Title Inc. to serve as one of the depositories under the name of Tasi 17 Trust Account.

Will the purchasers' funds be placed  
in a clients' trust fund account?

Deposit made by purchaser prior to closing shall be placed in escrow in an interest bearing account with either a duly licensed title insurance company or bank, with interest to be credited to the purchaser.

Give the proposed name  
designation of the account? Tasi 17 Trust Account.

If neither of the above is applicable, where will the purchasers' deposits are kept. (Give details.)

Will the purchasers' money prior to consummation of unit sale and occupancy be expended for any other project without their knowledge?

No.

Will purchasers' money be refunded? Refunds, if any, will be made in accordance with the terms and conditions of the Condominium Deposit Receipt and Purchase Agreement. Note that deposits will not be received from purchaser until after issuance of the Final Public Report, and the purchaser having been given a copy of such report or any supplementary report(s) and an opportunity to read such report(s) and execute a receipt for the same.

Will the purchasers receive interest on the money for the period it was held?

Yes.

What rate of interest?

Prevailing interest rate.

9. TITLE: Title Insurance, Abstract, Certificate, Others:

Type: Policy of Title Insurance No.106605, G-22096.

Date Issued: March 25, 2004.

Name of Firm Who Issued Certificate: Talon Group through its agent, Title Guaranty of Guam, Inc.

10. OWNERSHIP OF TITLE TO LAND

(a) Individual: Name, address, and telephone:

N/A.

(b) If corporation (limited liability company), name, title and address of officers:

Please refer to paragraph (1)(a).

(c) Others:

N/A.

#### 11. ENCUMBRANCES AGAINST LAND AND BUILDING

Developer owns the land and buildings free and clear of all encumbrances, except: 1) Grant of Right-of-Way for the Erection and Maintenance of Power Lines, Wires, Cables & Underground Conduits, granted to Guam Power Authority, for a ten (10) foot by ninety (90) ± foot strip of land extending partially across Lot No. 5067-1-4, dated April 21, 2006 and recorded on June 9, 2006, under Document No. 737886 at the Department of Land Management, Government of Guam; 2) Real Property Mortgage with Power of Sale, Security Agreement, Financing Statement and Assignment of Rentals securing a debt of \$5,000,000.00 dated July 31, 2007 in favor of First Hawaiian Bank recorded in the Department of Land Management, Government of Guam on July 31, 2007 under Instrument No. 759185; 3) Assignment of Rental Income in favor of First Hawaiian Bank recorded in the Department of Land Management, Government of Guam on July 31, 2007 under Instrument No. 759186; 4) real property taxes not yet due and owing; and 5) all other liens, easements and encroachments of record.

Developer will obtain a partial release of the above-referenced Real Property Mortgage with Power of Sale, Security Agreement, Financing Statement and Assignment of Rentals and Assignment of Rental Income in favor of First Hawaiian Bank for each condominium unit at the time of conveyance of such condominium unit.

#### 12. FINANCE

Do you have a program of financing project, including any financing commitment?

Developer financed the Project through its own funds and a loan of \$5,000,000.00 from First Hawaiian Bank.

#### 13. CONSTRUCTION

(a) If construction has not been completed, name of contractor.

Construction is completed.

(b) Estimated completion date. December 13, 2007

- (c) Do you have a Building Contract? Yes.
- (d) Building Permit No: TP05-0826 (Foundation); TP04-0337 (Retaining Wall), TP05-0327(Structure); TP06-0978 (Fence), and TP07-0395 (Storage Room).
- (e) What is contractor's obligation after building is completed? N/A Is there a Building Warranty?

Contractor's Obligations: The obligations of the various contractors after completion of the Project, at a minimum, meet the requirements of 5 GCA §32501 and applicable law.

Developer's Warranties: Developer's warranties for the Project, including the individual condominium units, are limited to those warranties required by 5 GCA §32501 or applicable law. Developer makes no other warranties, expressed or implied.

14. MANAGEMENT AND OPERATION

- (a) When is purchaser to assume maintenance costs? Upon conveyance of title to individual condominium units.
- (b) Who is to pay for monthly maintenance fees on unsold (initial sale) units? Developer.
- (c) Do you have House Rules or By-Laws? The Developer has adopted By-Laws. The House Rules are to be adopted by the Association of Homeowners for TASI 17.
- (d) If yes, give date adopted by council of co-owners. The By-Laws were adopted by the Developer on December 18, 2007.
- (e) Name of manager, if any. Developer, at this stage.

15. SALES AGENT(S): Name agency(s) or broker(s) handling sales:

N/A.

NOTICE

THE DEVELOPER MAY NOT, AFTER SUBMITTING TO THE COMMISSION THE PLAN UNDER WHICH THE CONDOMINIUM PROJECT IS TO BE OFFERED FOR SALE OR LEASE, MATERIALLY CHANGE THE SET-UP OR VALUE OR USE OF SUCH OFFERING WITHOUT FIRST NOTIFYING THE COMMISSION AND THE PURCHASERS AND PROSPECTIVE PURCHASERS IN WRITING OF SUCH INTENDED CHANGE.

AFFIDAVIT

GUAM )  
 ) ss:  
CITY OF TAMUNING )

CHANG SHENG WANG, being duly sworn depose and say: That the statements herein contained, and the documents submitted are full, true and complete, and that he is the General Manager of the developer of the condominium project described herein.

Developer,

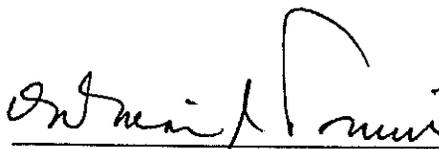
LUCKY DRAGON DEVELOPMENT CO., LTD.



By: CHANG SHENG WANG, Its General Manager

SUBSCRIBED and SWORN to before me, a Notary Public in and for Guam, this 18th day of December, 2007, by CHANG SHENG WANG.

) SEAL (



Notary Public

**ELAINE S. PELLETIER**  
NOTARY PUBLIC  
In and for Guam, U.S.A.  
My Commission Expires: Mar. 01, 2011  
Suite 201, Orlean Pacific Plaza  
885 South Marine Corps Drive  
Tamuning, Guam 96913

**BEFORE THE  
GUAM LAND USE COMMISSION  
GOVERNMENT OF GUAM**

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In the Matter of the	)	Explanation of Absence
Application of LUCKY DRAGON	)	of Documents Accompanying
DEVELOPMENT CO., LTD. for issuance	)	Questionnaire
of a Final Public Report.	)	

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**TO THE HONORABLE GUAM LAND USE COMMISSION:**

LUCKY DRAGON DEVELOPMENT CO., LTD., whose mailing address is Post Office Box 7467, Tamuning, Guam 96931 (the "Applicant"), hereby submits its explanation of the absence of certain documents from its questionnaire filed with respect to TASI 17 (the "Project"), and its statement as to when or if such documents shall be available:

*No Purchase Contract*

§1. The Applicant is already the owner in fee simple of the property upon which the Project will be constructed and, therefore, there is no need for a contract to purchase the same.

*No Agency Contract and, Broker Listing Agreement*

§2. No Agency Contract or Broker Listing Agreement was filed with the questionnaire because the Applicant is tentatively considering selling the units itself.

*No Property Management Contract*

§3 There is no property management contract for the Project at this time. It will be up to the homeowner's association to decide whether it will hire a property manager or enter into a property management contract.

*No House Rules*

§4 The house rules are to be adopted at the first meeting of the homeowner's association.

*Prayer For Relief*

*WHEREFORE*, the Applicant respectfully requests of the Guam Land Use Commission issuance of a Final Public Report on TASI 17.

Dated at Tamuning, Guam on December 28, 2007.

Applicant,

**LUCKY DRAGON DEVELOPMENT CO., LTD.**



By: CHANG SHENG WANG, Its General Manager

**AFFIDAVIT OF VERIFICATION**

GUAM )  
 ) ss:  
CITY OF TAMUNING )

CHANG SHENG WANG, being first duly sworn, states that he is the General Manager of LUCKY DRAGON DEVELOPMENT CO., LTD., Applicant herein, and is authorized to execute this affidavit of verification on behalf of said company; that he has read the foregoing explanation and know the contents thereof; and that the same is true of his own knowledge.

**LUCKY DRAGON DEVELOPMENT CO., LTD.**

  
By: CHANG SHENG WANG, Its General Manager

SUBSCRIBED AND SWORN to before me this 28<sup>th</sup> day of December, 2007, by CHANG SHENG WANG.

  
Notary Public

**TAMARA A. C. TAITANO**  
NOTARY PUBLIC  
In and for Guam, U.S.A.  
My Commission Expires: August 27, 2011  
Suite 201, Orlean Pacific Plaza  
865 South Marine Corps. Drive  
Tamuning, Guam 96913

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Filing with the Registrar of land )  
titles pursuant to the Land Title )  
Registration Act requested by )  
Lucky Dragon Development Co., )  
Ltd. After filing, deliver copies to )  
Dooley Roberts & Fowler LLP, )  
Suite 201, Orlean Pacific Plaza, )  
865 South Marine Corps Drive, )  
Tamuning, Guam 96913. The real )  
property affected by this instrument )  
is registered land, the name of the last )  
registered owner being Paul Bordallo, )  
and the owner of record being Lucky )  
Dragon Development Co. Ltd. )  
Certificate of last registration number )  
being No. 76702. )

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(Space above this line for Recorder's use only).

## DECLARATION OF FINAL HORIZONTAL

### PROPERTY REGIME

OF

TASI 17

Developer: Lucky Dragon Development Co., Ltd.

Project: A three (3) storey reinforced concrete building, with basement, consisting of seventeen (17) residential condominium units, parking facilities, swimming pool, deck area, and other common elements.

Location: Lot No. 5067-1-4, Tumon, Municipality of Tamuning (formerly of Dededo), Guam.

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**DECLARATION OF FINAL HORIZONTAL**

**PROPERTY REGIME**

**OF**

**TASI 17**

This Declaration of the Final Horizontal Property Regime hereinafter called "Declaration", is made and executed in Guam, this 18th day of December, 2007, by Lucky Dragon Development Co., Ltd. hereinafter called "Developer", pursuant to the provisions of the Horizontal Property Act, 21 Guam Code Annotated, Chapter 45, as amended, hereinafter referred to as the "Horizontal Property Act" or the "Act".

**Recital of ownership**

WHEREAS, Developer is the owner of certain real property more particularly described as follows ("Property"):

Lot No. 5067-1-4, Tumon, Municipality of Tamuning (formerly of Dededo), Estate No. 13581, Suburban, as said Lot is marked and designated on Drawing No. PRB-93-75A, as L.M. Check Number 449 FY 93, and recorded on November 26, 1993, under Document No. 498850 at the Department of Land Management, Government of Guam.

Last Certificate of Title being No. 76702 in the name of Paul J. Bordallo.

Area: 5,270 ± square meters; 56,730 ± square feet.

WHEREAS, Developer has constructed on the Property an apartment building ("Apartment Building") consisting of seventeen (17) apartment units (sometimes hereinafter referred to as "Unit(s)") and other facilities in accordance with the proposed plans and specifications sealed by Oscar A. Coloma, R.A.;

WHEREAS, Developer desires and intends to submit the above described Property and the Apartment Building consisting of seventeen (17) apartment units and the other improvements constructed on the Property, together with all appurtenances thereto ("Project"), to the provisions of the Horizontal Property Act as a condominium project and to impose upon said Project mutually beneficial restrictions under a general plan of improvement for the benefit of all of said proposed condominiums and the owners thereof.

### **Submission of property**

NOW, THEREFORE, the Developer does hereby submit the Property and the Apartment Building consisting of seventeen (17) apartment units and the other improvements constructed on the Property, together with all appurtenances thereto, to the Horizontal Property Act for the purpose of establishing a Horizontal Property Regime with respect to the Project to be known as TASI 17. In furtherance thereof, the Developer makes the following declaration as to the divisions, limitations, restrictions, covenants, conditions and uses of the Horizontal Property Regime and hereby declares that upon establishment of the Horizontal Property Regime, the Property and the Apartment Building and other improvement constructed thereon, together with all appurtenances thereto, will be conveyed, mortgaged, encumbered, leased, rented, used, occupied and improved subject to the Declaration for TASI 17, the By-Laws of Association of Owners of TASI 17, and the House Rules of TASI 17, as the same may be amended from time to time, which declarations, restrictions, and conditions shall constitute covenants running with the land and shall be binding on and for the benefit of Applicant, its respective successors and assigns, and all subsequent owners and lessees of all or any part of the Project and their respective successors, heirs, executors, administrators, and assigns.

## ARTICLE I

### DESCRIPTION OF PROPERTY

#### *General Description*

§1.01. The Project consists of the Property, Apartment Building, and other improvements constructed thereon, in accordance with the plans and specifications sealed by Oscar A. Coloma, R.A. and set out in the Condominium Map No. 154, recorded with the Department of Land Management, Government of Guam under Document Number \_\_\_\_\_ (“Condominium Map”).

§1.01.01. Description of project layout. The improvements consist of the Apartment Building with three (3) stories and a basement level containing seventeen (17) apartment units, sixteen (16) apartment units of which have a garage with two (2) parking stalls, and Common Elements consisting of sixty-two (62) parking stalls, mechanical and electrical equipment room, generator, refuse facilities, swimming pool and deck area, barbeque area, storage cabinets, sidewalks, access way, walls, gates, and other common elements of the Project (“Common Elements”) as such are defined in the Horizontal Property Act. The Common Element parking facilities consists of fifty-eight (58) parking stalls to be used by tenants, guests and invitees, two (2) parking stalls to be used for persons with disabilities, and two (2) parking stalls set aside and allocated for the exclusive use of the owner of Unit Q as Limited Common Elements.

§1.01.02. Description of the apartment units. There are seventeen (17) apartment units. Units A through Unit P have four (4) bedrooms, three (3-1/2 ) bathrooms, a foyer, kitchen, living room, dining room, garage with two (2) parking stalls, and two (2) balconies. Unit Q has four (4) bedrooms, four (4) bathrooms, kitchen, living room, dining room, storage area, and two (2) balconies.

§1.01.03. Construction methods. The foundations for the Apartment Building are

reinforced concrete footings on engineered fill and the floors and roofs of the Apartment Building are reinforced concrete slabs. The structural walls of the first story of the Apartment Building are poured in place concrete and the structural walls of the second and third stories of the Apartment Building are either poured in place concrete or constructed with concrete masonry units. The interior non-structural walls of the Apartment Building are constructed with gypsum board on metal studs.

## ARTICLE II

### DIVISION OF PROPERTY

The Project will be divided into separate and freehold estates set out in the following sections:

§2.01. Apartments. Seventeen (17) freehold separate and freehold estates set out on the Condominium Map No. 154.

§2.01.01. Number, location and room number. The unit number, location, and square footage of the apartment units ("Unit(s)") are as follows:

#### Apartment Building from South to North

<u>Apt. No.</u>	<u>No. of Square Feet</u>
Unit Q;	3,990.80 square feet
Unit A	3,871.99 square feet
Unit B	3,871.99 square feet
Unit C	3,871.99 square feet
Unit D	3,871.99 square feet
Unit E	3,871.99 square feet
Unit F	3,871.99 square feet
Unit G	3,871.99 square feet
Unit H	3,871.99 square feet
Unit I	3,871.99 square feet
Unit J	3,871.99 square feet
Unit K	3,871.99 square feet

Unit L	3,871.99 square feet
Unit M	3,871.99 square feet
Unit N	3,871.99 square feet
Unit O	3,871.99 square feet
Unit P	3,871.99 square feet

§2.01.02. Floor plans. The floor plans for each of the apartment units are as shown on the Condominium Map. The square footage of Units A through Unit P is 3,871.99 square feet inclusive of garage of 430 square feet and two balcony areas of 252 square feet. The square footage of Unit Q is 3,990.80 square feet inclusive of the storage area of 280 square feet, and the two balcony areas of 506 square feet.

§2.01.03. Access. Units A through P have immediate access to an access way in the Project which leads to a public street. Unit Q has access to a public street from the basement level in the Project to the access way which leads to the public street.

§2.01.04. Included within apartment units. Units A through P include the spaces bound by and contained within the perimeter walls, floors, windows, doors, and ceilings of the apartment unit, inclusive of the garage and the floor area of the two (2) balcony areas appurtenant to each apartment unit, including all the walls, beams and columns within the perimeter walls which are not load-bearing, and the interior decorated or finished surfaces of all load-bearing walls, beams and columns, floors, and ceilings within the perimeter walls of each apartment unit. Unit Q includes the spaces bound by and contained within the perimeter walls, floors, windows, doors, and ceilings of the apartment unit, inclusive of the storage area and the floor area of the two (2) balcony areas appurtenant to the apartment unit, including all the walls, beams and columns within the perimeter walls which are not load-bearing, and the interior decorated or finished surfaces of all load-bearing walls, beams and columns, floors, and ceilings within the perimeter walls of the apartment unit. The apartment units shall not be deemed to include the undecorated or unfinished

interior load-bearing walls, perimeter walls, floors and ceilings surrounding each apartment unit; the building foundation and roof; and any pipes, wires, conduits, or other utility lines running to an apartment unit which are utilized for or serve other apartment units, and all other parts of the Project which are Common Elements.

§2.02. Common Elements. A freehold estate consisting of the Property and all portions of the Project's improvements not located within any of the apartment units is hereby designated and referred to herein as the Common Elements, and specifically includes, but is not limited to:

§2.02.01. Property. The Property in fee simple subject to the following: 1) Grant of Right-of-Way for the Erection and Maintenance of Power Lines, Wires, Cables & Underground Conduits, granted to Guam Power Authority, for a ten (10) foot by ninety (90) ± foot strip of land extending partially across Lot No. 5067-1-4, dated April 21, 2006 and recorded on April 21, 2006, under Document No. 737886 at the Department of Land Management, Government of Guam; 2) real property taxes not yet due and owing; and 3) all other liens, easements and encroachments of record.

§2.02.02. Building elements. All foundations, floor slabs, roofs, and all load-bearing floors, walls, columns, and beams of the Apartment Building, but excluding the interior decorated or finished surface of all such load-bearing floors, walls, columns and beams, ceilings and floors within the perimeter walls of an individual apartment unit.

§2.02.03. Grounds and facilities. Grounds, swimming pool and deck area, access way, sidewalks, mechanical and electrical equipment room, generator and generator fuel storage tank, refuse facilities, walls, and gate.

§2.02.04. Parking. The Common Element parking facilities consisting of sixty-two (62) parking stalls in the basement level of the Project, with fifty eight (58) parking stalls to be used

by tenants, guests, and invitees, two (2) parking stalls designated for parking for persons with disabilities, and two (2) parking stalls reserved and set aside as Limited Common Elements for the exclusive use of apartment Q. Each parking stall shall contain more or less one hundred eighty (180) square feet, and shall have immediate access from the basement level in the Project to the access way which leads to the public street.

§2.02.05. Fixtures. All pipes, cables, conduits, ducts, flues, chutes, wiring, equipment, and other central and appurtenant installations over, under, and in the Project which serve more than one (1) apartment for services such as and including conveyance, power, light, water, sewer, telephone and television signal transmission, if any;

§2.02.06. Other personal property. All articles of personal property of the Project necessary or convenient to its existence, maintenance, safety or normally in common use; and

§2.02.07. Other parts of property. All other parts of the Project defined as Common Elements.

#### *Limited Common Elements*

§2.03. Certain parts of the Common Elements, herein called and designated "Limited Common Element(s)", are hereby set aside and reserved for the exclusive use of certain apartment units, and such apartment units shall have appurtenant thereto an exclusive easement for the use of such Limited Common Elements.

§2.03.01. Patio and roof top terrace. Each apartment unit has a patio and rooftop terrace appurtenant to it as shown on the Condominium Plan, which are set aside and allocated for the exclusive use of the owner of such apartment unit as Limited Common Elements.

§2.03.01.01. Equipment and appliances on the roof top terrace. Units A through P each have an air conditioning unit and sink on the roof top terrace appurtenant to such

apartment unit as a Limited Common Element. Unit Q has an air conditioning unit, sink, and sauna on the roof top terrace appurtenant to such apartment unit as a Limited Common Element.

§2.03.02. Storage cabinet. Each unit has a storage cabinet in the basement level as shown on the Condominium Plan which is set aside and allocated for the exclusive use of such apartment unit as a Limited Common Element.

§2.03.03. Parking stalls as Limited Common Elements of Unit Q. Parking stalls 1 and 2, as shown on the Condominium Plan, are set aside and allocated for the exclusive use of Unit Q as Limited Common Elements.

§2.03.04. Maintenance of Limited Common Elements. Each apartment unit owner shall be responsible for repairing and maintaining the exterior finished floor surface of the Limited Common Elements appurtenant to their respective apartment unit and the air conditioning units, sinks and sauna situated on the roof top terrace.

### ARTICLE III

#### COMMON INTEREST AND VOTING

##### *Common Interest*

§3.01. Each apartment shall have appurtenant thereto an undivided interest in all Common Elements of the Project (herein called the "Undivided Common Element Interest") as follows:

<u>Apt. No.</u>	<u>No. of Square Feet</u>	<u>Percentage of Undivided Common Element Interest</u>
Unit A	3,871.99	5.8718%
Unit B	3,871.99	5.8718%
Unit C	3,871.99	5.8718%
Unit D	3,871.99	5.8718%
Unit E	3,871.99	5.8718%
Unit F	3,871.99	5.8718%
Unit G	3,871.99	5.8718%

Unit H	3,871.99	.	5.8718%
Unit I	3,871.99	.	5.8718%
Unit J	3,871.99	.	5.8718%
Unit K	3,871.99	.	5.8718%
Unit L	3,871.99	.	5.8718%
Unit M	3,871.99	.	5.8718%
Unit N	3,871.99	.	5.8718%
Unit O	3,871.99	.	5.8718%
Unit P	3,871.99	.	5.8718%
Unit Q	3,990.08	.	6.0519%

*Voting and Percentage in the Common Elements*

§3.02. The interest in the Common Elements, proportionate share in the liability for Common Element expenses, proportionate interest in the profits, if any, in the Project, and representation for voting purposes shall be allocated on the basis of the percentage set out in Paragraph 3.01, or as modified by an amendment to the Declaration. The percentage of the Common Element Interest of each apartment owner as expressed in the Declaration shall have a permanent character and shall not be altered without the consent of all apartment owners and lienholders (if lienholder requires such consent) expressed in an amended Declaration duly recorded. The percentage of the Common Element Interest shall not be separated from the apartment unit to which it is appurtenant and shall be deemed to be conveyed or encumbered with the apartment unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

**ARTICLE IV**

**EASEMENTS**

The apartment units and Common Elements shall also have and be subject to the easements set out in this article.

### *Common Elements Easements*

§4.01. Each apartment unit shall have appurtenant thereto non-exclusive easements in the Common Elements designed for such purposes for ingress to, egress from, utility services for, and support, maintenance, and repair of such apartment; in the other Common Elements for use according to their respective purposes.

### *Encroachment*

§4.02. If any part of the Common Elements encroaches upon any apartment unit, a valid easement for such encroachment and the maintenance thereof, so long as it continues, shall and does exist. In the event one or more of the Buildings shall be partially or totally destroyed and then rebuilt, minor encroachments of any parts of the Common Elements due to construction shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist.

### *Right of Association to Enter*

§4.03. The Association shall have the right, to be exercised by its Board of Directors or the managing agent, if any, to enter into each apartment unit from time to time during reasonable hours as may be necessary for the operation of the Project or for making emergency repairs therein necessary to prevent damage to any apartments or Common Elements, or for the installation, repair or replacement of any Common Element.

## **ARTICLE V**

### **USE**

§5.01. Subject to all provisions of this Declaration, the By-Laws and House Rules to be adopted or which have been adopted, as such documents may be amended from time to time, the apartment units may be occupied and used as private dwellings by the respective owners thereof,

their tenants, families, domestic servants and social guests, and shall not be rented for transient or hotel purposes, which are defined as (i) rental for any period less than thirty (30) days, or (ii) any rental in which the occupants of the apartment are provided customary hotel services such as room service for food and beverage, maid service, or laundry and linen service. Provided, however, subject to all provisions of this Declaration, the By-Laws and House Rules to be adopted or which have been adopted, as such documents may be amended from time to time, a maximum of four hundred (400) square feet of an apartment unit may be used as a home office by the owner or tenant, provided the apartment unit owner has first obtained the permission of the Board as to the use, patronization, and conditions of use of such home office. Such permission by the Board shall be required to be renewed on an annual basis.

**ARTICLE VI**  
**ASSOCIATION**

*Association of Apartment Owners*

§6.01. Administration of the Project shall be vested in its Association, consisting of all the apartment unit owners of the Project in accordance with the Bylaws of the Association. The owner of any apartment unit upon acquiring title thereto shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership of such apartment unit ceases for any reason, at which time his membership in the Association shall automatically cease; provided, however, that to such extent and for such purposes, including the exercise of voting rights, as may be provided by lease of any apartment filed with the board of directors of the Association (the "Board"), the lessee of such apartment shall be deemed to be the owner thereof.

## ARTICLE VII

### ADMINISTRATION

#### *Management of Project*

§7.01. The management and operation of the Project shall be conducted by the Board or by any person or managing agent retained by the Board in accordance with the provisions of the Horizontal Property Act, this Declaration, the By-Laws and House Rules to be adopted or which have been adopted, as such documents may be amended from time to time. The Members of the Board are hereby authorized to receive service of legal process in all cases provided in the Act. The attorney of the Developer, Melinda C. Swavely, whose residential address is 301 Frank H. Cushing Way #1201, Tumon, Guam 96913, is authorized to receive service of legal process in all cases provided in the Act prior to the election of the first Board.

#### *Operation of Project*

§7.02. Maintenance by the Association. The Association through its Board or managing agent, if any, shall maintain, repair, replace and restore the Common Elements and any additions and alterations thereto, in accordance with the provisions of the Act, , and, specifically, but without limitation, the Association shall:

#### *Common Expenses*

§7.03. Except as otherwise provided in the provisions of the Act, this Declaration, the By-Laws and House Rules to be adopted or which have been adopted, as such documents may be amended from time to time, , all charges, costs, and expenses whatsoever incurred by the Association for or in connection with the administration of the Project, including, without limitation thereof, operation of the Project and maintenance, repair, replacement, and restoration of the Common Elements, any additions and alterations thereto, all labor, services, materials, supplies,

and equipment therefore, all liability whatsoever for loss or damage arising out of or in connection with the Common Elements, or any accident or fire on the Common Elements or any nuisance thereon, and all premiums for casualty, general liability, directors and officers liability insurance and other insurance authorized by the Board with respect to the Project and the management thereof, shall constitute common expenses of the Project. Common expenses shall be presented at the annual meeting and thereafter shall be assessed on a monthly basis to the apartment unit owners in proportion to their percentage of the Common Element Interest in the Project as set forth in this Declaration, or as such document may be amended from time to time. If the estimated common expenses prove inadequate for any reason, including non-payment of any apartment owner's assessments, the Board may, by resolution duly adopted, make additional assessments, which shall be assessed to the apartment unit owners pursuant to their percentage of the Common Element Interest set forth in this Declaration, or as such may be amended from time to time. Each apartment unit owner shall be obligated to pay to the Board the Board's assessments made pursuant to this section on or before the first day of each month, or in such other reasonable manner as the Board shall designate.

*No Waiver of Use of Common Elements*

§7.04. No apartment unit owner may exempt himself from liability for his contribution to the common expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his apartment unit.

*Compliance with Declaration, By-Laws and Decisions*

§7.05. All apartment unit owners, their tenants, families, servants and guests, and any other persons who may in any manner use the Project or any part thereof, shall be bound by, and shall comply strictly with the provisions of this Declaration, the By-Laws, the House Rules to be

adopted or which have been adopted, as such documents may be amended from time to time, and all agreements, decisions, and determinations of the Association as lawfully made, and failure to comply with any of the same shall be grounds for an action to recover sums due, for damages, or injunctive relief, or both, maintainable by the Board on behalf of the Association or its authorized representative, or, in a proper case, by an aggrieved apartment owner. In addition, the Association may send written notification to the mortgagee of an apartment unit or of an apartment lease advising the same of any default by the mortgagor of such apartment unit in the performance of such mortgagor's obligations hereunder, which is not cured within thirty (30) days.

*Unpaid Common Expenses Constitute Lien*

§7.06. All sums assessed by the Association but unpaid for the share of the common expenses or chargeable to any apartment unit as special assessment shall constitute a lien on such apartment prior to all other liens except: (i) valid tax and special assessment liens on the apartment in favor of any governmental assessing authority; (ii) encumbrances on the interest of the owner recorded prior to the date that notice of the lien provided for herein is recorded which by law would be a lien prior to subsequently recorded encumbrances; and (iii) all sums unpaid on mortgages of record. Such lien may be foreclosed by suit by the Board or its authorized representative, in like manner as a mortgage of real property; provided that thirty (30) days' prior written notice of the intention to foreclose shall be mailed, postage prepaid, to all persons having an interest in such apartment as shown in the Association's record of ownership. The Board, or its authorized representative, shall have the power to bid for such apartment at foreclosure sale with the right of credit for the amount due to the Association and to acquire, hold, lease, mortgage, and convey such apartment unit. After deducting all costs, fees and expenses of the Association in connection with such sale, the Association shall apply the proceeds of the sale to payment of the following: all

sums, including, but not limited to, attorneys' fees expended under the terms hereof not then prepaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.

*Non-Judicial Foreclosure*

§7.07. As an alternative, foreclosure may be by non-judicial sale. In the event of default, the Association may declare all sums secured hereby immediately due and payable by giving the owner thirty (30) days written notice and recording a written notice of default with the Department of Land Management, Government of Guam. If said sums are not paid within said thirty (30) day period, the Association may foreclose by public sale. The Association shall then give notice of sale as required by law for the sale of real property under execution. The Association shall sell said apartment unit at the time and place fixed by it in said notice of sale, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale. The Association may postpone the sale of said apartment unit by public announcement, at such time and place of sale, and from time to time fixed by the preceding postponement. The Association, as agent of the owner, or on behalf of, or in the name of the owner, as authorized by this power of sale to the Association, shall deliver to such purchaser, a deed conveying the property so sold, but without any covenant or warranty, expressed or implied. The Association shall have the full right, power, and authority to execute a deed in the apartment unit owner's name to the highest bidder at such sale, conveying all right, title, and interest of the apartment unit owner to such purchasers and such deed shall be valid in all respects. Further, the apartment unit owner hereby consents, appoints, and authorizes the Association as its agent or representative for the execution of such deed or

conveyance or release of any other document concerning the said apartment unit sold as a result of such foreclosure sale. Further, the apartment unit owner hereby appoints and designates the Association as attorney-in-fact for the owner specifically to sell, convey, and transfer the apartment unit by foreclosure sale in the event of the apartment unit owner's default and the Association shall have the right, authority, and power to execute and deliver any deed, conveyance, release or other documents or instrument concerning the subject property. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including the apartment unit owner or the Association, may purchase at such sale, and the Board, or its authorized representative, shall have the power to bid for such apartment unit at the foreclosure sale and to acquire, hold, lease, mortgage, and convey such apartment unit. After deducting all costs, fees and expenses of the Association in connection with such sale, the Association shall apply the proceeds of the sale to payment of the following: all sums, including, but not limited to, attorneys' fees expended under the terms hereof not then prepaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto. Further, the apartment unit owner hereby waives any right of redemption, if any, under this power of sale.

§7.08. Where the mortgagee of a mortgage of record or other purchaser of any apartment unit obtains title to such apartment unit or any interest therein, pursuant to the remedies provided in the mortgage, or by its foreclosure, or deed in lieu of foreclosure, such acquirer of title, his heirs, executors, successors and assigns, shall not be liable for the share of the existing common expense or existing assessments by the Association chargeable to such apartment unit by such acquirer. Such unpaid share of common expenses or special assessment shall be deemed to be common

expenses collectible from all of the apartment unit owners including such acquirer, his heirs, executors, successors, and assigns.

## ARTICLE VIII

### ALTERATION AND RESTORATION OF THE PROJECT

#### *Alteration of Project*

§8.01. Major alterations or major additions, structural or otherwise, to the Project, which differ in any material respect from the Condominium Map for the Project filed with the Final Public Report, shall be undertaken by the Association only pursuant to an amendment of this Declaration, or as such may have been amended, which has been duly executed by and pursuant to the affirmative vote of the apartment unit owners to which is appurtenant, in the aggregate, at least seventy-five percent (75%) of the Common Element Interests in the Project, and accompanied by the written consent of the holders of all liens (if lienholder require such consent) affecting any of the apartment units, and in accordance with complete plans and specifications approved in writing by the Board, and promptly upon completion of such additions, replacement or construction the association shall duly record such amendment together with a complete set of floor plans of the Project as so altered, certified as-built by a registered architect or engineer.

#### *Restoration of Project*

§8.02. In the event of damage or destruction of all or part of the Common Elements of the Project, the Project shall be rebuilt, repaired, or restored unless the apartment unit owners to which are appurtenant, in the aggregate, at least seventy-five percent (75%) of the Common Element Interests in the Project, express their decision, in writing, not to rebuilt, repair, or restore. Provided, however, in case at any time or times any improvements of the Project shall be substantially

damaged or destroyed by any casualty not insured against, whether to rebuild, repair or restore such improvements shall be determined by an affirmative vote of the apartment unit owners, to which are appurtenant, in the aggregate, at least seventy-five percent (75%) of the Common Element Interests in the Project. Any such approved restoration of the Common Elements shall be completed diligently by the Association and shall constitute a common expense payable by the apartment unit owners in proportion to their Common Element Interest in the Project. The apartment unit owners shall be solely responsible for any restoration of their respective apartment unit so damaged or destroyed.

#### *Certain Work Prohibited*

§8.03. No apartment unit owner shall do any work which would jeopardize the soundness or safety of the Project, reduce the value thereof, violate the uniform external appearance of the apartment building, or impair any easement or hereditament, nor may any apartment owner add any material structure or excavate any additional basement, without in every such case the unanimous consent of all the other apartment unit owners being first obtained; provided, however, that additions to or alterations of an apartment unit made within such apartment unit and for the exclusive use of the apartment unit shall require only approval by the Board.

### **ARTICLE IX**

#### **INSURANCE**

##### *Casualty Insurance*

§9.01. The Board, on behalf of the Association and as a common expense, shall insure the Common Elements of the Project against fire and such other casualties as it deems appropriate. To the extent economically feasible, the insurance shall be in an amount equal to the full replacement

cost thereof, without deduction for depreciation. The Board shall determine the economic feasibility and necessity of obtaining insurance for the full replacement value, and may obtain insurance in such lesser amounts as the Board deems appropriate. The insurance shall be payable in case of loss to the Board as trustee for all apartment unit owners and mortgagees according to the loss or damage to their respective apartment units and appurtenant Common Element Interests, as their interests may appear. The insurance shall be without prejudice to the right of each apartment unit owner to insure his apartment unit for his own benefit. In every case of such loss or damage, all insurance proceeds shall be used as soon as reasonably possible by the Association for rebuilding, repairing, or otherwise reinstating the Common Elements in a good and substantial manner according to the as-built plans or such modified plans as duly approved by the Association and in conformance to laws and ordinances then in effect. Such casualty insurance shall comply with the following:

§9.01.01. No contribution. Any policy of insurance shall provide that the liability of the insurer thereunder shall not be affected by, and that the insurer shall not claim any right of set-off, counterclaim, apportionment, proration or contribution by reason of any other insurance obtained by or for any apartment unit owner;

§9.01.02. Increase in hazard. Not contain any provision relieving the insurer from liability for loss occurring while the hazards to such Project are increased, whether or not within the knowledge or control of the Board, or because of any breach of warranty or condition or any other act or neglect by the Board or any apartment unit owner or any other persons under either of them;

§9.01.03. No cancellation. Provide that such policy may not be canceled (whether or not requested by the Board) except by the insurer giving at least thirty (30) days' prior written

notice thereof to the Board and every other person in interest who shall have requested such notice of the insurer;

§9.01.04. Waiver of subrogation. Contain a waiver by the insurer of any right of subrogation to any right of the Board or apartment unit owners against any of them or any other persons under them; and

§9.01.05. Mortgage clause. Contain a standard mortgage clause, which shall:

§9.01.05.01. Mortgagees. Provide that any reference to a mortgage in such policy shall mean and include all holders of mortgages of any apartment unit of the Project, in their respective order and preference, whether or not named therein;

§9.01.05.02. Mortgagee's interest not cancelable. Provide that such insurance as to the interest of any mortgagee shall not be invalidated by any act or neglect of the Board or the apartment unit owners or any persons under any of them;

§9.01.05.03. Waiver of defaults. Waive any provision invalidating such mortgage clause by reason of the failure of any mortgagee to notify the insurer of any hazardous use or vacancy, any requirement that the mortgagee pay any premium thereon, and any contribution clause; and

§9.01.05.04. Proceeds payable to bank. Provide that, without affecting any protection afforded by such mortgage clause, any proceeds payable under such policy shall be payable to said bank or trust company designated by the Board.

#### *Liability Insurance*

§9.02. The Board, on behalf of the Association and as a common expense, may maintain for the benefit of the Board, as trustees for all apartment unit owners and mortgagees, general public liability insurance to protect against claims for personal injury, death, or property damage

occurring upon, in or about the Common Elements, such insurance to afford protection in such limits as the Board in their sole discretion may require, but in no event less than that required for public liability insurance by law. All insurance shall be effected under valid and enforceable policies issued by insurers or their general agents duly authorized to issue policies of insurance on Guam.

*Directors and Officers Liability Insurance*

§9.03. The Board, on behalf of the Association and as a common expense, may maintain Directors and Officers Liability Insurance to protect the directors, officers and assistant officers of the Board against such claims and in such amounts as the Board in their sole discretion shall determine. All insurance shall be effected under valid and enforceable policies issued by insurers or their general agents duly authorized to issue policies of insurance on Guam.

*Premiums*

§9.04. All premiums for insurance obtained by the Board on behalf of the Association shall be a common expense to be paid by monthly assessments and used solely for the payment of such premiums as the same become due.

**ARTICLE X**

**EMINENT DOMAIN**

*Condemnation*

§10.01. In case at any time or times the Project or any part thereof shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages for or on account of any land or any improvements of the Project shall be payable to such bank or trust company authorized to do business in Guam as the Board shall designate as trustee for all apartment unit owners and mortgagees affected and shall be used promptly by the Board to restore

or replace such improvements to the extent it deems practicable, on the remaining land according to the as-built plans or such modified plans as duly approved by the Association and in conformance to laws and ordinances then in effect, unless the Association, by a vote of the apartment unit owners to which are appurtenant, in the aggregate, at least seventy-five percent (75%) of the Common Element Interests in the Project, determines within a reasonable time after such taking or condemnation, that such restoration or replacement is impracticable in the circumstances and in this case shall equitably distribute the net proceeds from such condemnation or taking to the apartment unit owners and mortgagees affected thereby according to the loss or damage to their respective apartment units and appurtenant Common Element Interests and easements.

## **ARTICLE XI**

### **MISCELLANEOUS**

#### *Amendment of Declaration*

§11.01. This Declaration may be amended by an instrument, in writing, signed and acknowledged by the President or Vice President and Secretary or Treasurer of the Association, and containing a certificate of the signing officers that the amendment was approved by the apartment unit owners, to which are appurtenant, in the aggregate, at least seventy-five percent (75%) of the Common Element Interests in the Project at a meeting duly called and held for that purpose. The amendment shall be effective upon recordation in the Department of Land Management, Government of Guam.

#### *Definitions*

§11.02. The terms "majority" or "majority of apartment unit owners" herein means the owners of apartment units to which are appurtenant more than fifty percent (50%) of the Common

Element Interests in the Project, "any specified percentage of the apartment unit owners" means the owners of apartment units to which are appurtenant such percentages of the Common Element Interests in the Project, and the term "Board" herein means the duly elected members of the Board of Directors of the Association.

*Severability*

§11.03. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one (1) provision or portion hereof shall not affect the validity or enforceability of any other provision hereof.

*Captions*

§11.04. The captions to this Declaration and of its index are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Declaration or the intent of any provision hereof.

*Law Controlling*

§11.05. This Declaration, the Condominium Map, and the By-Laws shall be construed and controlled by and under the laws of Guam.

*Effective Date*

§11.06. This Declaration shall take effect when recorded.

**EXECUTION**

IN WITNESS WHEREOF, the Developer has executed these presents this 18th day of December, 2007.

Developer,

**LUCKY DRAGON DEVELOPMENT CO., LTD.**

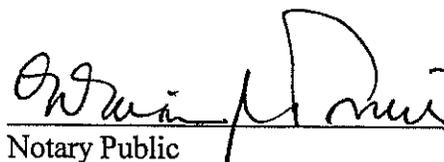
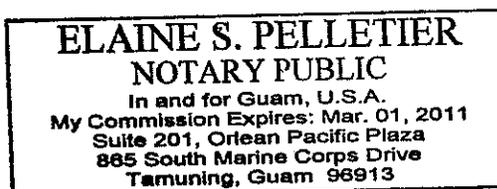


By: CHANG SHENG WANG, Its General Manager

TAMUNING, GUAM ) ss:

ON THIS 18<sup>th</sup> of December, 2007, before me, a Notary Public in and for Guam, personally appeared CHANG SHENG WANG, known to me to be the General Manager of Lucky Dragon Development Co., Ltd, a Guam corporation, whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the purposes therein set forth on behalf of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the date last above written.

  
Notary Public

**BY-LAWS**  
**OF**  
**THE ASSOCIATION OF APARTMENT OWNERS**  
**OF**  
**TASI 17**

**ARTICLE ONE**  
**DEFINITIONS**

§1.01. Property defined. The "Property" shall mean all of that certain real property described as follows:

Lot No. 5067-1-4, Tumon, Municipality of Tamuning (Formerly of Dededo), Estate No. 13581, Suburban, as said Lot is marked and designated on Drawing No. PRB-93-75A, as L.M. Check Number 449 FY 93, and recorded on November 26, 1993, under Document No. 498850 at the Department of Land Management, Government of Guam.

Last Certificate of Title being No. 76702 in the name of Paul J. Bordallo.

Area: 5,270 ± square meters; 56,730 ± square feet.

§1.02. Declaration defined. The "Declaration" shall mean that certain Declaration of Horizontal Property Regime of the TASI 17 applicable to the Project and recorded with the Department of Land Management, Government of Guam, on \_\_\_\_\_, 2007, under Document Number \_\_\_\_\_, as the same may be amended from time to time in accordance with the terms thereof.

§1.03. House Rules defined. The "House Rules" mean those administrative rules and regulations that are adopted or will be adopted pursuant to §8.05, infra, governing the conduct of persons using the Project.

§1.04. Other Terms defined. Other terms used herein shall have the meaning given to them in the Declaration and are hereby incorporated by reference and made a part hereof.

**ARTICLE TWO**  
**APPLICABILITY OF BY-LAWS**

§2.01. Condominium Ownership. The Property has been submitted to the provisions of 21 Guam Code Annotated, Chapter 45, as amended (the "Horizontal Property Act"), by the Declaration simultaneously herewith, which horizontal property regime shall be known as TASI 17 (the "Project").

§2.02. Applicability of By-Laws. The provisions of these By-Laws are applicable to the Project and to the use and occupancy thereof. All present and future owners, mortgagees, lessees, and occupants of apartment units or other interests in the Property and their employees, and any other persons who may use the facilities of the Project in any manner are subject to these By-Laws, the Declaration, and the House Rules.

§2.02.01. Acceptance of Deed and Acceptance of By-Laws. The acceptance of a deed or conveyance or the entering into of a lease or the act of occupancy of an apartment unit or other interest in the Project or the use of any of the facilities of the Project shall constitute an agreement that these By-Laws, the House Rules and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

§2.03. Office. The office of the Project and of the Board of Directors (the "Board") and of the Association of Owners (the "Association") shall be located at the Project. All meetings of the Association and of the Board shall be held at the Project unless some other place is stated in the notice for the meeting.

**ARTICLE THREE**  
**MEMBERSHIP**

§3.01. Qualification. The owners of all apartment units of the Project shall constitute the Association. The owner of any apartment unit upon acquiring title thereto shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership of such apartment unit ceases for any reason, at which time his membership in the Association shall automatically cease. Any provision to the contrary notwithstanding co-owners or joint owners shall be deemed one owner entitled to the percentage vote allocated to their apartment unit.

§3.02. Proof of Membership. No person or persons shall exercise the rights of membership until satisfactory proof has been furnished to the Secretary of the Association of qualification as a member, nominee of a member, or proxy for a member, pursuant to the terms of the Declaration. Such proof may consist of a copy of a duly executed and acknowledged deed showing such person or the person nominating him is qualified in accordance therewith, which deed shall be deemed conclusive in the absence of a conflicting claim based upon a later deed. The sole qualification for membership shall be ownership of an apartment unit in the Project. No membership may be

separated from the apartment unit to which it is appurtenant; provided, however, that the privileges of ownership may be exercised by a person holding a duly executed proxy from the apartment unit owner(s) in accordance with the provisions of these By-Laws.

§3.03. No Additional Qualifications. No initiation fees, costs, or dues shall be assessed against any person as a condition upon his exercise of the rights of membership except such assessments, levies, and charges as are specifically authorized under these By-Laws or the Declaration.

§3.04. Certificates of Membership. The Board may provide for the issuance of certificates or other written proof evidencing membership in the Association, which shall be in such form as may be determined by the Board.

§3.05. Place of Meetings. Meetings of the Association shall be held at the Project or such other suitable place in Guam as may be designated by the Board in the Notice of Meeting pursuant to §3.08 of these By-Laws.

§3.06. Annual Meetings. The first annual meeting of the Association shall be held as soon as practicable after the issuance of a Final Public Report for the Project. Thereafter the annual meetings of the Association shall be held within three (3) months after the end of each succeeding accounting year.

§3.07. Special Meetings. Special meetings of the Association may be held at any time upon the call of the President, or by resolution of the Board, or upon a petition signed by apartment unit owners to which are appurtenant at least twenty-five percent (25% ) of the Common Element interests and presented to the Secretary. No business shall be conducted except as stated in the notice for such special meeting.

§3.08. Notice of Meetings. A written or printed notice of every meeting of the Association stating whether it is an annual or special meeting, the authority for the call of the meeting, the place, day and hour thereof, and the purpose therefore shall be given by the Secretary or the person or persons calling the meeting at least five (5) but no more than thirty (30) days before the date set for such meeting. Such notice shall be deemed given to each member in any of the following ways: (i) by leaving the same with him personally, (ii) by leaving the same at the residence or usual place of business of such member, (iii) two (2) days after mailing it, postage prepaid, addressed to such member at his address as it appears on the records of the Association, or (iv) by publishing such notice in any newspaper of general circulation in Guam, such notice to be published not less than two (2) times on successive days, the first publication thereof to be not less than three (3) days nor more than ten (10) days prior to the day assigned for the meeting. If notice is given pursuant to the provisions of this §3.08, the failure of any member to receive actual notice of the meeting shall in no way invalidate the meeting or any proceedings thereat.

§3.09. Waiver of Notice. The presence of all the members, in person or by proxy, at any meeting shall render the same a valid meeting, unless any member shall, at the opening of such

meeting, object to the holding of the same for noncompliance with the provisions of §3.08, supra. Any meeting so held without objection shall, notwithstanding the fact that no notice of meeting was given, or that the notice given was improper, be valid for all purposes, and at such meeting any general business may be transacted and any action may be taken.

§3.10. Quorum. The presence at any meeting in person or by proxy of a majority of apartment unit owners shall constitute a quorum, and the acts of a majority of the apartment unit owners at any meeting at which a quorum is present shall be the acts of the Association except as otherwise provided herein. The term "majority of apartment unit owners" herein means the owners of apartment units to which are appurtenant more than fifty percent (50%) of the Common Element Interests as established by the Declaration, and any other specified percentage of the apartment unit owners means the owners of apartment units to which are appurtenant such percentage of the Common Element interests.

§3.11. Voting. Each person or entity owning an apartment unit shall be entitled to vote in accordance with the percentage of Common Element Interest as set forth in the Declaration. Votes may be cast in person or by proxy by the respective apartment unit owners as shown in the record of ownership of the Association. An executor, administrator, guardian or trustee may vote in person or by proxy at any meeting of the Association the percentage of vote for any apartment unit owned or controlled by him in such capacity, whether or not the same shall have been transferred to his name in the Association's record of ownership; provided, that he shall first present evidence satisfactory to the Secretary that he owns or controls such apartment unit in such capacity. The vote for any apartment unit owned of record by two or more persons may be exercised by any one of them present at any meeting in the absence of protest by the other or others, and in case of protest each co-tenant shall be entitled to only a share of such vote in proportion to his share of ownership in such apartment unit. Any person representing a firm, corporation, or other legal entity, or a combination thereof shall provide written proof of a duly authorized resolution of the Board thereof designating such person to represent the entity.

§3.12. Voting - Proxies. The authority given by a member to another person to represent such member at meetings of the Association shall be in writing, signed by such member or if an apartment unit is jointly owned then by all joint owners. Unless limited by its terms, such authority shall be deemed valid until revoked by a writing filed with the Secretary or by the death or incapacity of such owner. A proxy given by a director or officer of a corporation or other legal entity to another person shall not be considered valid.

§3.13. Adjournment. Any meeting of the Association where a quorum is present may be adjourned from time to time not less than forty-eight (48) hours from the time the original meeting was called as may be determined by majority vote of the apartment unit owners present, without notice other than the announcement at such meeting. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

§3.14. Order of Business. The order of business at all meetings of the Association shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting.
- (c) Reading of minutes of preceding meeting.
- (d) Report of officers.
- (e) Report of committees.
- (f) Election of inspectors of election.
- (g) Election of directors.
- (h) Unfinished business.
- (i) New business.

#### **ARTICLE FOUR** **BOARD OF DIRECTORS**

§4.01. Number and Qualifications. The affairs of the Association shall be governed by the Board, composed of five (5) persons, each of whom shall be the sole owner or co-owner of record of an apartment unit. If a corporation or other legal entity is an apartment unit owner, any director or officer of such corporation or other legal entity shall be eligible to serve as director so long as he remains a director or officer of such legal entity.

§4.02. Limitation on Responsibility. The Board shall be responsible only for the administration of those portions of the Project relating to the apartment units and the Common Elements appurtenant thereto. All other areas of the Project shall be administered by and be the sole responsibility of the respective owners, their successors and assigns.

§4.03. Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things except as prohibited by law, or as may not be delegated to the Board by the owners under the Declaration or these By-Laws.

§4.04. Nomination. Nomination for election to the Board may be made from the floor at the annual meeting of the apartment unit owners and/or by a nominating committee appointed by the Board prior to each annual meeting of the apartment unit owners.

§4.05. Election; Cumulative Voting. Voting for directors shall be by secret written ballot. At such election the apartment unit owners or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the highest number of votes shall be elected. Each apartment unit owner may cumulate his votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which he is entitled or distribute his votes on the same principle among as many candidates as he desires.

§4.06. Term of Office of Directors. Directors shall hold office for a period of two (2) years and until their respective successors have been elected, subject to removal as herein provided, except that at the first annual meeting, the three (3) directors who receive the most votes shall serve for a period of two (2) years and the remaining two (2) directors shall serve for a period of one (1) year.

§4.07. Vacancies. Vacancies in the Board caused by any reason other than removal of a director by a vote of the Association shall be filled by vote of a majority of the remaining directors, even though they may constitute less than a quorum, and each person so elected shall be a director for the remainder of the term of the director he is replacing and until his successor is elected and qualified. Death, incapacity or resignation of any director, or his continuous absence from Guam for more than six (6) months, or his ceasing to be the sole owner or co-owner of an apartment unit, shall cause his office to become vacant.

§4.08. Removal of Directors. At any regular or special meeting of the Association duly called, any one (1) or more of the directors may be removed with or without cause by vote of a majority of apartment unit owners and a successor may then and there be elected by the members to fill the vacancy thus created. Any director whose removal has been proposed by the apartment unit owners shall be given an opportunity to be heard at such meeting.

§4.09. Compensation. No compensation shall be paid to directors for their services as directors. No remuneration shall be paid to a director for services performed by him for the Association in any other capacity, unless a resolution authorizing such remuneration shall have been unanimously adopted by the Board before the services are undertaken. A director may not be an employee of the Association; provided, however, that an employee of the managing agent may be a director.

§4.10. Organizational Meeting of the Board. An organizational meeting of the Board shall be held at the place of, and immediately following, the first annual meeting of the Association and each annual meeting of the Association thereafter. No notice shall be necessary to any directors in order validly to constitute such meeting; provided that a majority of the whole Board shall be present. At such meeting the Board shall elect the officers of the Association for the ensuing year.

§4.11. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least one (1) such meeting shall be held during each calendar quarter of every year. Notice of regular meetings of the Board shall be given to each director at least three (3) days prior to the date of such meeting, through one of the following means: personally, by mail, telephone, facsimile to a director's residence or place of business, or by an email address designated by such director for notice purposes. Notice of the time and place of such meeting shall also be posted at a prominent place or places within the Common Elements of the Project.

§4.12. Special Meetings. Special meetings of the Board may be called by the President or by the Secretary on the written request of at least two (2) directors on at least eight (8) hours notice to each director through one of the following means: personally, by mail, telephone, facsimile to a

director's residence or place of business, or by an email address designated by such director for notice purposes. Any such special meeting shall be a single purpose meeting and the only matters addressed shall be the single purpose stated in the notice.

§4.13. Waiver of Notice. Before or at any meeting of the Board, any director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board, unless he objects to the calling of the same, shall be a waiver of notice to him of such meeting. If all the directors are present at any meeting of the Board, no notice thereof shall be required, and any business may be transacted at such meeting.

§4.14. Quorum of Board. At all meetings of the Board, a majority of the total number of directors established by these By-Laws shall constitute a quorum for the transaction of business, and the acts of a majority of the directors present at any meeting at which a quorum is present shall be the acts of the Board. If less than a quorum shall be present at any meeting of Board, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

§4.15. Open Meetings. Regular and special meetings of the Board shall be open to all owners; provided, however, that owners who are not on the Board may not participate in any deliberation or discussion unless expressly so authorized by the vote of a majority of a quorum of the Board.

§4.16. Executive Session. The Board may, with the approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters or litigation in which the Association is or may become involved. Orders of business to be considered in executive session shall first be announced in open session.

§4.17. Fidelity Bonds. The Board may require that all officers, employees and agents of the Association handling or responsible for its funds, shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

## ARTICLE FIVE OFFICERS

§5.01. Designation. The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of who shall be elected by and in the case of the President from, the Board. The Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be necessary and as the Board may from time to time create by resolution.

§5.02. Election and Term. The officers of the Association, except such officers as may be appointed in accordance with §5.03, infra, shall be elected annually by the Board at its organization meeting and each shall hold his office for one (1) year unless he shall sooner resign or shall be removed, or otherwise disqualified to serve.

§5.03. Special Appointments. The Board may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may from time to time determine.

§5.04. Resignation and Removal. Any officer may be removed from office either with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect at the date of receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Upon resignation or removal of an officer, the position may be filled by the majority vote of the directors and the appointee to such vacated office shall serve the remainder of the term of the officer he replaces.

§5.05. Multiple Offices. The offices of Secretary or Assistant Secretary and Treasurer may be held by the same person. No person shall be appointed to more than one of any of the other offices except in the case of special offices created pursuant to §5.03, supra.

§5.06. President. The President shall be the chief executive officer of the Association and shall:

§5.06.01. Preside. Preside over all meetings of the members and of the Board;

§5.06.02. Sign. Sign as President all deeds, contracts, and other instruments in writing which have been first approved by the Board, unless the Board, by duly adopted resolution, has authorized the signature of a different officer;

§5.06.03. Call Meetings. Call meetings of the Board whenever he deems it necessary in accordance with rules and upon notice in accordance with these By Laws;

§5.06.04. General Supervision. Subject to the control of the Board, exercise general supervision and direction over the management and conduct of the business and affairs of the Association, having all of the general powers and duties which are usually vested in the office of President of an association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association, and such other powers and duties as may be provided by these By-Laws or assigned to him from time to time by the Board.

§5.07. Vice-President. The Vice-President shall:

§5.07.01. Act for President. Act in the place and in the stead of the President in the event of his absence, inability, or refusal to act;

§5.07.02. Other Duties. Exercise and discharge such other duties as may be required of him by the Board. In connection with any such additional duties, the Vice-President shall be responsible to the President.

§5.08. Secretary. The Secretary shall:

§5.08.01. Record. Keep a record of all meetings and proceedings of the Board and of the owners;

§5.08.02. Seal. Keep the seal of the Association, if any, and affix it on all papers requiring such seal;

§5.08.03. Notices. Serve such notices of meetings of the Board and the owners required either by law or by these By-Laws;

§5.08.04. Roll. Keep appropriate current records showing the owners of this Association together with their addresses;

§5.08.05. Sign. Sign as Secretary all deeds, contracts, and other instruments in writing which have been first approved by the Board if said instruments require a second Association signature unless the Board has authorized another officer to sign in the place and stead of the Secretary by duly adopted resolution;

§5.08.06. Other Duties. Have charge of such other books, documents and records of the Association as the Board may direct, and in general perform all the duties incident to the office of the Secretary. If the Secretary is not present at any meeting, the presiding officer shall appoint a Secretary pro tempore who shall keep the minutes of such meeting and record them in the books provided for that purpose.

§5.09. Treasurer. The Treasurer shall:

§5.09.01. Funds. Receive and deposit in such bank or banks as the Board may from time to time direct, all of the funds of the Association;

§5.09.02. Books. Be responsible for and shall supervise the maintenance of books and records to account for such funds of the Association;

§5.09.03. Disburse. Disburse and withdraw such funds as the Board may from time to time direct, and in accordance with prescribed procedures;

§5.09.04. Distribute Statement. Distribute the financial statements for the Association required by these By-Laws;

§5.09.05. Supervise Managing Agent. Supervise the managing agent's, if any, handling of funds of the Association, maintenance of accounts and records thereof and preparation of reports.

§5.10. Auditor. The Board shall appoint annually a public accountant or accounting firm as auditor, who shall not be an officer of the Association nor own any interest in any apartment unit, to audit the books and financial records of the Association as required by law or directed additionally by the Board.

## **ARTICLE SIX** **BOOKS AND RECORDS**

§6.01. Inspection by Owners. The governing instruments of the Association, the register of apartment unit owners, the books of account, and the minutes of meetings of the Board and of committees of the Board shall be available for inspection and copying by any member of the Association, or by his duly appointed representative, for any purpose reasonably related to his interest as a member, at the principal office of the Association, subject to the following:

§6.01.01. Notice. At least two (2) days written notice is given to the Secretary of the Association by the member desiring to make the inspection;

§6.01.02. Time. Any such inspection is made during regular business hours; and

§6.01.03. Fee. A fee of fifteen cents (15¢) per page for the cost of reproducing copies of documents is paid by the member requesting such copies.

§6.02. Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director shall include the right to make extracts and copies of documents.

## **ARTICLE SEVEN** **ADMINISTRATION**

§7.01. Management. The Board shall at all times manage and operate the Project in accordance with provisions of the Act, the Declaration and these By-Laws, and have such powers and duties as may be necessary or proper therefore, including, without limitation, the following:

§7.01.01. Supervise Management. Supervision of its immediate management and operations, including the authority to have necessary personnel and services in order to provide the maintenance, replacement, alteration, repair, and restoration of the Common Elements;

§7.01.02. Maintain Common Elements. Maintenance, repair, replacement and restoration of the Common Elements and any additions and alterations thereto;

§7.01.03. Purchase Equipment and Utilities. Purchase, maintenance and replacement of any equipment and provision of all water and utility services required for the Common Elements;

§7.01.04. Provide Utilities to Apartment Units. Provision at each apartment unit of all water, sewer, electricity and such other utility services and utilities as the Board shall deem necessary either at the expense of such apartment unit or as a Common Element expense as determined by the Board;

§7.01.05. Employ Personnel. Employment, supervision and dismissal of such personnel as may be necessary for the maintenance and operation of the Project;

§7.01.06. Prepare Budget. Preparation at least sixty (60) days before each fiscal year of a proposed budget and schedule of assessments for such year;

§7.01.07. Collect Assessments. Collection of all installments of assessments levied and payment of all Common Element expenses authorized by the Board;

§7.01.08. Purchase Insurance and Bonds. Purchase and maintain in effect policies of casualty, liability and other insurance as may be required or authorized by the Declaration or the Board.

§7.01.09. Control Funds. Custody and control of all funds of the Association, maintenance of full and accurate books of account and records of such funds and preparation of regular financial reports thereof;

§7.01.10. Notify Delinquents. Notification of all persons having any interest in any apartment unit according to the Association's record of ownership of delinquency exceeding thirty (30) days in the payment of any assessment against such apartment unit; and

§7.01.11. Fix Fines. Establishment of such penalties and fines as it deems appropriate with respect to enforcement of the provisions of the Declaration, these By-Laws and the House Rules adopted pursuant to §8.05, infra; provided, that such penalties and fines are not inconsistent with law or the provisions herein, and the unpaid amount of such penalties and fines against any apartment unit owner shall constitute a lien against his interest in his apartment unit which may be foreclosed by the Board or managing agent in the same manner as provided in the Horizontal Property Act for Common Element expenses.

§7.02. Managing agent. The Board may annually employ a responsible entity or person as managing agent to manage and control the Project, subject at all times to direction by the Board, with all the administrative functions set forth specifically in §7.01, supra, and such other powers and duties and at such compensation as the Board may establish, subject to prior approval of every such employment contract by a majority of apartment unit owners.

§7.03. Representation. The President or managing agent, subject to the direction of the Board, shall represent the Association or any two or more apartment unit owners similarly situated as a class in any action, suit, hearing or other proceeding concerning the Association, the Common Elements, or more than one apartment unit, and on its or their behalf may institute, defend, intervene in, prosecute and settle any such actions, suits and proceedings, without prejudice to the rights of any apartment unit owner individually to appear, sue or be sued. Service or process on two or more apartment unit owners in any such action, suit or proceeding may be made on the President or managing agent. Every first mortgagee to whom the lessee is required by the terms of the mortgage to pay the same or, whenever there is not such mortgage, every managing agent shall also be the agent of the respective lessees under any apartment unit leases filed with the Board for the collection, custody and payment of all rent, taxes, assessments and other charges there under payable to their lessors.

§7.04. Execution of Instruments. All checks, drafts, notes, acceptances, conveyances, contracts and other instruments shall be signed on behalf of the Association by such person or persons as shall be provided by general or special resolution of the Board or, in the absence of any such resolution applicable to such instrument, by the President or Vice-President and by the Treasurer or Secretary.

## **ARTICLE EIGHT** **OBLIGATIONS OF APARTMENT UNIT OWNERS**

§8.01. Assessments. All assessments shall be made and collected in accordance with this §8.01 and the provisions of §8.02, infra. Each owner shall be liable for a proportionate share of the Common Element expenses, such shares being the same as the Common Element Interest appurtenant to the apartment unit as set forth in the Declaration. Within thirty (30) days prior to the annual meeting of the Association, the Board shall estimate the Common Element expenses and capital contributions for the following year. The estimated capital contributions may include such amounts as the Board may deem proper for general working capital, for the general operating reserve, for a reserve fund for replacements and major maintenance, and shall take into account any expected income, surplus, or deficit in the Common Element expenses for any prior year. These estimated capital contributions and Common Element expenses shall be presented at the annual meeting and thereafter shall be assessed on a monthly basis to the apartment unit owners in proportion to their percentage of undivided interest in the Common Elements as set forth in the Declaration. If the estimated Common Element expenses prove inadequate for any reason, including non-payment of any apartment unit owner's assessments, the Board may, by resolution duly adopted, make additional assessments, which shall be assessed to the apartment unit owners in the same

manner as the estimated Common Element expenses. Each apartment unit owner shall be obligated to pay to the Board the Board's assessments made pursuant to this §8.01 on or before the first day of each month, or in such other reasonable manner as the Board shall designate. The funds received by the Board from assessments shall be kept in either the capital account or in the Common Element expense fund and shall be expended by the Board only in accordance with the provisions of the Horizontal Property Act, the Declaration, and these By-Laws.

§8.01.01. Effect of Failure to Estimate Expenses. The failure by the Board before the expiration of any year to estimate the Common Element expenses as required herein shall not be deemed a waiver or modification in any respect of the provisions of the Declaration of these By-Laws, or a release of the apartment unit owner from the obligation to pay any past or future assessments, and the estimated Common Element expenses fixed for the previous and current year shall continue until a new estimate is fixed.

§8.01.02. No exemptions. No apartment unit owner may exempt himself from liability for Common Element expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his apartment unit.

§8.01.03. Treasurer to Record. The Treasurer shall keep or cause to be kept detailed records of all receipts and expenditures, including expenditures affecting the Common Elements and facilities, specifying and itemizing the maintenance, repair, and replacement expenses of the Common Elements and any other expenses incurred. In accordance with the actions of the Board assessing Common Element expenses against the apartment units and owners, the Treasurer shall keep an accurate record of such assessments and of the payments thereof by each owner.

§8.01.04. Interest; Lien. The monthly installments of assessments shall bear interest at the rate of twelve percent (12%) per annum ten (10) days after due date until paid, unless modified by the Board, and with such interest shall be a lien on the entire condominium interest of the delinquent owner, as provided in §8.02, infra. Said assessments shall be reviewed periodically by the Board to determine if any adjustment of the charges is necessary.

§8.02. Collection of Assessments. All Common Element expense assessments shall be a separate, distinct, and personal liability of the owner of the apartment unit at the time each assessment is made. The Board shall have the rights and remedies contained in the Horizontal Property Act, the Declaration, and these By-Laws to enforce the collection of assessments for Common Element expenses.

§8.02.01. Statement of Unpaid Assessments. Any person who shall have entered into a written agreement to purchase an apartment unit shall be entitled to obtain a written statement from the Treasurer setting forth the amount of unpaid assessments charged against the apartment unit and its owners, and if such statement does not reveal the full amount of the unpaid assessments as of the date it is rendered, neither the purchaser nor the apartment unit shall be liable for the payment of an amount in excess of the unpaid assessments shown thereon; provided, that the former owner-grantor shall remain so liable. Any such excess which cannot be promptly collected from the former owner-

grantor shall be reassessed by the Board as a Common Element expense to be collected from all apartment unit owners, including, without limitation, the purchaser of the apartment unit, his successors and assigns. The new owner shall, and the former owner shall not, be liable for any assessments made after the date of transfer of title to an apartment unit, even though the Common Element expenses for the expenses incurred or the advances made by the Board for which the assessment is made relate in whole or in part to any period prior to that date.

§8.02.02. Statements. In addition to the statements issuable to purchasers of apartment units, the Board shall provide a current statement of unpaid assessments for Common Element expenses and for any expenses of and advances by the Board in respect of the apartment unit, to the owner, to any person who shall have entered into a binding agreement to purchase the apartment unit, and to any mortgagee, on request at reasonable intervals.

§8.02.03. Reassessments of Unpaid Assessments. In all cases where all or part of any assessments for Common Element expenses of and advances by the Board cannot be promptly collected from the persons or entities liable therefore under the Horizontal Property Act, the Declaration, or these By-Laws, the Board shall reassess the same as a Common Element expense, without prejudice to its rights of collection against such persons or entities.

§8.02.04. Lien for Unpaid Assessments. All sums assessed to any apartment unit pursuant to this §8.02, together with interest thereon as provided herein, shall be secured by a lien on such unit in favor of the Board. Such lien shall be superior to all other liens and encumbrances on such apartment unit, except only for: (i) valid tax and special assessment liens on the apartment unit in favor of any governmental assessing authority; (ii) encumbrances on the interest of the owner recorded prior to the date that notice of the lien provided for herein is recorded which by law would be a lien prior to subsequently recorded encumbrances; and (iii) all sums unpaid on mortgages of record. All other lienor acquiring liens on any apartment unit after the Declaration shall have been recorded shall be deemed to consent that such liens shall be inferior to future liens for assessments, as provided herein, whether or not such consent be specifically set forth in the instrument creating such liens.

§8.02.05. Notice of Lien. To evidence a lien for sums assessed pursuant to this §8.02, the Board may prepare a written notice of lien setting forth the amount of the assessment, the due date, the amount remaining unpaid, the name of the owner of the apartment unit, and a description of the apartment unit. Such a notice shall be signed by the Board and may be recorded in the Department of Land Management, Government of Guam. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such liens may be enforced by foreclosure by the Board in the same manner in which mortgages on real property may be foreclosed in Guam. In any such foreclosure, the owner shall be required to pay the cost and expenses of such proceeding, the cost and expenses of filing and notice of lien, and all attorney's fees. All such costs, expenses, and fees shall be secured by the lien being foreclosed. The lien shall also secure, and the owner shall also be required to pay to the Board, any assessments against the apartment unit, which shall become due during the period of foreclosure. The Board shall have the right and the power to bid an amount

equal to its then existing lien at the foreclosure sale or other legal sale to acquire, hold, convey, lease, rent, encumber, use, and otherwise deal with the same as the owner thereof.

§8.02.06. Release. A release of lien shall be executed by the Board and recorded with the Department of Land Management, Government of Guam, upon the payment of all sums and secured by a lien which has been made the subject of a recorded notice of lien.

§8.02.07. Payment by Encumbrancer. Any encumbrancer holding a lien on an apartment unit may pay, but shall not be required to pay, any amounts secured by the lien created by this §8.02, and upon such payments such encumbrancer shall be subrogated to all rights of the Board with respect to such lien, including priority.

§8.02.08. Reports of Overdue Assessments. The Board shall report to any encumbrancer of an apartment unit any unpaid assessments remaining unpaid for longer than thirty (30) days after the same shall have become due; provided, however, that such encumbrancer first shall have furnished to the Board written notice of such encumbrance.

§8.02.09. Rent. In any foreclosure of a lien for assessments, the apartment unit owner subject to the lien shall be required to pay a reasonable rental for the apartment unit, and the Board shall be entitled to the appointment of a receiver to collect the same.

§8.02.10. Personal Obligation Assessments. The amount of any annual or special assessment against any apartment unit shall be the personal obligation of the owner thereof to the Board. Suit to recover a money judgment for such personal obligation shall be maintainable by the Board without foreclosing or waiving the lien securing the same. No owner may avoid or diminish any personal obligation by waiver of the use and enjoyment of any of the Common Elements or by abandonment of his apartment unit.

§8.02.11. Denial of Use. In addition to and not limited by any other remedy provided for herein, the Board may restrict or deny the use and enjoyment of any Common Elements to any owner, his family, guests, or assigns, who is delinquent in the payment of any regular or special assessment.

§8.02.12. Collection from Tenant. If the owner shall, at any time, let or sublet his apartment unit and shall default for a period of one (1) month in the payment of assessments, the Board may, at its option, so long as such default shall continue, demand and receive from any tenant or subtenant of the owner the rent due or becoming due, and the payment of such rent to the Board shall be sufficient payment and discharge of such tenant or subtenant and the owner to the extent of the amount so paid.

§8.02.13. Marshal's Sale. In the event that title to an apartment unit is transferred at a marshal's sale pursuant to execution upon any lien against the apartment unit, the Board shall give notice in writing to the marshal of any unpaid assessments for Common Element expenses which are a lien against the apartment unit, and for any expenses of or advances by the Board which have not

therefore been reduced to a lien, which shall be paid out of the proceeds of the sale prior to the distribution of any balance to the former owner against whom the execution was issued. The purchaser at such sale and the apartment unit involved shall not be liable for unpaid assessments for Common Element expenses and for any expenses of or advances by the Board which become due prior to the marshal's sale of the apartment unit. Any such unpaid assessments which cannot be promptly collected from the former owner shall be reassessed by the Board as a Common Element expense to be collected from all of the owners, including the purchaser who acquired title at the marshal's sale, his successors, and assigns. To protect its right to collect unpaid assessments for Common Element expenses which are a lien against an apartment unit and for any expenses of and advances by the Board, the Board may on behalf of all the owners purchase the apartment unit at the marshal's sale; provided, such action is authorized by the affirmative vote of a majority of the members of the Board. After deducting all costs, fees and expenses of the Association in connection with such sale, the Association shall apply the proceeds of the sale to payment of the following: all sums, including, but not limited to, attorneys' fees expended under the terms hereof not then prepaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

§8.02.14. Non-Judicial Foreclosure. As an alternative, foreclosure may be by non-judicial sale. In the event of default, the Association may declare all sums secured hereby immediately due and payable by giving the owner thirty (30) days written notice and recording a written notice of default with the Department of Land Management, Government of Guam. If said sums are not paid within said thirty (30) day period, the Association may foreclose by public sale. The Association shall then give notice of sale as required for the sale of real property under execution. The Association shall sell said property at the time and place fixed by it in said notice of sale, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale. The Association may postpone sale of said apartment unit by public announcement, at such time and place of sale, and from time to time fixed by the preceding postponement. The Association, as agent of the owner, or on behalf of, or in the name of the owner, as authorized by this power of sale to the Association, shall deliver to such purchaser, a deed conveying the property so sold, but without any covenant or warranty, expressed or implied. The Association shall have the full right, power, and authority to execute a deed in the owner's name to the highest bidder at such sale, conveying all right, title, and interest of the owner to such purchasers and such deed shall be valid in all respects. Further, the owner hereby consents, appoints and authorizes the Association as its agent or representative for the execution of such deed or conveyance or release of any other document concerning the said property sold as a result of such foreclosure sale. Further, the owner hereby appoints and designates the Association as attorney-in-fact for the owner specifically to sell, convey, and transfer the apartment unit by foreclosure sale in the event of the owner's default and the Association shall have the right, authority, and power to execute and deliver any deed, conveyance, release or other documents or instrument concerning the subject property. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including the owner or the Association, may purchase at such sale, and the Board, or its authorized representative, shall have the power to bid for such apartment unit at the foreclosure sale and to acquire, hold, lease, mortgage, and convey such apartment unit. After deducting all costs, fees and expenses of the Association in connection with such sale, the Association shall apply the proceeds of

the sale to payment of the following: all sums, including, but not limited to, attorneys' fees expended under the terms hereof not then prepaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto. Further, the owner hereby waives any right of redemption, if any, under this power of sale.

§8.03. Maintenance of Apartment units. Every apartment unit owner shall at all times, at his own expense, maintain in serviceable operating condition all internal utilities, and shall be liable for all loss or damage whatsoever caused by his failure to properly maintain such utilities, and in case of failure to do so after reasonable notice to perform, shall reimburse to the Association promptly on demand all expenses incurred by it in performing any such work authorized by the Board or the managing agent.

§8.04. Use of Project. The following limitations shall apply to the use of the Project:

§8.04.01. Use of Apartment. Subject to all provisions of the Declaration, these By-Laws and House Rules to be adopted or which have been adopted, as such documents may be amended from time to time, the apartment units may be occupied and used as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and shall not be rented for transient or hotel purposes, which are defined as (i) rental for any period less than thirty (30) days, or (ii) any rental in which the occupants of the apartment are provided customary hotel services such as room service for food and beverage, maid service, or laundry and linen service. Provided, however, subject to all provisions of the Declaration, these By-Laws and House Rules to be adopted or which have been adopted, as such documents may be amended from time to time, a maximum of four hundred (400) square feet of an apartment unit may be used as a home office by the owner or tenant, provided the apartment unit owner has first obtained the permission of the Board as to the use, patronization, and conditions of use of such home office. Such permission by the Board shall be required to be renewed on an annual basis.

§8.04.02. Common Elements used for Designed Purposes. All Common Elements of the Project shall be used only for their respective purposes as designed.

§8.04.03. No Blocking Common Elements. No apartment unit owner or occupant shall place, store or maintain in the halls, stairways, walkways, corridors, grounds or other Common Elements, packages or objects of any kind or otherwise obstruct transit through such Common Elements.

§8.04.04. Apartment Units Kept In Sanitary Condition. Every apartment unit owner and occupant shall, at all times, keep his apartment unit in a sanitary condition and observe and perform all laws and governmental rules and regulations made by the Association, as the same may be amended from time to time.

§8.04.05. No Waste or Nuisance. No apartment unit owner or occupant shall make or suffer any stripping or waste or unlawful, improper or offensive use of his apartment unit or the

Project nor alter or remove any furniture, furnishings or equipment of the Common Elements.

§8.04.06. No Loud Noises. All occupants shall exercise extreme care about making noises and in the use of musical instruments, radios, televisions and amplifiers that may disturb other occupants.

§8.04.07. No Garments hung from Windows. No garments, rugs or other objects shall be hung from the windows or balconies of the Project.

§8.04.08. No Trash except in Containers. No refuse, garbage or trash of any kind shall be thrown, placed or kept on any Common Elements of the Project outside of the disposal facilities provided for such purpose.

§8.04.9. No Wiring. No apartment unit owner or occupant shall without the written approval of the Board install any wiring for electrical or telephone installations, television antenna, machines or air conditioning units, or other equipment or appurtenances whatsoever on the exterior of the Project or protruding through the walls, windows or roof thereof.

§8.04.10. No Antennas. No apartment unit owner or occupant shall erect, place or maintain any television or other antennas on the Project visible from any point outside of his respective apartment unit.

§8.04.11. No Overload. Nothing shall be allowed, done or kept in any apartment units or Common Elements of the Project which would overload or impair the floors, walls or roofs thereof, or cause any increase in the ordinary premium rates or the cancellation or invalidation of any insurance thereon maintained by or for the Association.

§8.05. House Rules. The Board, upon giving notice to all apartment unit owners in the same manner as herein provided for notice of meetings of the Association and opportunity to be heard thereon, may adopt, amend or repeal such reasonable rules and regulations, to be called House Rules, governing the conduct of persons using the Project as it may deem necessary. Copies of such House Rules, upon adoption, amendment, modification, or repeal thereof shall be delivered to each apartment unit in the Project and shall be binding upon all members of the Association, occupants of the apartment unit, and other users of the Project.

§8.06. Litigation. If any legal action is brought by one or more but less than all apartment unit owners on behalf of the Association and recovery is had, the plaintiff's expenses, including attorney's fees, shall be a Common Element expense; provided, however, that if such action is brought against the apartment unit owners or against the Board, the officers, employees, or agents thereof, in their capacities as such, with the result that the ultimate liability asserted would, if proved, be borne by all the owners, the plaintiff's expenses, including counsel fees, shall not be charged to or borne by the other owners, as a Common Element expense or otherwise.

§8.06.01. Board to Defend. Legal action brought against the Association, the Board or the officers, employees, or agents thereof, in their respective capacities as such or the Project as a whole, shall be directed to the Board, which shall promptly give written notice thereof to the apartment unit owners and shall be defended by the Board, and the owners and mortgagees shall have no right to participate other than through the Board in such defense. Legal action against one or more, but less than all owners, shall be directed to such owners, who shall promptly give written notice thereof to the Board and to the mortgagees affecting such apartment units, and shall be defended by such owners.

§8.07. Record of Ownership. Every apartment unit owner shall promptly cause to be duly recorded or filed of record with the Department of Land Management, Government of Guam, the deed or other conveyance to him of such apartment unit or other evidence of his title thereto and shall file such deed or other conveyance with and present such other evidence of his title to the Board, and the Secretary shall maintain all such information in the records of ownership of the Association.

§8.08. Mortgages. Any apartment unit owner who mortgages his apartment unit or any interest therein shall notify the Board, of the name and address of his mortgagee, and also of the release of such mortgage, and the Secretary shall maintain all such information in the records of ownership of the Association. In addition, any mortgagee of an apartment unit may file a copy of his mortgage or send a certified copy of a letter indicating the recording data thereof and giving the names of the parties, apartment unit and other pertinent data, with the managing agent who shall maintain such information in the records of ownership of the Association. After such filing, the Board, through its managing agent shall notify the mortgagee of any apartment unit owner who is in default in his Common Element expense contribution. The mortgagee, at its option, may pay the delinquent expenses.

§8.09. Right of Entry. The Association shall have the right, to be exercised by its Board or the managing agent, if any, to enter into each apartment unit, from time to time during reasonable hours, as may be necessary for the operation of the Project or for making emergency repairs therein necessary to prevent damage to any apartment units or Common Elements, or for the installation, repair or replacement of any Common Element.

§8.10. Abatement and Restraint of Violations by Owners. The violation of any House Rules or the breach of any provision contained in these By-Laws, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these By-Laws to:

§8.10.01. Entry. Enter the apartment unit in which such violation or breach exists and to summarily abate and/or remove, and/or repair, at the expense of the defaulting owner, any structure, thing, or condition that may exist therein contrary to the intent and meaning of the provisions of these By-Laws or in violation of the House Rules, and the Board shall not thereby be deemed guilty in the manner of trespass, or

§8.10.02. Enjoin. Enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

## **ARTICLE NINE** **LIABILITY OF OFFICERS**

§9.01. Exculpation. Members of the Board, the officers and any assistant officer of the Association (i) shall not be liable to the apartment unit owners as a result of their activities as such for any mistake of judgment, negligence or otherwise, except for their own willful misconduct or gross negligence; (ii) shall have no personal liability in contract to an owner or any other person or entity under any agreement, instrument, or transaction entered into by them on behalf of the Association in their capacity as such; (iii) shall have no personal liability in tort to any owner or any person or entity, direct or imputed, by virtue of acts performed by them, or acts performed for them in their capacity as such, except for their own willful misconduct or gross negligence; and (iv) shall have no personal liability arising out of the use, misuse, or condition of the Project, which might in any way be assessed against or imputed to them as a result or by virtue of their capacity as such.

§9.02. Indemnification. The apartment unit owners shall indemnify and hold harmless, any person, his heirs and personal representatives, from and against all personal liability and all expenses including attorney's fees, incurred or imposed, or arising out of or in settlement of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative instituted by any one or more apartment unit owners, or any other persons or entities, to which he shall be or shall be threatened to be made a party by reason of the fact that he is or was a member of the Board or an officer or assistant officer of the Association, other than to the extent, if any, that such liability or expense shall be attributable to his willful misconduct or gross negligence; provided, that in the case of settlement, the Board shall have approved the settlement, which approval is not to be unreasonably withheld. Such right of indemnification shall not be deemed exclusive of any other rights to which such person may be entitled as a matter of law or agreement or vote of apartment unit owners or of the Board or otherwise. The indemnification by the apartment unit owners as contained herein shall be paid by the Board on behalf of the apartment unit owners and shall constitute a Common Element expense and shall be assessed and collectible as such.

## **ARTICLE TEN** **MISCELLANEOUS**

§10.01. Amendment to By-Laws. These By-Laws may be amended, modified, or revoked in any respect from time to time by the owners of apartment units in the Project to which are appurtenant, in the aggregate, seventy-five percent (75%) of the Common Element Interests as established by the Declaration, at a meeting duly called for such purpose. No amendment to the By-Laws shall be effective until set forth in an amendment to the Declaration duly recorded in the Department of Land Management, Government of Guam.

§10.02. Subordination. These By-Laws are subordinate and subject to all provisions of the Declaration and any amendments thereto, and the Horizontal Property Act, which shall control in case of any conflict. All terms herein (except where clearly repugnant to the context) shall have the same meaning as in the Declaration or the Horizontal Property Act.

§10.03. No Waiver. The failure of the Board, the officers and any assistant officer of the Association or its contractors to insist, in one or more instances, upon the strict performance of any of the terms, covenants, conditions, or restrictions of the Declaration or these By-Laws, or to exercise any right or option herein contained, or to serve any notice or to institute any action shall not be construed as a waiver or relinquishment, for the future, or such term, covenant, condition, or restriction; but such term, covenant, condition, or restriction shall remain in full force and effect. The receipt and acceptance by the Board, the officers and any assistant officer of the Association or its contractors of the payment of any assessment from an owner, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Board of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board.

§10.04. Interpretation. In case any provision of these By-Laws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these By-Laws shall be deemed or construed to authorize the Association or Board to conduct or engage in a for profit business on behalf of any or all of the apartment unit owners.

§10.05. Captions. The captions herein are inserted only as a matter of convenience and for reference in no way to define, limit, or describe the scope of these By-Laws nor the intent of any provision hereof.

§10.06. Effective Date. These By-Laws shall take effect upon recording of the Declaration, to which these are an exhibit.

§10.07. Tax-exempt Status. The Board and members of the Association shall conduct the business of the Association in such manner that the Association qualify and be considered an organization exempt from Federal and Guam income taxes in accordance with Federal and/or Guam law.

§10.08. Filing. The Board shall cause to be timely filed any annual election for tax-exempt status as may be required under Federal and/or Guam law, and shall undertake to cause the Association to comply with statutes, rules, and regulations which have been or shall be adopted by Federal and Guam agencies pertaining to such exemptions.

§10.09. Fiscal Year. The fiscal year of the Association shall be such as from time to time is established by the Association.

**CERTIFICATION OF ADOPTION**

The undersigned, being the Developer of the Project hereby adopts the foregoing as the By-Laws of the Association of Apartment Owners of TASI 17, this 18<sup>th</sup> day of December, 2007.

DEVELOPER,

**LUCKY DRAGON DEVELOPMENT CO., LTD.**

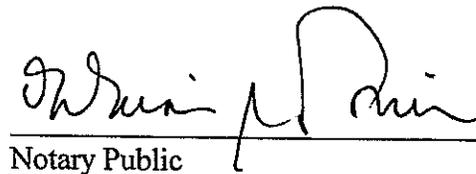


By: CHANG SHENG WANG, Its General Manager

TAMUNING, GUAM ) ss:

ON THIS 18<sup>th</sup> of December, 2007 before me, a Notary Public in and for Guam, personally appeared CHANG SHENG WANG, known to me to be the General Manager of LUCKY DRAGON DEVELOPMENT CO., LTD., a Guam corporation, whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the purposes therein set forth on behalf of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the date last above written.



Notary Public

**ELAINE S. PELLETIER**  
**NOTARY PUBLIC**  
In and for Guam, U.S.A.  
My Commission Expires: Mar. 01, 2011  
Suite 201, Orlean Pacific Plaza  
865 South Marine Corps Drive  
Tamuning, Guam 96913



Last Certificate of Title being No. 76702 in the name of Paul J. Bordallo.  
Area: 5,270 ± square meters; 56,730 ± square feet.

**Plans show layout of apartments**

§2. Such set of floor plans fully and accurately shows the number, layout, location, apartment numbers, and dimensions of the apartments within the Project.

**Name of Project**

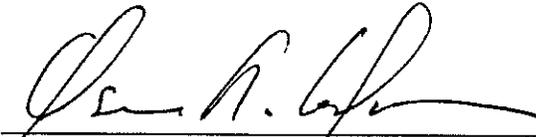
§3. The name of the Project is "TASI 17".

**Plans accurate copy**

§4. The attached set of plans is as-built plans of the Project

**Purpose of statement**

§5. I make this statement pursuant to the provisions of the Horizontal Property Act, 21  
Guam Code Annotated, Section 45113.

  
\_\_\_\_\_  
Oscar A. Coloma, R.A.  
Guam Registration Nos.186

VERIFICATION

Tamuning, Guam ) ss:

I, OSCAR A. COLOMA, R.A., being first duly sworn, do hereby depose and state that I a registered architect and that I have read the foregoing Condominium Plans and Property Map of Tasi 17 and it is true of my own knowledge except as to those matters alleged upon information and belief and as to those matters, I believe them to be true.

Dated this 18 day of December, 2007.

  
\_\_\_\_\_  
OSCAR A. COLOMA, R.A.

SUBSCRIBED AND SWORN to before me this 18<sup>th</sup> day of December, 2007.

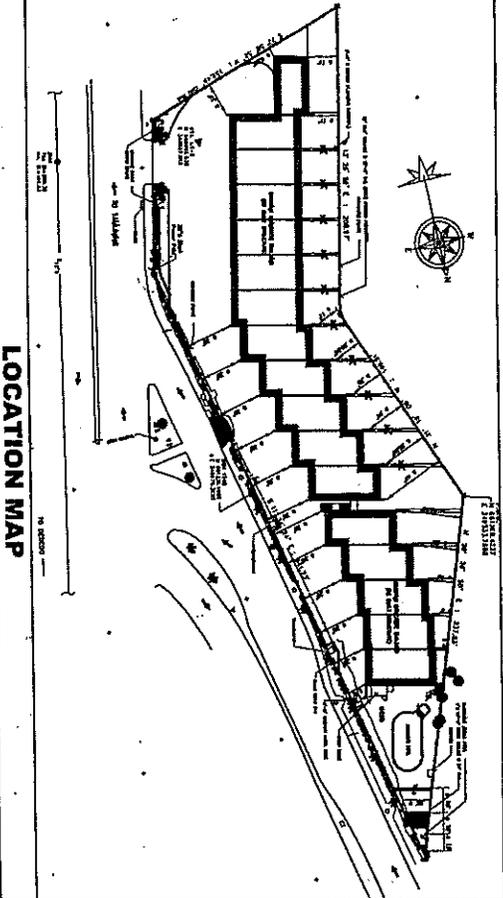
  
\_\_\_\_\_  
Notary Public

**ELAINE S. PELLETIER**  
**NOTARY PUBLIC**  
In and for Guam, U.S.A.  
My Commission Expires: Mar. 01, 2011  
Suite 201, Orlean Pacific Plaza  
965 South Marine Corps Drive  
Tamuning, Guam 96913

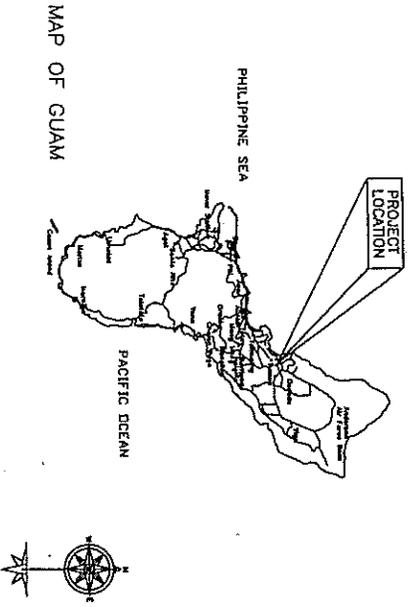


**TASI 17**  
 REGISTRATION NO. \_\_\_\_\_  
**SEVENTEEN (17) UNIT CONDOMINIUM PROJECT**  
 LOT NO. 5067-1-4, TUMON  
 MUNICIPALITY OF TAMUNING, GUAM

**SITE PLAN**



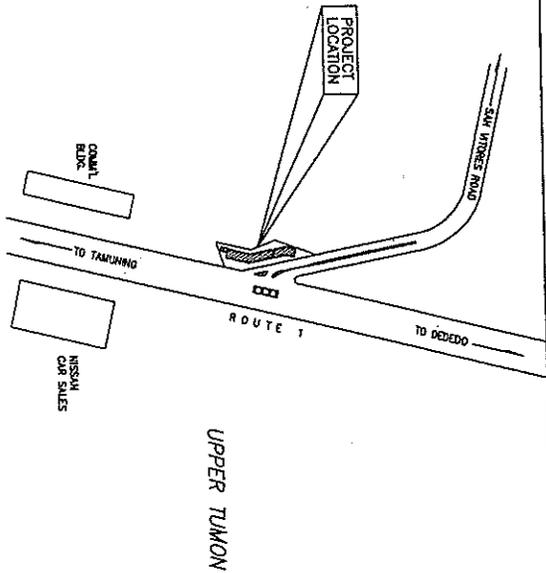
**LOCATION MAP**



**DRAWING INDEX**

1-1	TITLE PAGE, SITE PLAN, LOCATION MAP, VARIETY MAP
C-1	SITE DEVELOPMENT PLAN
C-2	BLOCKER LEVEL PLAN
A-1	TYPE A - floor plans (mpech)
A-2	TYPE B - floor plans (mpech)
A-3	ELEVATIONS

**VICINITY MAP**



PROPOSED TOWNHOUSES DEVELOPMENT  
 UPPER TUMON, GUAM

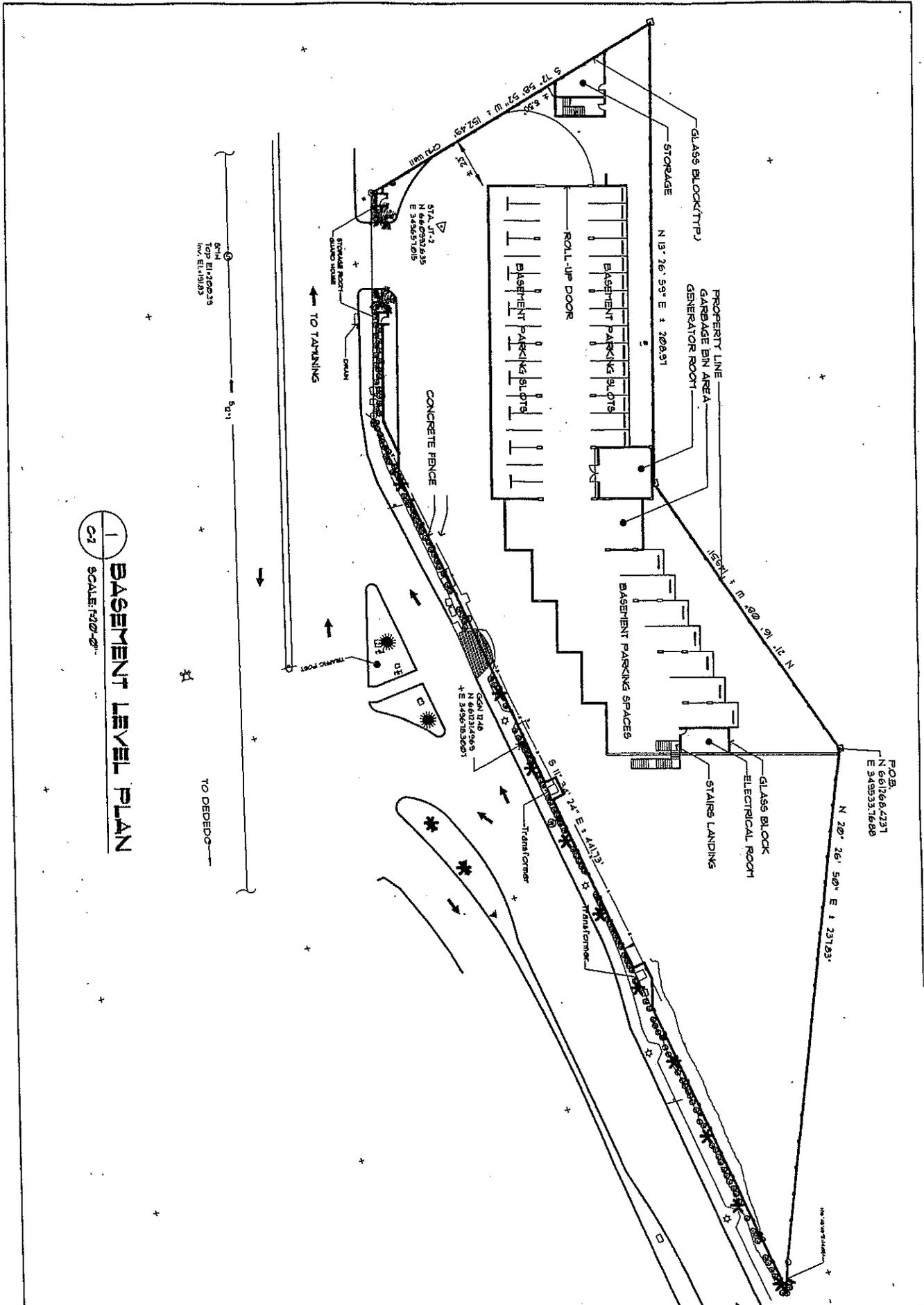
LUCKY DRAGON DEVELOPMENT CO. LTD.

O.A. COLOMA, P.C.  
 ARCHITECT



NO.	DATE	REVISIONS





1  
C-2  
SCALE: 1/8" = 1'-0"

### BASEMENT LEVEL PLAN

REVISIONS	
NO.	DESCRIPTION

PROJECT TITLE  
**AS-BUILT TOWNHOUSES DEVELOPMENT**  
 UPPER TUNON, CUAM

DATE  
 11/11/2023  
 TOP EL: 119.23  
 INV. EL: 119.23

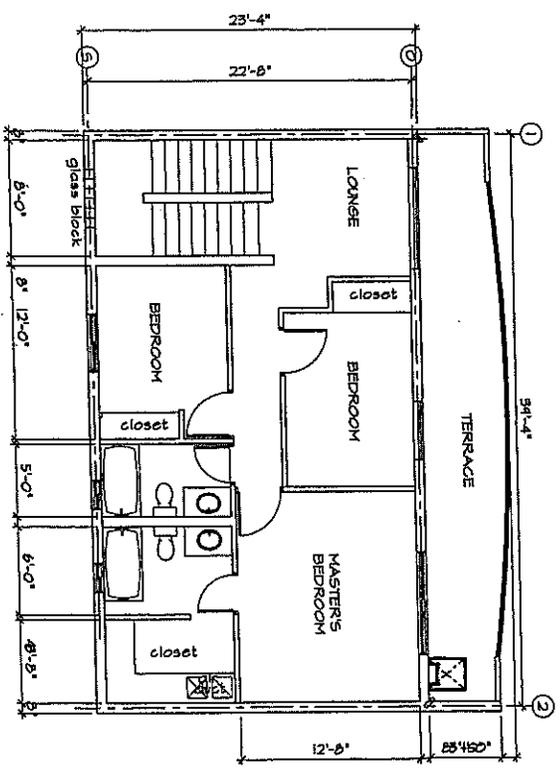
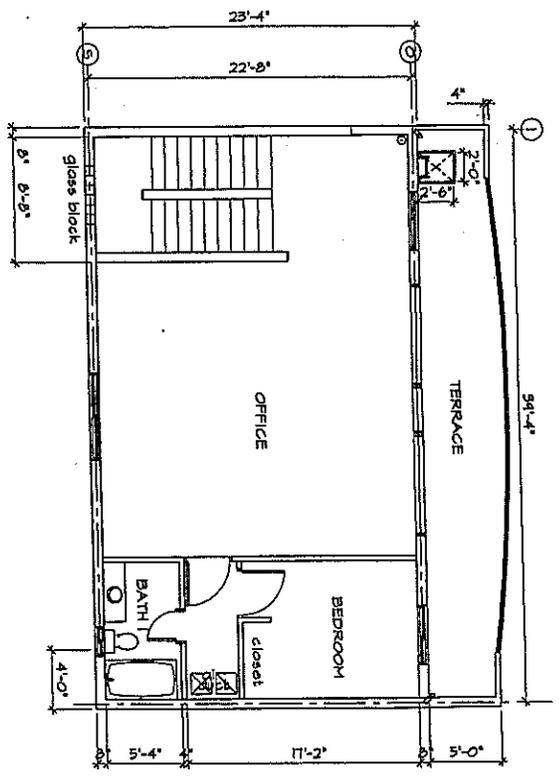
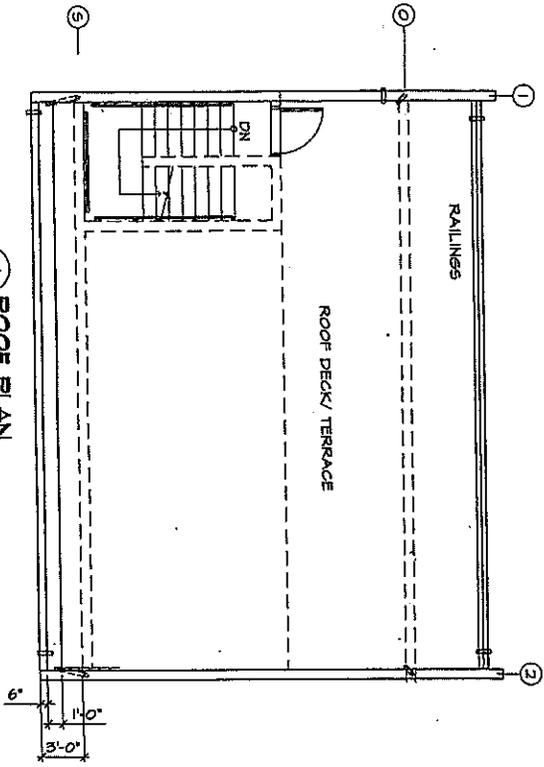
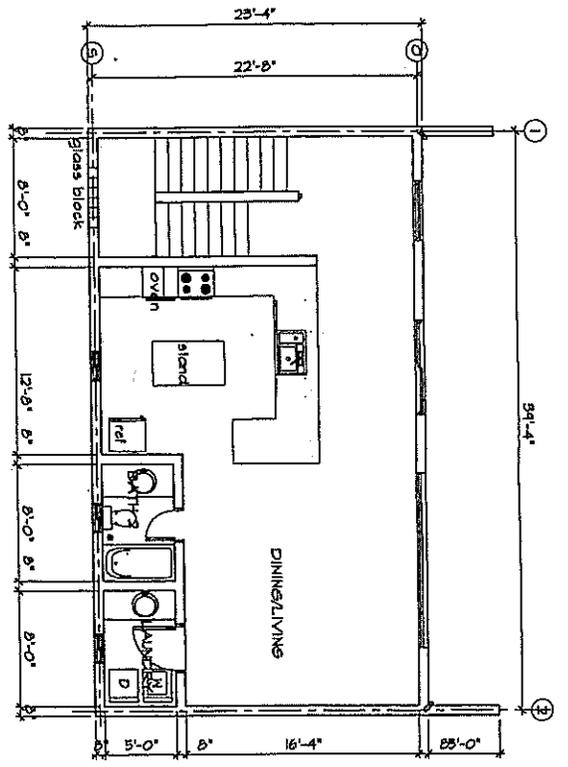
SCALE: 1/8" = 1'-0"

C-2

**C.T. CHEN & ASSOCIATES**  
 P.O. BOX 6163 TAMUNING, CUAM 86931  
 TEL: (871) 612-1196 FAX: (871) 612-3568  
 E-MAIL: cchen@ctc.net

**LUCKY DRAGON DEVELOPMENT CO., LTD.**







**RECEIVED**

JAN 07 2004

DEPT. OF REVENUE & TAX  
GOV. OF GUAM  
BLB 03

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(Space Above For Recorder's Use Only)

**ARTICLES OF INCORPORATION  
OF  
LUCKY DRAGON DEVELOPMENT CO.,  
LTD.**

**TO ALL THESE PRESENTS MAY COME, GREETINGS:**

KNOW YE, that we, the undersigned, desiring to become incorporated as a corporation under and in accordance with the law of the Territory of Guam, and to obtain the benefits conferred by said laws upon corporations, do hereby mutually agree upon and enter into the following Articles of Incorporation.

**ARTICLE I**

The name of the corporation shall be:

**LUCKY DRAGON DEVELOPMENT CO., LTD.**

**ARTICLE II**

The place of the principal office of the corporation shall be in the municipality named below, Territory of Guam, and there may be such subordinate or branch offices in such place or place within or without the said territory as may be deemed necessary or requisite by the board of directors to transact the business of the corporation: **Jay Ease Building, Situated on Lot # 2141-5, Tamuning, Guam.**

### ARTICLE III

The primary purposes for which the Corporation is organized and its powers in connection therewith are as follows: **Trade, Wholesale and Retail, Restaurant and Rental, Real estate development, Service, Management and Construction.**

To engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Guam.

To have and exercise all rights and powers now or hereafter granted to a corporation by law.

The purpose specified herein shall be construed both as purpose and powers and shall be in nowise limited or restricted by reference to, or inference from, the terms or any other clause in this or any other article, but the purposes and powers specified in each of the clause herein shall be regarded as independent purposes and powers, and the enumeration of specific purposes and powers shall not be construed to limit or restrict in any manner the meaning of general terms or of the general powers of the corporation; nor shall the expression of one thing be deemed to exclude another, although it be of like nature expressed.

### ARTICLE IV

The capital stock of the corporation shall be **Two Million Dollars (US\$2,000,000.00) divided into 2,000,000 shares of common stock of the par value of the dollar (\$1.00) each,** with all equal rights, powers and privileges.

The Board of Directors is authorized to determine the consideration and the terms and conditions on which shares may be issued, and what portion, if any, is to be paid-in surplus, and subject to the applicable provisions of these Articles and the provisions of law.

Shares of stock in this corporation shall not be transferred or sold except pursuant to the provisions of Article Five hereof, and shall be subject to such restrictions as may be provided in the bylaws of the corporation. The corporation shall have power from time to time to create an additional class or classes of stock with such preferences, voting powers, restrictions and qualifications thereof as shall be fixed in the resolution authorizing the issue thereof in accordance with law. In offering for sale the balance of the original authorization to increase the capital stock of the corporation of any class, except where such authorization be for the purpose of stock dividend, or for the purpose of furnishing shares provided for in conversion privileges of stock authorized, such balance of the original stock or such newly authorized stock shall be offered for subscription to the holders of record of all shares of stock outstanding (on such date as shall be determined by the board of directors) in proportion to the number of shares of stock held by them respectively, subject to such regulation and adjustment as the board of directors may from time to time determine with a view of avoiding the issuance of fractional shares. If the shares were offered for subscription to the stockholders as aforesaid, and at the

expiration of any subscription rights, any old or new shares authorized and un-issued shares may be issued and sold from time to time for such price and to such persons and on such terms as the board of directors may determine.

## ARTICLE V

No shareholder shall transfer, alienate or in any way dispose of any share of stock of the corporation unless such share shall first have been offered for sale to the corporation. The corporation reserves and shall have the exclusive right and option to purchase such shares at book value **within thirty (30) days** after such offer. After the expiration of such time, the shareholder, if the corporation shall not have exercised its option to purchase such share, shall be free to transfer, alienate, or otherwise dispose of such shares, without any restriction whatsoever. Failure of the corporation to purchase any share or shares and the sale or transfer thereof to any other person, shall not, as to any future sale or transfer of said share or shares from the restrictions herein contained. It is the intent that all restrictions herein contained and imposed upon the sale or transfer of shares shall apply to all shares whatsoever, or by whomsoever acquired, in the hands of all holders, or owners, whether original shareholders or subsequent purchasers or transferees and whether acquired through the voluntary or involuntary acts of a shareholder or by operation of law and whether or part of the first authorized issue or of any subsequent or increased issue. Provided, however, that the restrictions contained in this Article Five shall not apply to a gift or other transfer of shares from a shareholder to his spouse, parent, brother, sister, child or other immediate member of his family or to a transfer in trust for the benefit of any such kindred person.

## ARTICLE VI

- A. The officers of this corporation shall be a President, a Vice-President, a Secretary or Secretaries, officers as may be determined in accordance with the **By-Laws** from time to time. The officers shall have the powers to perform the duties and be appointed as may be determined in accordance with the **By-Laws**. Any person may hold two or more offices of said corporation, if so provided by the **By-Laws**.
- B. The Board of Directors shall consist of such number of persons, **not less than three (3) or more than seven (7)** as shall be determined in accordance with the **By-Laws** from time to time.

The officers of the corporation, except the President, need not be stockholders of the Corporation, but the directors and the President must be. The directors (and alternate directors or substitute directors, if any) shall be elected or appointed in the manner provided by the **By-Laws**, and all vacancies filled in the manner provided for in the **By-Laws**.

The persons who are the first directors of the corporation and their residences are as follows:

<u>Name</u>	<u>Residence</u>
LIN, Zongxiang	Suit 302, 68 <sup>th</sup> Alley, Xihe Avenue, Ningbo, Zhejiang China
CUI, Feilong	#129 Yaohang Avenue, Ningbo, Zhejiang, China
FAN, Yaogen	#148 Liuting Avenue, Ningbo, Zhejiang, China
FU, Defang	#35 Changchun Road, Ningbo, Zhejiang, China
LIN, Lei	#129 Yaohang Avenue, Ningbo, Zhejiang, China
WANG, Ruiyun	#134A Akaide steer, Leyang Barrigada, Guam 96913 P.O.Box 7467, Tamuning, Guam 96931
OU, Yangming	#220 E. Liguang Ave., Dededo, Guam 96929 P. O. Box 26824, GMF., Barrigada, Guam 96921

C. All the powers and authority of the corporation shall be vested in and may be exercised by the Board of Directors, except as otherwise provided by law, these articles of incorporation; or by the By-Laws of the corporation, and, in furtherance and or in limitation of said general powers, the board of directors shall have power by a vote of a majority of its member to: Acquire and dispose of property; appoint a general manager, branch managers, and such other managers, officers or agents of the corporation as in its judgment this business may require, and to confer upon and to delegate to them, by power of attorney or otherwise, such power and authority as it shall determine, fix the salaries or compensation of any or all of its offices, agents and employees, and at its discretion, require security of any of them for the faithful performance of any of their duties; declare dividends in accordance with law when it shall deem it expedient; make rules and regulations not inconsistent with law or these articles of incorporation or the By-Laws for the transaction of business; instruct the officers or agents of the corporation with respect to, and to authorize the voting of stock of other corporations owed or held by this corporation; incur such indebtedness as may be deemed necessary, which indebtedness may exceed the amount of the corporation's capital stock; create such committees (including, but not limited to, an executive committee or committees) as may be deemed necessary and to designate and to confer upon such committees such powers and authority as may by resolution be set forth for the purpose of carrying on or exercising any of the powers of the corporation; create and set aside reserve funds for any purpose, and to invest any funds of the corporation in such securities or other property as it may deem proper; remove or suspend any officer; and, generally of any and every lawful act necessary or proper to carry out and into effect the powers, purposes and objects of this corporation.

- D. A director of the corporation shall not, in the absence of fraud, be disqualified by his office from dealing or contracting with the corporation either as a vendor, purchaser or otherwise, nor, in the absence of fraud, shall any transaction or contract of the corporation be void or voidable or affected by reason of the fact that any director, or any Firm of which any director is a member, or any corporation of which any director is an officer, director or stockholder, is in any way interested in such transacting or contract; provided that at the meeting of the board of directors or of a committee thereof having authority in the premises, authorizing or confirming said contract or transaction, the existence of an interest of such director, firm or corporation is disclosed or is known and there shall be present a quorum of the board of directors constituting such committee, and such contract or transaction shall be approved by a majority of such quorum, which majority shall consist of directors not so interested or connected. A general notice spread upon the minutes of a meeting of the board or of any committee thereof that a director or stockholder or any corporation, and is to be regarded as interested in any subsequent transaction with such firm or corporation, shall be sufficient disclosure under the foregoing provision, and after with such firm or corporation. Or shall any director, nor any firm of which any director is member, nor any corporation of which any director is an officer, director or stockholder, be liable to account to the corporation for any profit realized from or through any such transaction or contract of the corporation authorized, confirmed such general notice it shall not be necessary to give any special notice relating to any particular transaction or approved as aforesaid by reason of the fact that such director or any firm of which he is a member or any corporation, was interested in such transaction or contract. Directors so interested may be counted when present at meeting of the board of directors or of such committee for the purpose of determining the existence of a quorum. Any contract, transaction or act of the corporation or of the board of directors of any committee thereof (whether or not authorized, confirmed or approved as hereinbefore provided) which shall be ratified by a majority in interest of the holders of the capital stock entitled to vote, at any annual meeting or any special meeting called for such purpose, shall be as valid and as binding as though ratified by every stockholder of the corporation. Any director of the corporation may be counted in determining the existence of a quorum at a meeting to consider any contract or transaction between the corporate and subsidiary, parent or other affiliated corporation of which he is also a director or officer and may vote upon any such contract or transaction, which shall not be invalid or otherwise affected by reason of his presence of his vote.
- E. The corporation shall not without the affirmative vote of **two thirds (2/3)** of the shares entitled to vote at a shareholder's meeting called for the purpose of authorizing such action, or the written consent with or without a meeting of the holders of all of the then issued and outstanding shares of stock.
- ◆ Amend, alter or repeal any of the provisions of this articles of incorporation;
  - ◆ Sell or otherwise dispose of any significant part of the corporation's assets;
  - ◆ Create, authorize, or issue, by stock dividend or otherwise, stock of any class or create, authorize or issue any class of stock or obligation convertible into or

evidencing the right to purchase any share of any class of stock or sell authorized but un-issued stock;

- ◆ Merge or consolidate with or into any other corporation;
- ◆ Dissolve or liquidate the corporation;
- ◆ Declare or withhold dividends; or
- ◆ Establish or alter salaries or other officer, director or employee compensation plans.
- ◆ Election of directors or the removal of it.

## ARTICLE VII

The corporation shall have succession by its corporation name for the term of **fifty (50)** years, and as thereafter extended in the manner provided by law, and shall have all powers herein enumerated or implied herefrom and the power now provided (or which may be hereafter provided) by law for incorporation companies.

## ARTICLE VIII

Service of legal process may be made upon the corporation in the manner provided by law.

## ARTICLE IX

No stockholder shall be liable for the debts of the corporation beyond the amount, which may be due or unpaid any share of stock of said corporation owned or subscribed by him.

## ARTICLE X

The name and residences of the incorporators, who are the persons subscribed to the capital stock of this corporation, the amount of stock subscribed, the amount subscribed by each, and the sub-paid by each of this subscription, are as follows:

<u>Name and Residence</u>	<u>Shares Subscribed</u>	<u>Amount paid</u>
Lin, Zongxiang Suit 302, 68 <sup>th</sup> Alley, Xihe Avenue, Ningbo City, China	47,500	\$47,500.00
CUI, Feilong No. 129 Yaohang Avenue, Ningbo City, China	32,500	\$32,500.00

FAN, Yaogen No. 148 Liuting Avenue, Ningbo City, China	100,000	\$100,000.00
FU, Defang No. 35 Changchun Road, Ningbo City, China	2,500	\$2,500.00
LIN, Lei No. 129 Yaohang Avenue, Ningbo City, China	2,500	\$2,500.00
WANG, Ruiyun #134A Akaide Steer, Leyang Barrigada, Guam 96913 P.O.Box 7467, Tamuning, Guam 96931	49,900	\$49,900.00
OU, Yangming #220 E. Liguan Ave., Dededo, Guam 96929 P. O. Box 26824, GMF., Barrigada, Guam 96921	100	\$100.00
(Shear holder only) Ningbo NingXing Real Estate Development Co., Ltd. No. 35 Changchun Road, Ningbo City, China	450,000	\$450,000.00
(Shear holder only) Kai Zhou Investment Co., Ltd. No. 129 Yaohang Avenue, Ningbo City, China	315,000	\$315,000.00

For a total of 1,000,000 shares subscribed and US\$1,000,000.00 in cash paid in.

IN WITNESS WHEREOF, the directors hereinbefore named have hereunto set their hands on the dates indicated.

Dated & Signed: LIN ZONG XIANG 1/5/04  
LIN, Zongxiang

Dated & Signed: CUI Feilong 1/5/04  
CUI, Feilong

Dated & Signed: Fan Yaogen 1/5/04  
FAN, Yaogen

Dated & Signed: FU Defang 1/5/04  
FU, Defang

Dated & Signed: LIN, Lei 1/5/04  
LIN, Lei

Dated & Signed: WANG RUI YUN 1/05/04  
WANG, Ruiyun

Dated & Signed: [Signature] 1/5/04  
OU, Yangming

TERRITORY OF GUAM)  
(SS:  
CITY OF TAMUNING )

On this 5th day of January 2004, before me, a notary public in and for the Territory of Guam personally appeared Mr. LIN, Zhongxiang, representative of the Ningbo Ningxing Real Estate Development Co., Ltd. known to me to be the person whose name is subscribed to the foregoing Articles of Incorporation and he acknowledged to me that he executed the same.

WITNESS my hand and official seal.



[Signature]  
NOTARY PUBLIC

MATHEW T. Y. SUNG  
NOTARY PUBLIC  
In and for Guam, U.S.A.  
My Commission Expires: May 14, 2007  
P.O. Box 8546 Tamuning, GU 96931

TERRITORY OF GUAM)  
(SS:  
CITY OF TAMUNING )

On this 5th day of January 2004, before me, a notary public in and for the Territory of Guam personally appeared Mr. CUI, Feilong, representative of Kai Zhou Investment Co., Ltd. known to me to be the person whose name is subscribed to the foregoing Articles of Incorporation and he acknowledged to me that he executed the same.

WITNESS my hand and official seal.



[Signature]  
NOTARY PUBLIC

MATHEW T. Y. SUNG  
NOTARY PUBLIC  
In and for Guam, U.S.A.

(SS:  
CITY OF TAMUNING )

On this 5<sup>th</sup> day of January 2004, before me, a notary public in and for the Territory of Guam personally appeared Mr. FAN, Yaogen, known to me to be the person whose name is subscribed to the foregoing Articles of Incorporation and he acknowledged to me that he executed the same.

WITNESS my hand and official seal.



NOTARY OF GUAM  
(SS:  
CITY OF TAMUNING )

*Matthew T. Y. Sung*  
NOTARY PUBLIC

MATHEW T. Y. SUNG  
NOTARY PUBLIC  
In and for Guam, U.S.A.  
My Commission Expires: May 14, 2007  
P.O. Box 8546 Tamuning, GU 96931

On this 5<sup>th</sup> day of January 2004, before me, a notary public in and for the Territory of Guam personally appeared Mr. FU, Defang, representative of the Ningbo Ningxing Real Estate Development Co., Ltd. known to me to be the person whose name is subscribed to the foregoing Articles of Incorporation and he acknowledged to me that he executed the same.

WITNESS my hand and official seal.



NOTARY OF GUAM  
(SS:  
CITY OF TAMUNING )

*Matthew T. Y. Sung*  
NOTARY PUBLIC

MATHEW T. Y. SUNG  
NOTARY PUBLIC  
In and for Guam, U.S.A.  
My Commission Expires: May 14, 2007  
P.O. Box 8546 Tamuning, GU 96931

On this 5<sup>th</sup> day of January 2004, before me, a notary public in and for the Territory of Guam personally appeared Mr. LIN, Lei, representative of Kai Zhou Investment Co., Ltd. known to me to be the person whose name is subscribed to the foregoing Articles of Incorporation and he acknowledged to me that he executed the same.

WITNESS my hand and official seal.



NOTARY OF GUAM  
(SS:  
CITY OF TAMUNING )

*Matthew T. Y. Sung*  
NOTARY PUBLIC

MATHEW T. Y. SUNG  
NOTARY PUBLIC  
In and for Guam, U.S.A.  
My Commission Expires: May 14, 2007  
P.O. Box 8546 Tamuning, GU 96931

TERRITORY OF GUAM)  
(SS:  
CITY OF TAMUNING )

On this 5th day of January 2004, before me, a notary public in and for the Territory of Guam personally appeared Ms. WANG, Ruiyun, known to me to be the person whose name is subscribed to the foregoing Articles of Incorporation and she acknowledged to me that she executed the same.

WITNESS my hand and official seal.



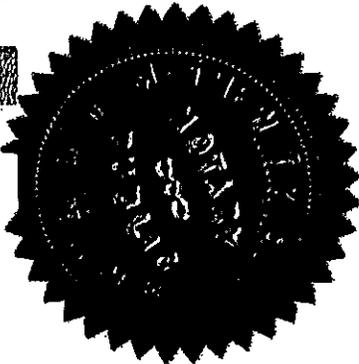
*Matheo T. Y. Sung*  
NOTARY PUBLIC

MATHEW T. Y. SUNG  
NOTARY PUBLIC  
In and for Guam, U.S.A.  
My Commission Expires: May 14, 2007  
P.O. Box 8546 Tamuning, GU 96931

TERRITORY OF GUAM)  
(SS:  
CITY OF TAMUNING )

On this 5th day of January 2004, before me, a notary public in and for the Territory of Guam personally appeared Mr. OU, Yangming, known to me to be the person whose name is subscribed to the foregoing Articles of Incorporation and he acknowledged to me that he executed the same.

WITNESS my hand and official seal.



*Matheo T. Y. Sung*  
NOTARY PUBLIC

MATHEW T. Y. SUNG  
NOTARY PUBLIC  
In and for Guam, U.S.A.  
My Commission Expires: May 14, 2007  
P.O. Box 8546 Tamuning, GU 96931

RECEIVED

JAN 07 2004

DEPT. OF REV. & TAX  
GOV'T OF GUAM  
BLDZ

TREASURER'S STATEMENT  
OF  
LUCKY DRAGON DEVELOPMENT CO., LTD.

TO ALL TO WHOM THESE PRESENTS MAY COME, GREETING:

KNOW YE that I, the undersigned, the duly elected and qualified Treasurer of LUCKY DRAGON DEVELOPMENT CO., LTD. do hereby certify as follows:

- (1) That I, the undersigned, was duly elected as acting Treasurer of Lucky Dragon Development Co., Ltd. at a meeting of the subscribers of said corporation.
- (2) That the total amount of authorized shares of the capital stock of said corporation is US\$2,000,000 divided into 2,000,000 shares of common stock having the par value of one dollar (\$1.00) each share, common, with equal rights, powers and privileges.
- (3) That at least more than twenty percent (20%) of the capital stock of said corporation has been subscribed and that at least more than twenty-five percent (25%) of said subscription, in cash, has been paid, or transferred to me for the benefit and to the credit of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of January 2004.

Yangming OU

TERRITORY OF GUAM)  
(SS:  
CITY OF TAMUNING )

On this 5th day of January 2004, before me, a notary public in and for the Territory of Guam, personally appeared Mr. OU, Yangming, known to me to be the person whose name is subscribed to the foregoing Statement of the Treasurer, and she acknowledged to me that he executed the same as his free and voluntary act.

WESS my hand and official seal.



NOTARY PUBLIC

MATHEW T. Y. SUNG  
NOTARY PUBLIC  
In and for Guam, U.S.A.

1 For Recorder's Use:

Department of Land Management Office of The Recorder

File for record is Instrument No.

690130

on the year 2004 Month 3

Day 25

Year 1054

Recording Fee

770

Receipt No.

7519

CERTIFIED TO BE A TRUE COPY  
MARY NGATA - 3/25/04 Acting

DEPARTMENT OF LAND MANAGEMENT  
DEPUTY CIVIL REGISTRAR

WARRANTY DEED

TO ALL TO WHOM THESE PRESENTS MAY COME, GREETINGS:

KNOW YE, that PAUL J. BORDALLO (herein called "Grantor"), a resident of Guam whose mailing address is Post Office Box 1306, Agana, Guam 96932, for and in consideration of the sum of Ten Dollars and No/100 (\$10.00), lawful money of the United States, and other good and valuable consideration paid by LUCKY DRAGON DEVELOPMENT CO., LTD., a Guam corporation (hereinafter called "Grantee"), whose mailing address is P.O. Box 7468, Tamuning, Guam 96931, the receipt and adequacy whereof is hereby acknowledged by Grantor, hereby gives, grants, bargains, sells and conveys unto the said Grantee, in fee simple, a parcel of unimproved land situated and located in the Municipality of Dededo, Guam, more particularly described as follows:

LOT NO. 5067-1-4, MUNICIPALITY OF DEDEDO, GUAM, ESTATE NO. 13581, SUBURBAN, as shown on Drawing No. PRB93-75A, L.M. Check No. 449-FY93, prepared by Prudencio R. Balagtas, R.L.S. No. 62, dated September 8, 1993, and recorded on November 26, 1993, at the Department of Land Management, Government of Guam, as Document No. 498850.

AREA: 5,270 ± square meters, more or less.

THIS PARCEL OF REAL PROPERTY IS REGISTERED LAND, THE LAST CERTIFICATE OF TITLE BEING NO. 76702, IN THE NAME OF PAUL J. BORDALLO.

TOGETHER with all and singular the buildings, improvements, ways, alleys, passages, water, water-courses, rights, liberties, privileges, hereditaments and appurtenances whatsoever thereunto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, and all the estate, right, title, interest, property, claim and demand whatsoever of the said

690130

1 Grantor, at law or in equity, in and to the same.

2 TO HAVE AND TO HOLD the same, together with all the hereditaments and appurtenances  
3 thereunto belonging and in anywise appertaining unto the said Grantee, its successors and assigns, forever.

4 AND THE GRANTOR DOES HEREBY, for himself and his successors and assigns, covenant with  
5 the said Grantee, and its successors and assigns, that Grantor is lawfully seized in fee of the granted premises  
6 and that said premises are free from all liens and encumbrances, except:

- 7 (a) Real estate taxes not yet due and payable after the date of sale;
- 8 (b) Any state of facts an accurate survey, inspection, study or test, may reveal;
- 9 (c) Any environmental substances, hazards, or other physical conditions, whether known or  
10 unknown, latent or patent;
- 11 (d) Covenants, restrictions and easements of record, if any;
- 12 (e) Zoning and statutes of the United States and Guam;
- 13 (f) Lack of vehicular access, roadways or rights of way, or lack thereof; and
- 14 (g) Lack of utilities or access to utilities, or lack thereof;

15 that Grantor has good right to sell the same as aforesaid; and that Grantor will and his successors and assigns  
16 shall warrant and defend the same to the said Grantee, its successors and assigns, forever, against the lawful  
17 claims and demands of all persons.

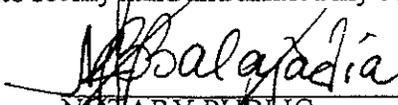
18 IN WITNESS WHEREOF, GRANTOR has executed these presents on the 24<sup>TH</sup> day of March, 2004.

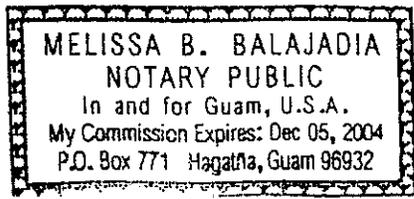
19  
20   
21 PAUL J. BORDALLO

22 Guam, )  
23 City of Hagåtña. ) ss:

24 On this 24<sup>TH</sup> day of March, 2004, before me, a Notary Public in and for Guam, personally appeared  
25 Paul J. Bordallo, the person whose name is signed on the preceding or attached document, and  
acknowledged to me that he signed it voluntarily for its stated purpose.

26 IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year  
27 first above written.

28   
NOTARY PUBLIC



1 **CONSENT OF SPOUSE**

2 I, ARLENE P. BORDALLO, wife of Paul J. Bordallo, the Grantor of the foregoing Warranty Deed.  
3 have read the foregoing instrument carefully and hereby consent to its execution and performance in all  
4 respects. I further acknowledge that I have no claim or interest in Lot No. 5067-1-4, Dededo, and to the  
5 extent that I do have an interest in said real property, I hereby consent to the execution of the foregoing  
6 Warranty Deed by my spouse, Paul J. Bordallo.

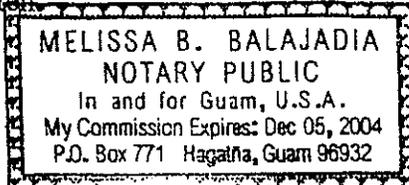
7 Dated this 24<sup>TH</sup> day of March, 2004.

8 *Arlene P. Bordallo*  
9 ARLENE P. BORDALLO

10 Guam, )  
11 City of Hagåtña. ) ss:

12 On this 24<sup>TH</sup> day of March, 2004, before me, a Notary Public in and for Guam, personally appeared  
13 Arlene P. Bordallo, the person whose name is signed on the preceding or attached document, and  
14 acknowledged to me that he signed it voluntarily for its stated purpose.

15 IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year  
16 first above written.



17 *M. Balajadia*  
18 NOTARY PUBLIC

19 **CERTIFICATE RE: WATER AND POWER**

20 The undersigned Grantee in the foregoing Warranty Deed hereby certifies that it is aware of the fact  
21 that power and water may not be available on the Property described in the foregoing instrument. Grantee  
22 further understands that under no circumstances will the Government of Guam be, in any way, responsible  
23 for paying for any required power or water hookups, power line extensions or waterline extensions.

24 GRANTEE:

25 LUCKY DRAGON DEVELOPMENT CO., LTD.

26 By: *Wang*  
27 Its Authorized Representative  
28 **CHANG SHENG WANG**



# Policy of Title Insurance

ISSUED BY



**The Talon Group**  
TITLE AND SETTLEMENT SERVICES

*A Division of First American Title Insurance Company*

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a California corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

*First American Title Insurance Company*

By: *Gary L. Kenneth*  
President

By: *Mark A. Aronson*  
Secretary

106605



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## SCHEDULE A

<b>POLICY NO.: 106605 G-22096</b>	<b>DATE: MARCH 25, 2004 at 10:54 a.m.</b>
<b>AMOUNT OF INSURANCE: \$760,000.00</b>	<b>PREMIUM: \$2,100.00</b>

1. Name of Insured:  
**LUCKY DRAGON DEVELOPMENT CO., LTD., a Guam corporation.**
  2. The estate or interest in the land which is covered by this policy is:  
**IN FEE SIMPLE ESTATE.**
  3. Title to the estate or interest in the land is vested in:  
**THE INSURED.**
- 

**ORIGINAL**

SCHEDULE B

106605

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This policy does not insure against loss or damage, nor against attorneys' fees or expenses, any or all of which arise by reason of the following:

Part I

All matters set forth in paragraphs numbered 1 (one) to 9 (nine) inclusive on the inside cover sheet of this policy under the heading of Schedule B Part I.

Part II

1. Current Real Property Taxes are not yet due and payable.
2. **The inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable business license laws.**
3. **Subject to any and all escaped assessment which are not listed on assessment roll at the Real Property Tax Division Office, Department of Revenue and Taxation.**

----- END OF SCHEDULE B -----

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**ORIGINAL**

CAT NO. NN00525

TO 1886 C (1-84) American Land Title Association Loan Policy - 1992 with ALTA Endorsement Form 1 Coverage or American Land Title Association Owner's Policy Form B-1992 or Guam Standard Coverage Policy - 1983

## SCHEDULE C

106605

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The land referred to herein is described as follows:

**LOT NUMBER 5067-1-4**, Tumon, **MUNICIPALITY OF TAMUNING**, (Formerly of DEDEDO), TERRITORY OF GUAM, ESTATE NUMBER 13581, SUBURBAN, as said Lot is marked and designated on DRAWING NUMBER PRB-93-75A, as L.M. CHECK NUMBER 449 FY 93, dated NOVEMBER 26, 1993 and recorded NOVEMBER 26, 1993 at the Records Division, Department of Land Management, Government of Guam, under Document Number 498850.

Registered Land, with the LAST REGISTERED OWNER being **PAUL BORDALLO**, and the OWNER OF RECORD being **LUCKY DRAGON DEVELOPMENT CO., LTD.**, a **Guam corporation**, and the CERTIFICATE OF TITLE REGISTRATION NUMBER being 76702.

----- END OF SCHEDULE C -----

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**ORIGINAL**

**Standard Form Of Agreement Between  
Owner and Contractor**

AGREEMENT made as this 9<sup>th</sup> day of May in the year of 2007

**BETWEEN the Owner/s:**  
(Name and address)

**Lucky Dragon Development Co., Ltd.**  
P. O. Box 7467  
Tamuning Guam 96931

**and the Contractor:**  
(Name and address)

**Legend Stone Corp., Ltd.**  
PO. Box 315508  
Tamuning, Guam 96931

**The Project is:**  
(Description and location)

**17 Units Townhouse, Upper Tumon**  
Lot No. 5067-1-4, Tumon, Municipality of Tamuning

**The Architect is:**  
(Name and address)

**C.T.Chien & Associates**  
P.O.Box 6193 Tamuning, Guam 96931

The Owner and Contractor agree as set forth below.

**ARTICLE 1**  
**THE CONTRACT DOCUMENTS**

The Contract Documents consist of this Agreement, the Conditions of the Contract (General, Supplementary and other Conditions) if any, and the documents identified in Article 10, if any. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representation or agreements, either written or oral. All enumeration of the Contract Documents appears in Article 10.

**ARTICLE 2**  
**THE WORK OF THIS CONTRACT**

The Contractor shall execute the entire Work described in the Contract Documents, except to the extent specifically indicated in the Contract Documents to be the responsibility of others, or as follows:

1. The Contractor will perform the work for all the concrete footing, concrete alone with the property line
2. The Contractor will perform the work for the Concrete roof partition wall and roof terrace finishing
3. The Contractor will perform the work for all the interior dry walls and its finishing
4. The Contractor will perform the work for all drop ceiling and its finishing
5. The Contractor will perform the work for all floor finishing work, such as marble, ceramic tile and solid wood floor
6. The Contractor will install all the carpentry work, such as walk-in closet and carbinet
7. The Contractor will install all doors and the windows
8. The Contractor will install all plumbing fixtures
9. The Contractor will install the all electrical fixtures
10. Utility service application shall be by the Owner

OWNER'S INITIALS         

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CONTRACTOR'S INITIALS         

EXHIBIT         

3

**ARTICLE 3**  
**DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION**

3.1 The date of commencement is the date from which the Contract Time of Paragraph 3.2 is measured, and shall be:

10 Days upon receipt of notice to proceed from the owner or the bank provided the Building Permit is issued.

Contractor shall notify the Owner orally or in writing not less than five days before commencing the Work to permit the timely filing of mortgages, mechanic's liens and other security interests.

3.1 The Contractor shall achieve Substantial Completion of the entire Work not later than 365 working days after work is commenced in accordance with Paragraph 3.1.

3.3 The time for completion will be extended in an amount equal to time lost due to delays beyond the control of Contractor. Such delays shall include, but not be restricted to, delays caused by Owner's non payment or late payment of amounts due under this Agreement, acts or neglect by Owner or by any separate contractor employed by Owner, fires, floods, labor disputes, epidemics, abnormal weather condition, war, or acts of God. The time for completion is subject to further adjustments as provided by this Agreement and the Contract Documents.

**ARTICLE 4**  
**CONTRACT SUM**

4.1 The Owner shall pay the Contractor in current funds, for the Contractor's performance of the Contract, the Contract sum of Two Million Four Hundred Fifty Thousand Dollars (\$2,450,000.00) subject to additions and deductions as provided in the Contract Document

4.2 Unit prices structure work , if any, are as follows:

1/ Parcel structural work of Retaining Wall along the Property Line:

- A. 152.49 M (S 72°59'00W)
- B. 208.33 M (N13°28'59E)
- C. 150.72M (N21°16'08W)

Contractor shall submit increment schedule with a breakdown of each item of work, approved increment schedule will become the basis of payment.

**ARTICLE 5**  
**PROGRESS PAYMENTS**

5.1 Progress payments will be made on the following schedule. If no schedule is inserted under this Subparagraph 5.1, progress payments will be made in accordance with Paragraphs 5.2 to 5.7.4.

*(Insert schedule of progress payments, if any.)*

5.2 Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to be provided below and elsewhere in the Contract Documents.

OWNER'S INITIALS uep

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CONTRACTOR'S INITIALS sgj

5.3 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month or as follows:

This progress payment will be based upon the approved schedule of increment that will be submitted by the Contractor.

5.4 Provided an Application for Payment is received by Owner or the Architect not later than the 5th day of the month, the Owner shall make payment to the Contractor not later than 15th the day of the month. If an Application for Payment is received by the Owner or Architect after the application date fixed above, payment shall be made by the Owner not later than 10th days after the Owner or the Architect receives the Application for Payment.

5.5 Each application for Payment shall be based upon the schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work and be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment,

5.6 Applications for Payment shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment

5.7 Subject to the provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

5.7.1 Each progress payment amount shall less ten percent(10%) retention

5.7.2 The ten percent (10%) retention shall be paid to the contractor no late than 30 days after the contractor complete the work.

5.7.3 Subtract aggregate of previous payments made by the Owner; and

5.7.4 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment,

5.8 The progress payment amount determined in accordance with Paragraph 5, 7 and its subparts shall be further modified under the following circumstances;

Add, upon Substantial Completion of the Work, a sum sufficient to increase the total payments to \_\_\_\_\_ Percent (\_\_\_\_%) of the Contract Sum, less such amounts as the Architect shall determine for the incomplete Work and unsettled claims.

5.9 Reduction or limitation of retain, if any, shall be as follows:

*(If it is intended, prior to, Substantial Completion of the entire Work to reduce or limit the retain resulting from the percentages inserted in Subparagraphs 5.7.1 and 5.7.2 above, and this is not explained elsewhere in the Contract Documents, insert here provisions for such reduction or limitation.)*

#### ARTICLE 6 FINAL PAYMENT

Final payment, constituting the entire unpaid balance of the Contract Sun, shall be made by the Owner to the Contractor when (1) the Contract has been fully performed by the Contractor except for the Contractor's responsibility to correct noncollforming work identified by Owner and Architect in writing, if any; or (2) a final Certificate for Payment has been issued by the Architect; such final payment shall be made by the Owner not more than 30 days after the issuance of the Architect's final Certificate for Payment.

OWNER'S INITIALS uep

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CONTRACTOR'S INITIALS [Signature]

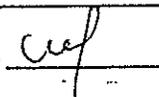
ARTICLE 7  
WORK CHANGES

- 7.1 Owner reserves the right to order work changes in the nature of additions, deletions, or modifications, without invalidating the agreement, and agrees to make corresponding adjustments in the contract price and time for completion.
- 7.2 All changes will be authorized by a written change order signed by Owner or Owner's agent. Any adjustments in the contract price resulting in a credit or charge to Owner shall be determined by mutual agreement of the parties before Contractor is required to start the work involved in the change.
- 7.3 the new time for completion as affected by the work Change shall be conclusively determined by Contractor.
- 7.4 Nothing in this Section shall be deemed as an waiver by Contractor of its right to compensation for any extra work performed in tile event the same is not provided for in writing.

ARTICLE 8  
MISCELLANEOUS PROVISIONS

- 8.1 Where reference is made in this Agreement to another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.
- 8.2 Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below; or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.
- Unpaid sum shall bear 8 percent interest per annum, payable monthly.
- 8.3 All times stated in this Agreement or in the Contract Documents are of the essence. The times stated in this Agreement or in the Contract Documents may be extended in accordance with the terms of this Agreement.
- 8.4 It is agreed that this agreement shall be governed by, construed, and enforced in accordance with the laws of the Territory of Guam.
- 8.5 In the event that any action is filed in relation to this agreement, the unsuccessful party in the action shall pay to the successful party, in addition to all the sums that either party may be called to pay, a reasonable sum for the successful party's attorney' fees.
- 8.6 Any modification of this Agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.
- 8.7 Any notice provided for or concerning this Agreement shall be in writing and be deemed sufficiently given when sent by certified or registered mail if sent to the respective address of each party as set forth at the beginning of this Agreement.
- 8.8 The rights of each party under this Agreement are personal to that party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other party.
- 8.9 Unless otherwise provided, Owner will purchase and maintain property insurance upon the project to the full insurable value of the project. this insurance shall include the interests of Owner, Contractor, and subcontractors in the work and shall insure against the perils of fire, earthquake, typhoon, vandalism, malicious mischief and other perils ordinarily included in extended coverage.

OWNER'S INITIALS



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CONTRACTOR'S INITIALS



**ARTICLE 9  
TERMINATION OR SUSPENSION**

Contractor may, on 30 days written notice to Owner, terminate this Agreement before the completion date specified in this Agreement when for a period of 30 days after a progress payment is due, through no fault of Contractor, Owner fails to make the payment. On such termination. Contractor may recover from Owner payment for all work completed and for any loss sustained by Contractor for materials, equipment, tools, or machinery to the extent of actual loss thereon plus loss of a reasonable profit. In the alternative, Contractor may suspend work until payment is made.

**ARTICLE 10  
ENUMERATION OF CONTRACT DOCUMENTS**

10.1 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated as follows:

Document	Title	Pages
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10.2 The Drawings are as follows, and are dated unless a different date is shown below:

Number	Title	Pages
--------	-------	-------

10.3 The addenda, if any, are as follows:

Number	Date	Pages
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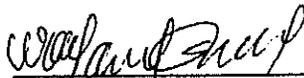
Portions of addenda relating to bidding requirements are not part of the Contract Documents unless the bidding requirements are also enumerated in this Article 10.

10.4 Other documents, if any forming part of the Contract Documents are as follows:

*(List here any additional documents, which are intended to form part of the Contract Documents.)*

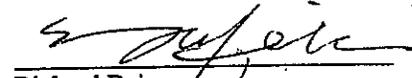
This Agreement is entered into as of the day and year first written above and is executed in at least three original copies of which one is to be delivered to the Contractor, one to the Architect for use in the administration of the Contract, and the remainder to the Owner.

**OWNER**  
Lucky Dragon Development

  
\_\_\_\_\_  
Chang Sheng Wang  
Representative

5/9/07  
DATE

**CONTRACTOR:**  
Legend stone Corp., Ltd.

  
\_\_\_\_\_  
Richard Bai  
President

5/9/07  
DATE

OWNER'S INITIALS CSW

CONTRACTOR'S INITIALS RJB

# Standard Form Of Agreement Between Owner and Contractor

AGREEMENT made as this 24th day of April in the year of 2006

BETWEEN the Owner/s:  
(Name and address)

Lucky Dragon Development Co., Ltd.  
P. O. Box 7467  
Tamuning Guam 96931

and the Contractor:  
(Name and address)

Legend Stone Corp., Ltd.  
PO. Box 315508  
Tamuning, Guam 96931

The Project is:  
(Description and location)

17 Units Townhouse, Upper Tumon  
Lot No. 5067-1-4, Tumon, Municipality of Tamuning

The Architect is:  
(Name and address)

C.T.Chien & Associates  
P.O.Box 6193 Tamunin, Guam 96931

The Owner and Contractor agree as set forth below.

## ARTICLE 1 THE CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, the Conditions of the Contract (General, Supplementary and other Conditions) if any, and the documents identified in Article 10, if any. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representation or agreements, either written or oral. All enumeration of the Contract Documents appears in Article 10.

## ARTICLE 2 THE WORK OF THIS CONTRACT

The Contractor shall execute the entire Work described in the Contract Documents, except to the extent specifically indicated in the Contract Documents to be the responsibility of others, or as follows:

1. the Contractor will perform the structure work for the Retaining wall, Footing, Beam and Slab up to the 1<sup>st</sup> floor slab
2. Utility service application shall be by the Owner.

## ARTICLE 3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

- 3.1 The date of commencement is the date from which the Contract Time of Paragraph 3.2 is measured, and

OWNER'S INITIALS       

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CONTRACTOR'S INITIALS

shall be:

10 Days upon receipt of notice to proceed from the owner or the bank provided the Building Permit is issued.

Contractor shall notify the Owner orally or in writing not less than five days before commencing the Work to permit the timely filing of mortgages, mechanic's liens and other security interests.

3.1 The Contractor shall achieve Substantial Completion of the entire Work not later than

365 working days after work is commenced in accordance with Paragraph 3.1.

3.3 The time for completion will be extended in an amount equal to time lost due to delays beyond the control of Contractor. Such delays shall include, but not be restricted to, delays caused by Owner's non payment or late payment of amounts due under this Agreement, acts or neglect by Owner or by any separate contractor employed by Owner, fires, floods, labor disputes, epidemics, abnormal weather condition, war, or acts of God. The time for completion is subject to further adjustments as provided by this Agreement and the Contract Documents.

#### ARTICLE 4 CONTRACT SUM

4.1 The Owner shall pay the Contractor in current funds, for the Contractor's performance of the Contract, the Contract sum of Two Million Eight Hundred Eighty Thousand Dollars (\$2,880,000.00) subject to additions and deductions as provided in the Contract Document

4.2 Unit prices structure work, if any, are as follows:

1/ Parcel structural work of Retaining Wall along the Property Line:

A. 152.49 M (S 72'59"00W)

B. 208.33 M (N13'26"59E)

C. 150.72M (N21'16"08W)

2/ Structural work for basement structure

3/ Structural work for 1<sup>st</sup>, 2<sup>nd</sup> and 3rd floor

4/ Structure work - footing, column, beam and slab up to 1<sup>st</sup> floor slab is based on following unit price:

- A. Labor cost for form work: \$2.1/per sf \*Quantity shall be calculated by exactly area of concrete surface
- B. Labor cost for Concrete \$22/per cy
- C. Labor cost for Rebar work \$460/per ton

Contractor shall submit increment schedule with a breakdown of each item of work, approved increment schedule will become the basis of payment.

#### ARTICLE 5 PROGRESS PAYMENTS

5.1 Progress payments will be made on the following schedule. If no schedule is inserted under this Subparagraph 5.1, progress payments will be made in accordance with Paragraphs 5.2 to 5.7.4.

*(Insert schedule of progress payments, if any.)*

5.2 Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to be provided below and elsewhere in the Contract Documents.

OWNER'S INITIALS                     

Page 2 of 5

CONTRACTOR'S INITIALS

5.3 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month or as follows:

This progress payment will be based upon the approved schedule of increment that will be submitted by the Contractor.

5.4 Provided an Application for Payment is received by Owner or the Architect not later than the 5th day of the month, the Owner shall make payment to the Contractor not later than 15th the day of the month. If an Application for Payment is received by the Owner or Architect after the application date fixed above, payment shall be made by the Owner not later than 10th days after the Owner or the Architect receives the Application for Payment.

5.5 Each application for Payment shall be based upon the schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work and be prepared in such form and supported by such data to substantiate its accuracy as the Architect may require. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment.

5.6 Applications for Payment shall indicate the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment

5.7 Subject to the provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

5.7.1 Each progress payment amount shall less ten percent(10%) retention

5.7.2 The ten percent (10%) retention shall be paid to the contractor no later than 30 days after the contractor complete the work.

5.7.3 Subtract aggregate of previous payments made by the Owner; and

5.7.4 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment,

5.8 The progress payment amount determined in accordance with Paragraph 5, 7 and its subparts shall be further modified under the following circumstances;

Add, upon Substantial Completion of the Work, a sum sufficient to increase the total payments to \_\_\_\_\_ Percent (\_\_\_\_%) of the Contract Sum, less such amounts as the Architect shall determine for the incomplete Work and unsettled claims.

5.9 Reduction or limitation of retain, if any, shall be as follows:

*(If it is intended, prior to, Substantial Completion of the entire Work to reduce or limit the retain resulting from the percentages inserted in Subparagraphs 5.7.1 and 5.7.2 above, and this is not explained elsewhere in the Contract Documents, insert here provisions for such reduction or limitation.)*

#### ARTICLE 6 FINAL PAYMENT

Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when (1) the Contract has been fully performed by the Contractor except for the Contractor's responsibility to correct nonconforming work identified by Owner and Architect in writing, if any; or (2) a final Certificate for Payment has been issued by the Architect; such final payment shall be made by the Owner not more than 30 days after the issuance of the Architect's final Certificate for Payment.

OWNER'S INITIALS                     

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CONTRACTOR'S INITIALS

ARTICLE 1  
WORK CHANGES

- 7.1 Owner reserves the right to order work changes in the nature of additions, deletions, or modifications, without invalidating the agreement, and agrees to make corresponding adjustments in the contract price and time for completion.
- 7.2 All changes will be authorized by a written change order signed by Owner or Owner's agent. Any adjustments in the contract price resulting in a credit or charge to Owner shall be determined by mutual agreement of the parties before Contractor is required to start the work involved in the change.
- 7.3 the new time for completion as affected by the work Change shall be conclusively determined by Contractor.
- 7.4 Nothing in this Section shall be deemed as an waiver by Contractor of its right to compensation for any extra work performed in tile event the same is not provided for in writing.

ARTICLE 8  
MISCELLANEOUS PROVISIONS

- 8.1 Where reference is made in this Agreement to another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.
- 8.2 Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below; or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.
- Unpaid sum shall bear 8 percent interest per annum, payable monthly.
- 8.3 All times stated in this Agreement or in the Contract Documents are of the essence. The times stated in this Agreement or in the Contract Documents may be extended in accordance with the terms of this Agreement.
- 8.4 It is agreed that this agreement shall be governed by, construed, and enforced in accordance with the laws of the Territory of Guam.
- 8.5 In the event that any action is filed in relation to this agreement, the unsuccessful party in the action shall pay to the successful party, in addition to all the sums that either party may be called to pay, a reasonable sum for the successful party's attorney' fees.
- 8.6 Any modification of this Agreement or additional obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.
- 8.7 Any notice provided for or concerning this Agreement shall be in writing and be deemed sufficiently given when sent by certified or registered mail if sent to the respective address of each party as set forth at the beginning of this Agreement.
- 8.8 The rights of each party under this Agreement are personal to that party and may not be assigned or transferred to any other person, firm, corporation, or other entity without the prior, express, and written consent of the other party.
- 8.9 Unless otherwise provided, Owner will purchase and maintain property insurance upon the project to the full insurable value of the project. this insurance shall include the interests of Owner, Contractor, and subcontractors in the work and shall insure against the perils of fire, earthquake, typhoon, vandalism, malicious mischief and other perils ordinarily included in extended coverage.

OWNER'S INITIALS wpf

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CONTRACTOR'S INITIALS sg

**ARTICLE 9**  
**TERMINATION OR SUSPENSION**

Contractor may, on \_\_\_\_\_ days written notice to Owner, terminate this Agreement before the completion date specified in this Agreement when for a period of \_\_\_\_\_ days after a progress payment is due, through no fault of Contractor, Owner fails to make the payment. On such termination, Contractor may recover from Owner payment for all work completed and for any loss sustained by Contractor for materials, equipment, tools, or machinery to the extent of actual loss thereon plus loss of a reasonable profit. In the alternative, Contractor may suspend work until payment is made.

**ARTICLE 10**  
**ENUMERATION OF CONTRACT DOCUMENTS**

10.1 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated as follows:

Document	Title	Pages
----------	-------	-------

10.2 The Drawings are as follows, and are dated unless a different date is shown below:

Number	Title	Pages
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10.3 The addenda, if any, are as follows:

Number	Date	Pages
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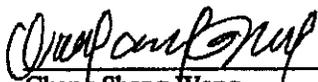
Portions of addenda relating to bidding requirements are not part of the Contract Documents unless the bidding requirements are also enumerated in this Article 10.

10.4 Other documents, if any forming part of the Contract Documents are as follows:

*(List here any additional documents, which are intended to form part of the Contract Documents.)*

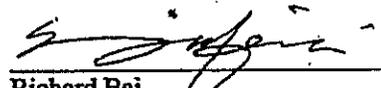
This Agreement is entered into as of the day and year first written above and is executed in at least three original copies of which one is to be delivered to the Contractor, one to the Architect for use in the administration of the Contract, and the remainder to the Owner.

**OWNER**  
Lucky Dragon Development

  
\_\_\_\_\_  
Chang Sheng Wang  
Representative

4/24/06  
DATE

**CONTRACTOR:**  
Legend Stone Corp., Ltd.

  
\_\_\_\_\_  
Richard Bai  
President

4/24/06  
DATE

OWNER'S INITIALS CSW

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## SCHEDULE B

Commitment Number: 728684

Schedule B of the policy or policies to be issued will contain the following exceptions unless the same are disposed of to the satisfaction of the Company.

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.

### Standard Exceptions:

2. Rights or claims of parties in possession not shown by the public records.
3. Easements, or claims of easement, not shown by the public records.
4. Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey or inspection of the premises.
5. Any lien, or right to a lien, for services, labor, or material hereto or hereafter furnished, imposed by law and not shown by the public records.
6. Taxes or special assessments which are not shown as existing liens by the public records.
7. The liability of the Company by reason of any challenge, or claim against, or invalidity of the title herein insured, arising out of, relating to, or as a consequence of any alleged, attempted, or actual violation of any of the provisions of Section 1204 Title 21 of the Guam Code Annotated ("Alien Ownership"), or any of the provisions of 48 U.S.C.A Sections 1501-1506 ("Alien Ownership of Land"), together with the duty of the Company to defend the Insured by reason of such a challenge or claim, are specifically excepted from the coverage of this policy.

### Special Exceptions:

8. Any and all real property taxes and or assessments
9. Grant of Right-of-Way for the Erection and Maintenance of Power Lines, Poles, Wires, Cables & Underground Conduits, granted to Guam Power Authority, for a 10' x 90'± foot strip of land extending partially across Lot No. 5067-1-4, dated 21 April 2006 and recorded on 09 June 2006 under Instrument No. 737886 at Land Management.
10. Notice of Lis Pendens, under Civil Case No. CV1091-06, styled Seon Jin Construction Inc., Plaintiff, vs. Lucky Dragon Development Company, Ltd., Defendant, in the amount of \$48,741.58 plus interest and costs, dated 01 September 2006 and recorded on 05 September 2006 under Instrument No. 742104 at Land Management.
11. Memo of Understanding made by Lucky Dragon Development Co., Ltd., dated 26 June 2007 and recorded on 26 June 2007 under Instrument No. 757406 at Land Management.

## SCHEDULE B

12. Real Property Mortgage with Power of Sale, Security Agreement, Financing Statement and Assignment of Rentals dated 31 July 2007 and recorded on 31 July 2007 under Instrument No. 759185 at Land Management, executed by Lucky Dragon Development Co., Ltd., Mortgagor, to First Hawaiian Bank, Mortgagee, which states that it secures a debt in the principal sum of \$5,000,000.00. The terms of this mortgage and the present amount owed should be verified with the owner of the debt.
13. Assignment of Rental Income, made by Lucky Dragon Development Co., Ltd., Assignor, to First Hawaiian Bank, Assignee, dated 31 July 2007 and recorded on 31 July 2007 under Instrument No. 759186 at Land Management.
14. PRELIMINARY HORIZONTAL PROPERTY REGIME, made by Guam Land Use Commission, dated 26 July 2007 and recorded on 04 October 2007 under Instrument No. 762434 at Land Management.
15. Furnish for examination certified copies of the articles and certificate of incorporation of Lucky Dragon Development Co., Ltd.

Furnish evidence that Lucky Dragon Development Co., Ltd. is now in good standing with the Government of Guam, or the country of its incorporation.

Furnish a certified copy of the resolution adopted by the Board of Directors of Lucky Dragon Development Co., Ltd. authorizing the execution of the proposed transaction.

16. The actual amount of the interest to be insured must be disclosed to the company and, subject to approval of the Company, entered as the amount of the policy to be issued. It is agreed that as between the Company and the applicant for this preliminary title report, the amount of the requested policy will be assumed to be \$1,000 and the total liability of the company on account of the preliminary title report shall not exceed that amount.

\*\*\*\* END \*\*\*\*

Commitment Number: 728684

## SCHEDULE B

Commitment Number: **728684**

Schedule B of the policy or policies to be issued will contain the following exceptions unless the same are disposed of to the satisfaction of the Company.

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.

### Standard Exceptions:

2. Rights or claims of parties in possession not shown by the public records.
3. Easements, or claims of easement, not shown by the public records.
4. Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey or inspection of the premises.
5. Any lien, or right to a lien, for services, labor, or material hereto or hereafter furnished, imposed by law and not shown by the public records.
6. Taxes or special assessments which are not shown as existing liens by the public records.
7. The liability of the Company by reason of any challenge, or claim against, or invalidity of the title herein insured, arising out of, relating to, or as a consequence of any alleged, attempted, or actual violation of any of the provisions of Section 1204 Title 21 of the Guam Code Annotated ("Alien Ownership"), or any of the provisions of 48 U.S.C.A Sections 1501-1506 ("Alien Ownership of Land"), together with the duty of the Company to defend the Insured by reason of such a challenge or claim, are specifically excepted from the coverage of this policy.

### Special Exceptions:

8. Any and all real property taxes and or assessments
9. Grant of Right-of-Way for the Erection and Maintenance of Power Lines, Poles, Wires, Cables & Underground Conduits, granted to Guam Power Authority, for a 10' x 90'± foot strip of land extending partially across Lot No. 5067-1-4, dated 21 April 2006 and recorded on 09 June 2006 under Instrument No. 737886 at Land Management.
10. Notice of Lis Pendens, under Civil Case No. CV1091-06, styled Seon Jin Construction Inc., Plaintiff, vs. Lucky Dragon Development Company, Ltd., Defendant, in the amount of \$48,741.58 plus interest and costs, dated 01 September 2006 and recorded on 05 September 2006 under Instrument No. 742104 at Land Management.
11. Memo of Understanding made by Lucky Dragon Development Co., Ltd., dated 26 June 2007 and recorded on 26 June 2007 under Instrument No. 757406 at Land Management.

Generator

## CONTRACT AGREEMENT

This AGREEMENT made as of the 11<sup>th</sup> day of November 2006 by the between Lucky Dragon Development Co. Ltd. (P. O. Box 7467, Tamuning Guam 96931; Tel: 649-6886. Fax: 649-1968) herein after called the Owner and Morrico Equipment LLC. (197 Ypao Road, Tamuning, Guam 96913; Tel: 649-1946, Fax: 649-1947) herein after called the Contractor, that the Owner and the Contractor in consideration of hereinafter agree as follows:

### ARTICLE 1. SCOPE OF WORKS:

The Contractor shall provide and fully install the new Kohler Power Generation System. (Model: 350REOVZ, Rated: 350KW /438KVA Standby, 120/208 Volt, Three Phase, 1215 Amps) with Kohler (ATS) Automatic Transfer Switch (1200 Amps Rated, 3 Pole, 3 Phase, 208 Volt, NEMA 3 Enclosure with in-phase monitor & exerciser) and Operational checkout with EPA Operation Permit application & register filing work with EPA Emissions for the 17 units Townhouse Condominium. As annexed here to as it pertains to work to perform on property at Lot 5067-1-4, Upper Tumon, Guam. The features of generation system and detail of the civil/ electrical installation work shown on the attached November 08, 2006 Generator Proposal / Specifications.

### ARTICLE 2. TIME OF COMPLETION:

The project will complete within **One Hundred Twenty (160)** calendar days and the project will be commenced on **November 13, 2006** and shall completed on or before **April 22, 2007**.

In the event that the Order materials has been delivered on Guam within **Ten (10)** calendar days the Contractor shall fail to complete the scope of work to influence the project. the Contractor warrants to the Owner the completion date by hereby promising to pay the Owner **\$50.00** for each calendar day after the Completion Date the work has not been complete, and the Contractor shall responsible all other liquidated damages assessed to the Owner.

### ARTICLE 3. THE CONTRACT PRICE:

The Owner agrees to pay the Contractor for materials (included Genset, ATS & civil / electrical installation work), equipment, and labor and EPA operating permit application & filing charges for the project to be performed under the contract the sum of **SEVENTY SIX THOUSAND DOLLARS ONLY (U.S \$76,000.00)**. Subject to any additions and alteration in pursuant to Authorized Change Order.

# CONTRACT AGREEMENT

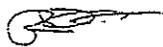
## ARTICLE 4. PROGRESS PAYMENTS:

Payments of the contract price shall made in the following manner:

1 <sup>st</sup> . Increment: Deposit upon Confirmation of Agreement	-----	\$20,000.00	11/12/06 CK41470
2 <sup>nd</sup> . Increment: Upon Order materials (Genset & ATS) delivered on jobsite	---	\$30,000.00	5/17/07 CK41622
3 <sup>rd</sup> . Increment: Completed of civil / electrical installation work	-----	\$25,000.00	7/6/07 CK1674
Final payment: Issued of EPA operation permit & filing	-----	\$1,000.00	
<b>Total Payment is:</b>	-----	<b>\$76,000.00</b>	

## ARTICLE 5. GENERAL PROVISION:

1. All work (Genset & ATS & electrical /civil etc. materials & labor) shall complete in good workmanship like manner and in compliance with all building codes and other applicable laws. Also complete with 2007 newest EPA standard.
2. To the extent required by law individuals duly licensed and authorized by law to perform the said work shall perform all work.
3. All Change Orders shall be in writing and signed by both Owner and Contractor.
4. The Owner will provide the temporary power and water and toilet for the construction work on the job site.
5. Contractor shall furnish Owner the evidence of order the materials within 5 days of received the deposit from the Owner, also appropriate releases on waivers of lien for all work performed on labor and the material provided at the time the next payment shall be due.
6. Contractor warrants it is adequately insured for injury to its employees and other incurring loss, or injury because of the act of Contractor or its employees of Owner.
7. The Contractor will be responsible for all the government agency inspection for the work of before the ATS (included the ATS work). The electrical work of after connect to the ATS shall be provide by Owner.
8. The Contractor shall its own expense obtain all necessary EPA permits and clearance for the work to be performed.
9. Contractor shall remove clean the unused and discarded materials and trash of work, and leave the work site in clean condition when work is finished.
10. Any modification of this agreement or addition obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative pf each party.
11. In the even that either Owner or Contractor should bring suit against the other for the recovery of any sum due hereunder, or because of the breach of any covenant in this agreement, or for ay other relief, the prevailing party shall be entitle to receive from the other its reasonable attorneys' fee incurred and cost of suit, whether or not such action is prosecuted to judgment.

  
3/16/07

# CONTRACT AGREEMENT

12. Contractor warrants workmanship for a period of 12 months following the completion,

Singed under seal this 12 day of November, 2006  
Singed in presence of:

Owner: Lucky Dragon Development Co. Ltd.

By:  Date: 11/12/06  
For Wang Changsheng (General Manger) Yangning OU

Contractor: Morrigo Equipment

By:  Date: Nov 12/06  
Ross Morrison (Director)

**MORRICO**  
EQUIPMENT

Sales, Rental, Parts and Service

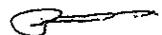
**ROSS MORRISON**  
DIRECTOR

TEL: (671) 649-1946  
FAX: (671) 649-1947  
CELL: (671) 688-7440  
ross@morrigoequipment.com

197 YPAO ROAD  
TAMUNING, GUAM 96913  
<http://www.morrigoequipment.com>

**KOHLER**  
POWER  
SYSTEMS

**Kubota**  
Generators





**EQUIPMENT**

Sales, Rental, Parts and Service

www.morricequipment.com

OFFICE: PHONE 1-671-649-1946  
 FAX 1-671-649-1947

SPARE: PHONE 1-671-646-7914  
 PARTS: FAX 1-671-646-7900

EMAIL: morrico@morricequipment.com



TO: Mr. Ming, Project Manager  
Lucky Dragon Development Co., Ltd.

Fax: 671-649-1968  
FROM: MARK CRUZ

DATE: April 26, 2007  
PAGES: 2

**RE: GENERATOR PROPOSAL/SPECIFICATION 350KW 3PH., 120/208 1215 amps  
"KOHLER POWER SYSTEMS" 350KW 3ph. STANDBY GENERATION PLANT**

Dear Sir,

We are providing the change order confirmation because of building changes from original site inspection for your review and approval.

**CIVIL / ELECTRICAL Installation:**

1. Receive, unload & set generator on existing generator pad
2. Install main conductor wiring\* from existing ATS to existing Genset and make connections for 1200A rating.
3. Fabricate and install radiator fan shroud from genset to existing wall. 3' Horizontal Exhaust Outlet.
4. Fabricate and install genset exhaust piping and customer provided muffler.
5. Install battery charger, conduit and wiring.
6. Install block heater and strip heater circuits, conduit, wiring and connections.
7. Operational checkout and EPA Operating permit application & filing.

**Electrical Install cost: \$ 16,900.00**

- If customer supplies the wiring, price will be discounted to \$5,950.00

**CIVIL / ELECTRICAL Change Orders**

1. Relocate conduit away from the wall to allow proper placement and ventilation for new ATS. Concrete work included.
2. Fabricate Radiator Shroud to extend farther, wider & higher than original quote due to wall placement and size of opening.
3. Supply & install additional horizontal exhaust piping.

**Total Change Order Cost: \$ 2,950.00**

*David 8/8/07 Credit Card 8926*

Please contact me directly with any questions. We look forward to your response to this proposal.

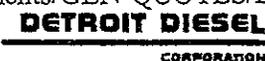
Respectfully Submitted

Change Order Acceptance:

*[Signature]*  
Mark S. Cruz  
Sales Representative  
Cellular: 688-0309

*[Signature]* 4/26/07  
For Lucky Dragon Development

MyDocuments/GEN-QUOTES/LDD-350kw CO Rev. 1



19/C JWS 1031 J

# CONTRACT AGREEMENT

This AGREEMENT made as of the 03<sup>rd</sup> day of February, 2007 by the between Lucky Dragon Development Co. Ltd. (P. O. Box 7467, Tamuning, Guam 96931; Tel: 649-6886, Fax: 649-1968) herein after called the Owner and JWS Refrigeration & A/C, Ltd. (290 Tun Jose Salas St., Suit A, Tamuning, Guam 96913; Tel: 646-7662, Fax: 649-0053) herein after called the Contractor, that the Owner and the Contractor in consideration of hereinafter agree as follows:

## ARTICLE 1. SCOPE OF WORKS:

The Contractor shall provide all of the materials, equipment and labors to perform all of the ductworks of the air distribution system (supply and return) as per revised mechanical drawing and instruction for the 17 units townhouse condominium. As annexed here to as it pertains to work to perform on property at Lot 5067-1-4, Upper Tumon, Guam. The scope of work breakdown item as follow:

1. Fabricate and install US KOOLDUCT ductwork and associated air distribution system for entire house of total 17 units of the condominium.
2. The air distribution system consisting of ductworks, metal sheet flashing up to the concrete curb on the roof, ductworks accessories and air devices, volume damper register, diffuser & return grille.
3. The ductwork to be used for indoor will be U.S. made KOOLDUCT with 7/8" thick, the round duct shown in the drawing to be converted equivalent in order to fabricate in KOOLDUCT. The exterior duct shall be galvanized sheet metal with 2" thick duct insulation and aluminum cladding. All the fabrication and installation of ductwork system shall be in accordance with SMACNA standards.
4. All the air devices, register, diffuser and grille shall be aluminum white color finish & multi-louvered adjustable volume damper.
5. JWS in-house testing, adjusting and balance the air distribution system in accordance with AANC or NEBB procedures.
6. Provide all required issues with the government & other private agencies, such as permits, coordination, processing, inspection and fee (if necessary) for the work and system.
7. Certification and testing on entire work and system by the JWS professional engineer.

## ARTICLE 2. TIME OF COMPLETION:

The project will complete within Ninety Eight (98) calendar days and the project will be commenced on February 12, 2007 and shall be fully complete on or before May 20, 2007. And the air distribution ductwork systems shall be complete on or before April 01, 2007 and the Contractor must work corporate and coordination with other Contractor & Owner to perform the construction work on the project scheduled timeline.

In the event that the Contractor shall fail to complete the scope of work to influence the project, the Contractor warrants to the Owner the completion date by hereby promising to pay the Owner

# CONTRACT AGREEMENT

\$100.00 for each calendar day after the Completion Date the work has not been complete, and the Contractor shall responsible all other liquidated damages assessed to the Owner.

## ARTICLE 3. THE CONTRACT PRICE:

The Owner agrees to pay the contractor for design, materials (included water meters cost), equipment and labor charges for the project to be performed under the contract the sum of **ONE HUNDRED SIXTEEN THOUSAND DOLLARS ONLY (U.S \$116,000.00)**. The price included all applicable taxes and insurances.

Any additions and alteration work the materials cost under US\$17,000.00 shall be included with the Contract price. In the even the additions and alteration work the materials cost over US\$17,001.00 shall be in pursuant to authorized **Change Order**.

## ARTICLE 4. PROGRESS PAYMENTS:

Payments of the contract price shall made in the following manner:

1 <sup>st</sup> . Increment: Mobilization & ductwork fabrication -----	\$40,000.00	2/10/07 CK 1547
2 <sup>nd</sup> . Increment: Completed of the ductwork air distribution system -----	\$46,000.00	7/14/07 CK 1548
Final payment: Issued of Building Occupancy Permit after 15days -----	\$30,000.00	N/C 8376 30000 VISA 2009 16, 00
<b>Total Payment is: -----</b>	<b>\$116,000.00</b>	

## ARTICLE 5. GENERAL PROVISION:

1. All work shall complete in good workmanship like manner and in compliance with all building codes and other applicable laws.
2. To the extent required by law individuals duly licensed and authorized by law to perform the said work shall perform all work.
3. All the Change Orders shall be in writing and signed by both Owner and Contractor.
4. The Owner shall provide the work of the kitchen range hood and the exhaust system in the bathroom.
5. The Owner will provide the temporary power and water and toilet for the construction work on the job site.
6. Contractor shall furnish Owner appropriate releases on waivers of lien for all work performed on labor and the material provided at the time the next payment shall be due.
7. Contractor cannot sub-contract the project whole or any parts to any sub-contractor to perform the contract.
8. Base on the existing job side condition, in the even the existing rough-in duct opening there are with undersize cut off for ducts. Contractor shall provide new opening or modify the existing opening work or ductwork from the required volume of air to perform the contract and the entire necessary chipping & patch work shall provide by the Contractor if requesting. The modification for this added work shall be in pursuant to authorized **Change Order**.



# CONTRACT AGREEMENT

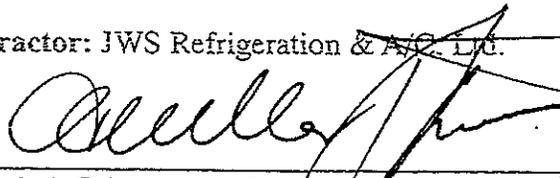
9. Contractor warrants it is adequately insured for injury to its employees and other incurring loss, or injury because of the act of Contractor or its employees of Owner.
10. The Contractor will be responsible for all the government agency inspection for the work and pay the fees if necessary such as payment to the Treasurer of Guam.
11. The Contractor shall its own expense obtain all necessary permits (except the Building Permit) and clearance for the work to be performed.
12. All the construction shall be comply with public laws and newest building codes.
13. Contractor shall remove clean the unused and discarded materials and trash of work, and leave the work site in clean condition when work is finished.
14. The Contract installed ductwork are final, any damaged by other trade or relocation are responsible by the Owner.
15. The Contractor and Owner must coordinate on day to day basis for mutual understanding and better work relationship for the project.
16. Any modification of this agreement or addition obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.
17. In the even that either Owner or Contractor should bring suit against the other for the recovery of any sum due hereunder, or because of the breach of any covenant in this agreement, or for ay other relief, the prevailing party shall be entitle to receive from the other its reasonable attorneys' fee incurred and cost of suit, whether or not such action is prosecuted to judgment.
18. Contractor provide, fully warranty labor, materials & equipment on all the workmanship for a period of 30 months following the date of the Occupancy has been issued,

Singed under seal this 10<sup>th</sup> day of February, 2006  
Singed in presence of:

Owner: Lucky Dragon Development Co. Ltd.

By:  Date: 2/10/07  
Yangming Ou (Authorized Representative)

Contractor: JWS Refrigeration & A/C, Ltd.

By:  Date: 2/10/07  
Mark Crisostomo (Construction Manger) of  
Agnes Weller (Senior Account Manager)

# CHANGE ORDER --- 001

April 28, 2007

Owner: Lucky Dragon Development Co., Ltd.

Contractor: JWS Refrigeration & A/C Ltd.

Project: Lucky Dragon 17units Townhouse condominiums

Location: Lot 5067-1-4, Marine Corp Drive, Upper Tumon, Guam

## Description of Work:

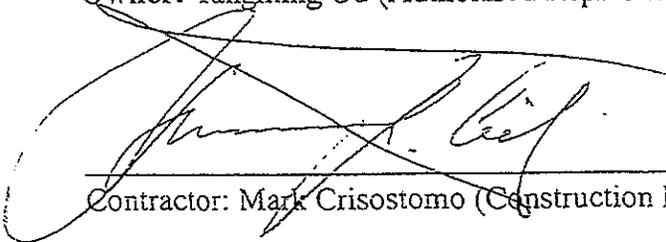
1. All the scope of work base on the new revised mechanical drawing date on **April 12, 2007 (M-1)** and **APRIL 26, 2007 (M-2)** and **April 26, 2007 (Transition duct)**.
2. The complete transition ductworks (supply and return) for and connected to the A/C equipment units shall be provide by the contractor.
3. The project time of completed shall be extend to or before **June 20, 2007**. And the air distribution ductwork system shall be completed on or before **May 16, 2007**.
4. All other term and condition shall remind same as the original Contract Agreement.

## Construction Cost:

Total change order for above the work is **Eight Thousand Five Hundred Dollars only (\$US\$8,500.00)**. The cost included all labor, equipment, overhead, overtime, supervisions & management, profit and tax.

  
\_\_\_\_\_  
Owner: Yangming Ou (Authorized Representative)

Date: 4/28/07

  
\_\_\_\_\_  
Contractor: Mark Crisostomo (Construction Manger)

Date: 4/28/07

Paid 8/8/07  
MC 8926

# CONTRACT AGREEMENT

This AGREEMENT made as of the 02<sup>nd</sup> day of February, 2007 by the between Lucky Dragon Development Co. Ltd. (P. O. Box 7467, Tamuning, Guam 96931 Tel: 649-6886, Fax: 649-1968) herein after called the Owner and Polyphase System (P. O. Box 21146 GMF., Barrigada, Guam 96921-0807 Tel: 649-2009, Fax: 646-5585) herein after called the Contractor, that the Owner and the Contractor in consideration of hereinafter agree as follows:

## ARTICLE 1. SCOPE OF WORKS:

The Contractor shall provide all of the materials, equipment and labors to perform all of the works of the for proposed main cable & wire & piping system work and all other expose electrical & mechanical wire & pipe work at the basement of the building for the 17 units townhouse condominium. As annexed here to as it pertains to work to perform on property at Lot 5067-1-4, Upper Tumon, Guam. The scope of work breakdown item as follow:

1. Provide the entire conduit with fittings & support, wires / cable and termination work from electrical room at the Basement up to each panelboards for the 17 units at first floor and the swing pool and the front security room (as well as panel "A" to panel "T", "HP" total 21 panelboards). ✓
2. Supply and installation of all electrical equipments inside the electrical and generator room such as Panel "HP" (225A MCB 120/208V 3PH 4WSN 22KAIC surface Mema-3R) with all encl electrical circuit breakers, main breaker, pullboxes, and wire gutter, cabinet and wireways etc. ✓
3. Provide & install entire meter socket, current transformers (CTs) and cabinets, pullboxes, wireways, wire gutter, test switch, breaker etc., on the wall (exterior) of both side the generator rooms. ✓
- 6<sup>9</sup>/<sub>0</sub>4. Supply and installation of main wire / cable with main circuit breaker enclosure from GPA transformer to & inside the electrical /generator room in the basement.
5. Provide & install all the telephone and cable TV main cabinets inside the control rooms and connect to the handhold of the communication on driveway with pullwire ✓
6. Supply and installation all the piping and pullboxes with pullwire for the telephone and cable TV system from the main cabinets inside the control room to the individual unit at first floor. ✓
7. Provide and install all expose electrical pipe & wire work associated for the night light control system and the curfew control light system at the basement and install the control box / cabinet in the control room. ✓
8. Provide and install expose piping and weather proof junction-box with cover & wire works for perimeter backside lights on first floor deck and connect to night light control system. ✓

2

# CONTRACT AGREEMENT

9. Provide 2-set 1P 220V 30A disc switches and 1-set 1P 220V 60A disc switches with piping and wiring work for the A/C unit of the storage rooms at the basement and connect to the panel "HP".
10. Provide any exposal electrical pipe & wirework associated for the fire alarm system of at the basement if requesting.
11. Provide all the conduits with pullwire and weatherproof junction-box with cover and the cabinet of inside the control room as per-drawing for the CCTV system and the security system at the basement.
12. Provide all required GPA issues, such as permits, coordination, processing and fee (if necessary) for the work and system.
13. Certification and testing on entire work and system by the licensed master electrical.
14. Provide to obtain all required Clearance from the necessary government and other private agencies, such as Guam Fire Department & Guam Power Authority & GEPA and Department of Public Work etc. to obtain the Occupancy Permit of the project.

## ARTICLE 2. TIME OF COMPLETION:

The project will complete within **Eighty Six (86)** calendar days and the project will be commenced on **February 05, 2007** and shall completed on or before **April 30, 2007**. In the event that the Contractor shall fail to complete the scope of work to influence the project, the Contractor warrants to the Owner the completion date by hereby promising to pay the Owner **\$300.00** for each calendar day after the Completion Date the work has not been complete, and the Contractor shall responsible all other liquidated damages assessed to the Owner.

## ARTICLE 3. THE CONTRACT PRICE:

The Owner agrees to pay the contractor for design, materials (included water meters cost), equipment and labor charges for the project to be performed under the contract the sum of **THREE HUNDRED THOUSAND DOLLARS ONLY (U.S \$300,000.00)**. The price included all applicable taxes and insurances.

Any additions and alteration work the materials cost under US\$10,000.00 shall be included with the Contract price. In the even the additions and alteration work the materials cost over US\$10,000.00 shall be in pursuant to authorized **Change Order**.

## ARTICLE 4. PROGRESS PAYMENTS:

Payments of the contract price shall made in the following manner:

1<sup>st</sup>. Increment: Mobilization / demobilization ----- \$10,000.00 *2/3/07 ck#156.*

Page 02 of 04

2v

# CONTRACT AGREEMENT

2 <sup>nd</sup> . Increment: Order materials (direct pay to the supplies) ----- +/- \$140,000.00	2/2/07 OK 1563 \$89,000.00
3 <sup>rd</sup> . Increment: Completed scope of work item 1 to 3 & 5 to 11 ----- \$30,000.00	3/16/07 OK #1578 \$40,000.00
4 <sup>th</sup> . Increment: Completed scope of work item 4 & 13 ----- \$30,000.00	4/2/07 \$29,000.00
5 <sup>th</sup> . Increment: Completed scope of work of item 14 ----- +/- \$60,000.00	5/19/07 \$30,000.00 OK #1 5/19/07 \$29,000.00 OK #1
Final payment: Issued of Building Occupancy Permit after 15days ----- \$30,000.00	6/8/07 \$78,000.00 OK #1
<b>Total Payment is:</b> ----- \$300,000.00	6/8/07 \$36,000.00 OK #1 8/27/07 \$24,000.00 OK #1 8/27/07 \$10,000.00 OK #1

## ARTICLE 5. GENERAL PROVISION:

1. All work shall complete in good workmanship like manner and in compliance with all building codes and other applicable laws.
2. To the extent required by law individuals duly licensed and authorized by law to perform the said work shall perform all work.
3. All the Change Orders shall be in writing and signed by both Owner and Contractor.
4. The Owner shall provide the generator set and ATS and the generator associated work such installation of generator & ATS and accessories / hardware, radiator flex duct exhaust system work.
5. The Contractor shall provide and installation of the panel "HP" only, all other panel board shall be provide by the Owner.
6. The Owner will provide the temporary power and water and toilet for the construction work on the job site.
7. Contractor shall furnish Owner appropriate releases on waivers of lien for all work performed on labor and the material provided at the time the next payment shall be due.
8. Contractor cannot sub-contract the project whole or any parts to any sub-contractor to perform the contract.
9. In the even the existing electrical rough-in conduits & junction box can not be using, the Contract shall provide the new one to perform the work, also the Contract shall provide all the necessary chipping & patch work to perform the work. Base on the existing jobside condition any digging, trenching, excavation and backfill work shall provide by the Contractor if requesting.
10. Contractor warrants it is adequately insured for injury to its employees and other incurring loss, or injury because of the act of Contractor or its employees of Owner.
11. The Contractor will be responsible for all the government agency inspection for the work and pay the fees if necessary such as payment to the Treasurer of Guam.
12. The Contractor shall its own expense obtain all necessary permits and clearance for the work to be performed.
13. Contractor shall remove clean the unused and discarded materials and trash of work, and leave the work site in clean condition when work is finished.

2

# CONTRACT AGREEMENT

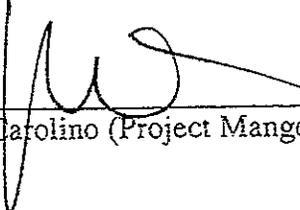
14. Any modification of this agreement or addition obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.
15. In the even that either Owner or Contractor should bring suit against the other for the recovery of any sum due hereunder, or because of the breach of any covenant in this agreement, or for ay other relief, the prevailing party shall be entitle to receive from the other its reasonable attorneys' fee incurred and cost of suit, whether or not such action is prosecuted to judgment.
16. Contractor warrants all the workmanship for a period of 24 months following the completion,

Singed under seal this 03 day of February, 2006  
Singed in presence of:

Owner: Lucky Dragon Development Co. Ltd.

By:  Date: 2-3-07  
Wang Changsheng (General Manger)

Contractor: Polyphase System

By:  Date: 2-03-07  
Ronald C. Carolino (Project Manger)

2r

# CERTIFICATION

## Electrical Inspection

This is to certify the electrical installation done at **TASI 17 TOWNHOUSE CONDOMINIUM (Unit A to G)** at 1031 North Marine Corps Drive, Upper Tumon, Guam with my inspection and supervision. The work executed in accordance with plan and specification and complied on the latest edition of National Electrical Code.

Any addition and/or deviation of the electrical work from hereof without my written consent shall make this certification null and void.

**PEPITO C. DURAN**

**Licensed Master Electrician**

Licensed No.: **173**

Date: Dec. 12, 2007

# CONTRACT AGREEMENT

This AGREEMENT made as of the 5<sup>th</sup> day of May 2007 by the between Lucky Dragon Development Co. Ltd. (P. O. Box 7467, Tamuning Guam 96931; Tel: 649-6886, Fax: 649-1968) herein after called the Owner and JK Tile Store (1090 Route 16, Barrigada, Guam 96913; Tel: 637-6575, Fax: 637-6582) herein after called the Contractor, that the Owner and the Contractor in consideration of hereinafter agree as follows:

## ARTICLE 1 SCOPE OF WORKS:

The Contractor shall provide to supplies and delivery the new G-3 style accordion typhoon shutter (withstand up to 200MPH wind velocity, 4 side frame design, double layer of blade with double middle supporting Pcs, and stainless lockset with key & locking latches [in and out], gray color bake-cured clad paint [color sample #9909] finish for the aluminum doors (except the single swing door of first floor) and windows of the 17 units Townhouse Condominium. As annexed here to as it pertains to work to perform on property at Lot 5067-1-4, Upper Tumon, Guam.

## ARTICLE 2 TIME OF COMPLETION:

The project will complete within ~~Sixty (60)~~ <sup>59</sup> calendar days and the project will be commenced on May 08, 2007 and shall complete on or before ~~June 25, 2007~~ <sup>July 5th 2007</sup>.

## ARTICLE 3 THE CONTRACT PRICE:

The Owner agrees to pay the Contractor for all the materials (included typhoon shutter set and Top-Con screws for the installation etc.) for the project to be performed under the contract the sum of **EIGHTY FIVE THOUSAND DOLLARS ONLY (U.S \$85,000.00)**. Subject to any additions and alteration shall in pursuant to Authorized Change Order.

## ARTICLE 4 PROGRESS PAYMENTS:

Payments of the contract price shall made in the following manner:

Down Payment: Upon Confirmation of Agreement \_\_\_\_\_ \$40,000.00

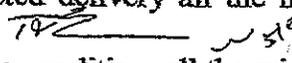
Final Payment: All Materials Completed Delivered on Job Side after 2 weeks \_\_\_\_\_ \$45,000.00

Total Payment is: \_\_\_\_\_ \$85,000.00

## ARTICLE 5 GENERAL PROVISION:

1. All work shall complete in good workmanship like manner and in compliance with all building codes and other applicable laws.
2. To the extent required by law individuals duly licensed and authorized by law to perform the said work shall perform all work.

# CONTRACT AGREEMENT

3. All Change Orders shall be in writing and signed by both Owner and Contractor.
4. The Owner will provide the installation work to perform the project.
5. Contractor shall furnish Owner the evidence of order the materials within 3 days of received the deposit from the Owner, also appropriate releases on waivers of lien for all work performed at the time the next payment shall be due.
6. The Contractor shall provide to, completed delivery all the materials on job side on or before ~~June 25, 2007~~. *July 5th 2007* 
7. Base on the existing job side and building condition, all the window and door size shall be measure by the Contractor. The Contractor shall be responsible all the modifications due to the size measurement incorrect.
8. Any modification of this agreement or addition obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.
9. In the even that either Owner or Contractor should bring suit against the other for the recovery of any sum due hereunder, or because of the breach of any covenant in this agreement, or for ay other relief, the prevailing party shall be entitle to receive from the other its reasonable attorneys' fee incurred and cost of suit, whether or not such action is prosecuted to judgment.
10. All the materials shall be complying with public laws and newest building codes and the US standard.
11. Contractor provides fully warranty materials & equipment on all the workmanship for a period of 30 months following the date of the Occupancy has been issued.

Singed under seal this 9<sup>th</sup> day of May, 2007  
Singed in presence of:

Owner: Lucky Dragon Development Co. Ltd.

By:  Date: 5/9/07  
Yangming Ou (Authorized Representative)

Contractor: JK Tile Store

By:  Date: 5/9/07  
David Chen (General Manger)

WIP OF THE

# CONTRACT AGREEMENT

This AGREEMENT made as of the 3<sup>rd</sup> day of August 2007 by the between Lucky Dragon Development Co. Ltd. (P. O. Box 7467, Tamuning Guam 96931; Tel: 649-6886, Fax: 649-1968) herein after called the Owner and The Shutter Factory (P. O. Box 12219, Tamuning, Guam 96931; Tel: 647-1470/1, Fax: 647-1472) herein after called the Contractor, that the Owner and the Contractor in consideration of hereinafter agree as follows:

## ARTICLE 1. SCOPE OF WORKS:

The Contractor shall provide and fully installed and commissioning & testing of the new U.S. made aluminum roll-up style typhoon shutter (withstand up to 200MPH wind velocity, with motor operate and can be operate by motor & manual both from inside of the house) for total 16 each aluminum swing doors (size  $\pm 42'' \times \pm 90''$ ) of first floor of the 17 units Townhouse Condominium (Tasi 17). As annexed here to as it pertains to work to perform on property at 1031 North Marine Corp Drive (Lot 5067-1-4), Upper Tumon, Guam.

*\* Masonry Finishing provided by owner, along with cosmetic touch ups*

## ARTICLE 2. TIME OF COMPLETION:

The project will complete within Thirty (30) calendar days and the project will be commenced on August 6, 2007 and shall complete on or before September 4, 2007. The Contractor must start the on side installation work on or before August 20, 2007.

In the event that the Contractor shall fail to complete the scope of work to influence the project, the Contractor warrants to the Owner the completion date by hereby promising to pay the Owner \$300.00 for each calendar day after the Completion Date the work has not been complete, and the Contractor shall responsible all other liquidated damages assessed to the Owner.

*\* The shutter Factory shall not be liable for manufacturer or shipping delays.  
\* The shutter Factory will finish installation within one week of arrival of materi*

## ARTICLE 3. THE CONTRACT PRICE:

The Owner agrees to pay the Contractor for materials (included shutter and all the necessary hardware etc), equipment, and labor for the project to be performed under the contract the sum of Twenty One Thousand Seven Hundred Sixty Dollars Only (U.S \$21,760.00). Subject to any additions and alteration shall in pursuant to Authorized Change Order.

Any additions and alteration work the materials cost under US\$8,000.00 shall be included with the Contract price. In the even the additions and alteration work the materials cost over US\$8,001.00 shall be in pursuant to authorized Change Order.

## ARTICLE 4. PROGRESS PAYMENTS:

Payments of the contract price shall made in the following manner:

Down Payment: Deposit upon Confirmation of Agreement	-----	\$10,880.00	<i>2/3/07 Credit Card visa</i>
Final payment: Project completed after 2 weeks	-----	\$10,880.00	
<b>Total Payment is:</b>	-----	<b>\$21,760.00</b>	<i>FL</i>

# CONTRACT AGREEMENT

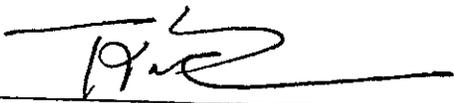
## ARTICLE 5. GENERAL PROVISION:

1. All work (materials & labor & equipment) shall complete in good workmanship like manner and in compliance with all building codes and other applicable laws.
2. To the extent required by law individuals duly licensed and authorized by law to perform the said work shall perform all work.
3. All Change Orders shall be in writing and signed by both Owner and Contractor.
4. The Owner will provide the temporary power and water and toilet for the construction work on the job site.
5. Contractor shall furnish Owner the evidence of order the materials within 5 days of received the deposit from the Owner, also appropriate releases on waivers of lien for all work performed on labor and the material provided at the time the next payment shall be due.
6. Base on the existing job side and building condition, all the window and door size shall be measure by the Contractor. The Contractor shall be responsible all the modifications due to the size measurement incorrect.
7. Contractor warrants it is adequately insured for injury to its employees and other incurring loss, or injury because of the act of Contractor or its employees of Owner.
8. Any modification of this agreement or addition obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.
9. In the even that either Owner or Contractor should bring suit against the other for the recovery of any sum due hereunder, or because of the breach of any covenant in this agreement, or for any other relief, the prevailing party shall be entitle to receive from the other its reasonable attorneys' fee incurred and cost of suit, whether or not such action is prosecuted to judgment.
10. All the construction shall be comply with public laws and newest building codes.
11. Contractor shall remove and clean all the unused and discarded materials and trash of work, and leave the work site in clean condition when work is finished
12. Contractor provides fully warranty labor, materials & equipment on all the workmanship for a period of 24 months following the date of the Occupancy Permit has been issued.

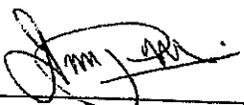
Singed under seal this 3<sup>rd</sup> day of August, 2007

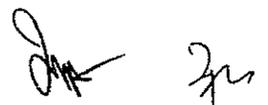
Singed in presence of:

**Owner:** Lucky Dragon Development Co. Ltd.

By:  Date: 8/3/07  
Yangming Ou (Authorized Representative) Cell: 688-0688

**Contractor:** ~~HK Tile Store~~ The Shutter Factory

By:  Date: 8/3/07  
Nicemon Joseph (Operations Manger) Cell: 488-1470



Water & Sewer

5/10/07

# CONTRACT AGREEMENT

This AGREEMENT made as of the 14<sup>th</sup> day of July, 2007 by the between Lucky Dragon Development Co. Ltd. (Tel: 649-6886, Fax: 649-1968) herein after called the Owner and RSG Mechanical & Const. Co. (Tel: 888-5047, Fax: 633-3651) herein after called the Contractor, that the Owner and the Contractor in consideration of hereinafter agree as follows:

## ARTICLE 1. SCOPE OF WORKS:

The Contractor shall provide all of the materials, equipment and labors to perform all of the works of the main water and sewer system tapping and connection work for the 17 units townhouse condominium. As annexed here to as it pertains to work to perform on property at Lot 5067-1-4, Upper Tumon, Guam. The scope of work breakdown item as follow:

1. Provide the new revision drawing with hydraulic calculation of the water supply system with engineer certification and approval to Owner and all necessary government agencies such as Guam Fire Department, Guam Waterwork, GEPA, DPW etc. for the project; the new revision drawing will satisfy and comply with the advice letter from GWA date June 11, 2007.
2. Provide to obtain all required Clearance from the necessary government & private agencies such as Guam Fire Department & GWA & GEPA and Department of Public Work, GTA, MCV, IT&E, MCI and Naval etc. for the work of tapping and connection and for obtain the Occupancy Permit of the project.
3. Provide all required Permits, bonding and fee for the work and system.
4. Provide and install 6" mechanical tee, dressed coupling with mechanical valve and valve box to tap on the 8" approval existing waterline where was approval tapping point for the building.
5. Provide & install Min. 4" main water pipe for the water meters of the building with the required backflow prevention & main valve on the main waterline and connect to the water meters of the building.
6. Provide & install required fire hydrant and considered to connect to the existing fire sprinkler system line with the downstream of the backflow prevention device (min. 6") and the detector check valve assembly for the building.
7. Provide & install total 17 each 3/4" water meters with individual ball valves and connect to the individual unit of the building and one each 1" water meter with valve connect to the common area use of the condominium.
8. Provide and install the 8" main sewer line pipe and fitting and connect to the existing stub-out where was locate on the sidewalk of the front main entrance with the 8" government cleanout, also provide to connect to 4" sewer line stub-out of each individual unit of the condominium.
9. All the excavation sand bedding and backfill work (materials, equipment & labor) for the water & sewer & fire sprinkler pipe system shall be provide by the Contractor.
10. The Contractor will be responsible for all the government agency inspection for the work and pay the fees if necessary.

# CONTRACT AGREEMENT

## ARTICLE 2. TIME OF COMPLETION:

The project will complete within Forty (45) calendar days and the project will be commenced on July 18, 2007 and shall completed on or before August 31, 2007.

The water pipe tapping work shall be completed within 7 calendar days and the sewer connection work shall complete within 15 calendar days after issued the tapping & connection permit with obtain all required Clearance from the necessary government & private agencies. And the water meter shall be installed within 7 clearance days after the water line tap work was completed

In the event that the Contractor shall fail to complete the scope of work to influence the project, the Contractor warrants to the Owner the completion date by hereby promising to pay the Owner \$300.00 for each calendar day after the Completion Date the work has not been complete, and the Contractor shall responsible all other liquidated damages assessed to the Owner.

## ARTICLE 3. THE CONTRACT PRICE:

The Owner agrees to pay the contractor for design, materials (included water meters cost), equipment, bonding and labor charges for the project to be performed under the contract the sum of Twenty Eight Thousand Six Hundred dollars only (U.S \$28,600.00). Subject to any additions and alteration in pursuant to Authorized Change Order.

Except the materials cost, all other cost cause by any additions and site alteration work should provide by the Contractor.

## ARTICLE 4. PROGRESS PAYMENTS:

Payments of the contract price shall made in the following manner:

1 <sup>st</sup> . Increment: The tapping & connection permit issued by government agencies	-----	\$6,000.00	7/18/07 CK#1680
2 <sup>nd</sup> . Increment: Completed the water line tapping work after 5 days (item 4)	-----	\$4,600.00	8/11/07 CK#1727
3 <sup>rd</sup> . Increment: The water meters installed and main sewer line connection work completed	-----	\$10,000.00	
Final payment: Project and issued of Building Occupancy Permit after 15days	-----	\$8,000.00	
<b>Total Payment is:</b>	-----	<b>\$28,600.00</b>	

# CONTRACT AGREEMENT

## ARTICLE 5. GENERAL PROVISION:

1. All work shall complete in good workmanship like manner and in compliance with all building codes and other applicable laws.
2. To the extent required by law individuals duly licensed and authorized by law to perform the said work shall perform all work.
3. All Change Orders shall be in writing and signed by both Owner and Contractor.
4. The Owner will provide the temporary power and water and toilet for the construction work on the job site.
5. Contractor shall furnish Owner appropriate releases on waivers of lien for all work performed on labor and the material provided at the time the next payment shall be due.
6. Contractor cannot sub-contract the project whole or any parts to any sub-contractor to perform the contract.
7. Contractor warrants it is adequately insured for injury to its employees and other incurring loss, or injury because of the act of Contractor or its employees of Owner.
8. Contractor shall remove clean the unused and discarded materials and trash of work, and leave the work site in clean condition when work is finished.
9. Any modification of this agreement or addition obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.
10. In the even that either Owner or Contractor should bring suit against the other for the recovery of any sum due hereunder, or because of the breach of any covenant in this agreement, or for ay other relief, the prevailing party shall be entitle to receive from the other its reasonable attorneys' fee incurred and cost of suit, whether or not such action is prosecuted to judgment.
11. Contractor warrants workmanship for a period of **24 months** following the completion,

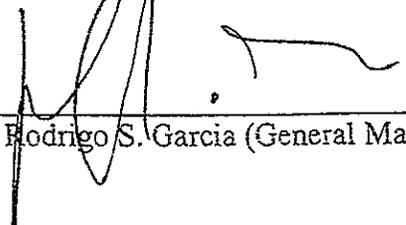
Singed under seal this 18 day of July, 2007

Singed in presence of:

Owner: Lucky Dragon Development Co. Ltd.

By:  Date: 7/18/07  
Wang Changsheng (General Manger)

Contractor: RSG Mechanical & Const. Co.

By:  Date: 7/18/07  
Rodrigo S. Garcia (General Manger)



# CONTRACT AGREEMENT

## ARTICLE 2. TIME OF COMPLETION:

The project will be commenced on **October 11, 2007** and will complete within **Ten (10)** calendar days after obtaining all the permit from the government agencies for the project. And delay caused by the government agencies such as GWA, DPW etc., and the Mother Nature such as weather or soil condition will not liable by the Contractor.

The work will be performed in a timely fashion and professional manner, with little to no interruption to the all other Contractor and Owner daily routine.

In the event that the Contractor shall fail to complete the scope of work to influence the project, the Contractor warrants to the Owner the completion date by hereby promising to pay the Owner **\$300.00** for each calendar day after the Completion Date the work has not been complete, and the Contractor shall responsible all other liquidated damages assessed to the Owner.

## ARTICLE 3. THE CONTRACT PRICE:

The Owner agrees to pay the contractor for design, materials (included water meters cost), equipment, bonding and labor charges for the project to be performed under the contract the sum of **ELEVEN THOUSAND SEVEN HUNDRED FIFTY DOLLARS ONLY (U.S \$11,750.00)**. Subject to any additions and alteration in pursuant to Authorized Change Order.

Except the materials cost, all other cost cause by any additions and site alteration work should provide by the Contractor.

## ARTICLE 4. PROGRESS PAYMENTS:

Payments of the contract price shall made in the following manner:

**Down payment:** Sign the Contract Agreement and start the project

----- \$5,750.00 *cc*

**Final payment:** Project Completion and obtain all Clearance from the required government agencies for issued of Building Occupancy Permit after 15days

----- \$6,000.00 *chuck*

**Total Payment is:** ----- **\$11,750.00**

## ARTICLE 5. GENERAL PROVISION:

1. All work shall complete in good workmanship like manner and in compliance with all building codes and other applicable laws.

# CONTRACT AGREEMENT

2. To the extent required by law individuals duly licensed and authorized by law to perform the said work shall perform all work.
3. All Change Orders shall be in writing and signed by both Owner and Contractor.
4. The Owner will provide the temporary power and water and toilet for the construction work on the job site.
5. In the event Department of Park and Recreation's Guam Historic Division must be informed, there may be archeologist fee if the Guam Historic Division requires the. There will more than likely is a delay in the project. Only the Guam Historic Division can allow the continuation of the project. And all additional fees will be the Owner responsibility.
6. Contractor shall furnish Owner appropriate releases on waivers of lien for all work performed on labor and the material provided at the time the next payment shall be due.
7. Contractor cannot sub-contract the project whole or any parts to any sub-contractor to perform the contract.
8. Contractor warrants it is adequately insured for injury to its employees and other incurring loss, or injury because of the act of Contractor or its employees of Owner.
9. Contractor shall remove clean the unused and discarded materials and trash of work, and leave the work site in clean condition when work is finished.
10. Any modification of this agreement or addition obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.
11. In the event that either Owner or Contractor should bring suit against the other for the recovery of any sum due hereunder, or because of the breach of any covenant in this agreement, or for any other relief, the prevailing party shall be entitled to receive from the other its reasonable attorneys' fee incurred and cost of suit, whether or not such action is prosecuted to judgment.
12. Contractor warrants workmanship for a period of **24 months** following the completion,

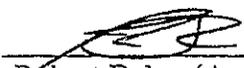
Signed under seal this \_\_\_\_\_ day of **October, 2007**

Signed in presence of:

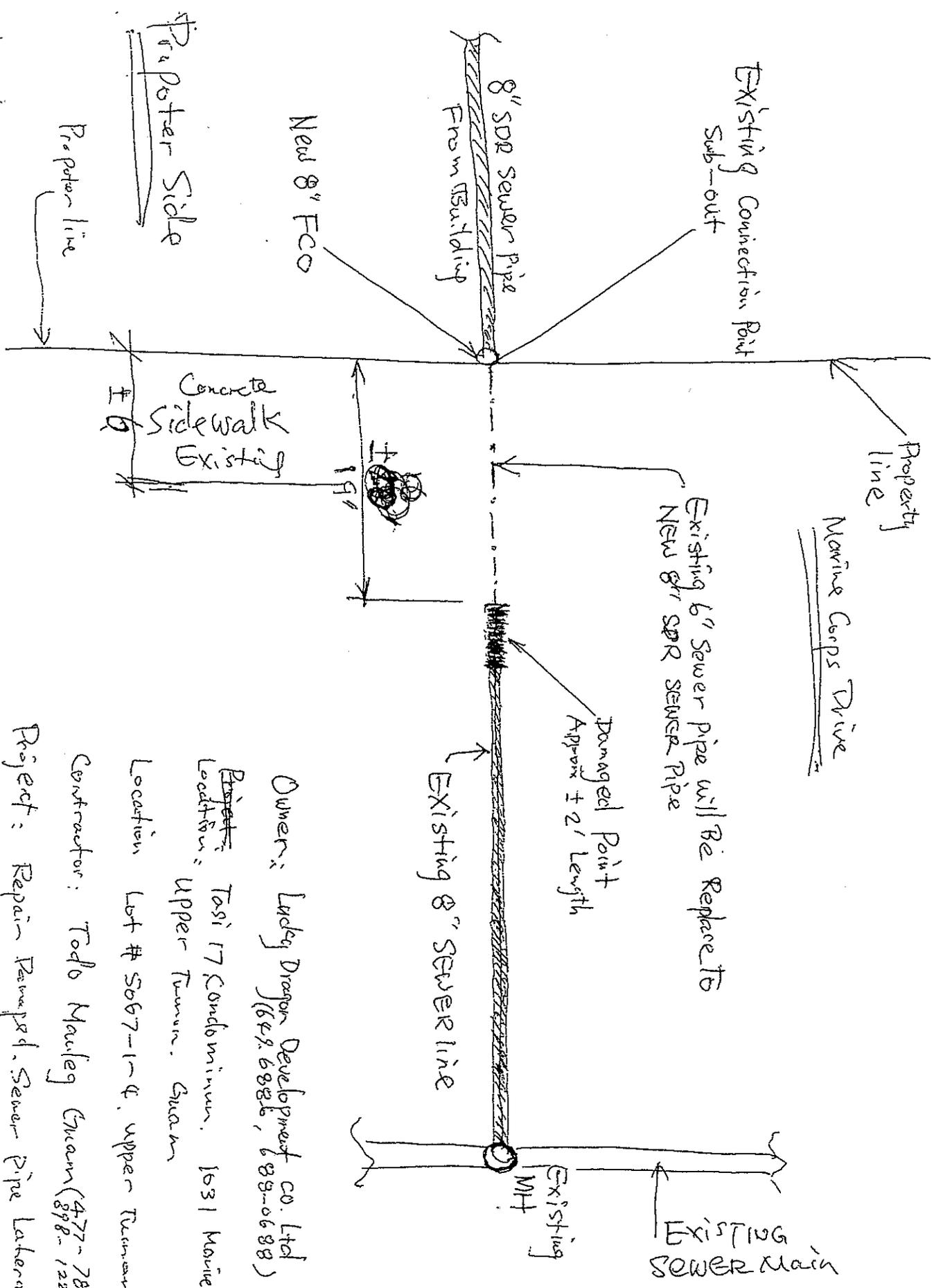
**Owner:** Lucky Dragon Development Co. Ltd.

By:  Date: 10/10/07  
Yangming OU (Authorized Representative) Cell: 688-0688

**Contractor:** Todo Mauleg

By:  Date: 10/10/07  
Robert Baker (Authorized Representative) Cell: 888-9053

10/15/2007  
 rec. 10-16-07  
 [Signature]



Owner: Lady Dragon Development Co. Ltd  
 (642.6826, 688-0688)

~~Project~~ Location: Tosi 17 Condominium. 1031 Marine Corps Dr.  
 Upper Town. Guam

Location: Lot # 5067-1-4. Upper Town

Contractor: Todd Mangle (477-7867)  
 (898-1227)

Project: Repair Damaged Sewer Pipe Lateral and  
 Tapping to the Building Sewer line

# CHANGE ORDER --- 001

November 14, 2007

Owner: Lucky Dragon Development Co., Ltd.

Contractor: Todo Mauleg

Project: Upgrade and Connection of Sewer Line for Tasi 17 Townhouse Condominiums

Location: 1031 North Marine Corps Drive (Lot 5067-1-4), Upper Tumon, Guam

## Description of Work:

1. Extend the saw cut roadway & excavate to expose existing 6" sewer lateral from the proposal border always to the existing manhole approximat  $\pm 80$  length ft.
2. Responsible to repair and restoration for the traffic sensor if there was damaged cause be the construction.
3. Layout and install new 8" SDR pipe from the building 8" main sewer line sub-out to the existing manhole approximat  $\pm 80$  length ft.
4. Elevate pipe to correct level of flow & sand shade pipe.
5. Install 8" service lateral with 6" service clean out on the government easement.
6. Install 8" kornseal connector at manhole and patch with water plug.
7. Concrete encase with rebar reinforce new sewer line where the existing 12" & 24" water line.
8. Place caution tape into trench & fill with flowable fill. And restoration of the roadway, sidewalk and concrete curb as per DPW specifications and building code.
9. provide all the inspection for the work
10. The project time of completed shall be extend to or before **November 30, 2007**. And the sewer line layout and installation and backfill work up to the sidewalk area shall be completed on or before **November 17, 2007**.
11. All other term and condition shall remind same as the original Contract Agreement.

## Construction Cost:

Total change order for above the work is **Forty Two Thousand Eight Hundred Ten Dollars Only (SUSS42,810.00)**. The cost included all labor, equipment, overhead, overtime, supervisions & management, profit and tax.

  
\_\_\_\_\_  
For: Owner: Changsheng Wang (General Manager)

11/14/07  
Date:

  
\_\_\_\_\_  
Contractor: Greg Cruz (Supervisor)

Date: 11.14.07

*me j...*

# CONTRACT AGREEMENT

This AGREEMENT made as of the 31<sup>st</sup> day of October, 2006 by the between Lucky Dragon Development Co. Ltd. (Tel: 649-6886, Fax: 649-1968) herein after called the Owner and RSG Mechanical & Const. Co. (Tel: 888-5047, Fax: 633-3651) herein after called the Contractor, that the Owner and the Contractor in consideration of hereinafter agree as follows:

## ARTICLE 1. SCOPE OF WORKS:

The Contractor shall provide the new design drawing and furnish all of the materials, equipment and labors to perform all of the works of the fire system and the water meter work (included design, electrical & plumbing & mechanical work) for the 17 units townhouse condominium. As annexed here to as it pertains to work to perform on property at **Lot 5067-1-4, Upper Tumon, Guam**. The scope of work breakdown item as follow:

1. Provide the new design drawing with hydraulic calculation of the system using the new flow calculation and approval to Owner and all necessary government agencies such as Guam Fire Department, Guam Waterwork, GEPA, DPW etc. for the building; the new design system will delete the fire pump system.
2. Provide all required Permits and fee for the work and system.
3. Provide & install required fire sprinkler system for the building
4. Provide & install required fire hose cabinet with hose & sign for the building
5. Provide & install fire protection riser and connect to the water meter by the 4" water pipe for the building.
6. Provide & install total 18 each 3/4" water meters with individual ball valves for the building and one each 4" water meter with valve for the fire system and water connection finish.
7. Provide & install Min. 4" main water pipe for the water meters of the building with the required backflow preventer & main valve on the main waterline from the water meters up to +/-60ft. away and tapping to the main water line stub-out for the building.
8. Provide & install the fire alarm control system that included fire alarm panel (the panel local shall be in the basement near the enter area), battery, pull station, horn with strobe light and electrical & wire etc. as per plan and power connection finish (may uses the existing electrical rough-in conduits & junction box which can be using).
9. Certification and testing on all the fire sprinkler system work & the fire protection riser work and the fire alarm work for the building.
10. Provide to obtain all required Clearance from the necessary government agencies such as Guam Fire Department & GWA & GEPA and Department of Public Work etc. to obtain the Occupancy Permit of the project.

## ARTICLE 2. TIME OF COMPLETION:

The project will complete within **One Hundred (100)** calendar days and the project will be commenced on **November 06, 2006** and shall completed on or before **February 14, 2007**.

# CONTRACT AGREEMENT

In the event that the Contractor shall fail to complete the scope of work to influence the project, the Contractor warrants to the Owner the completion date by hereby promising to pay the Owner \$300.00 for each calendar day after the Completion Date the work has not been complete, and the Contractor shall responsible all other liquidated damages assessed to the Owner.

## ARTICLE 3. THE CONTRACT PRICE:

The Owner agrees to pay the contractor for design, materials (included water meters cost), equipment and labor charges for the project to be performed under the contract the sum of **NINETY SIX THOUSAND DOLLARS ONLY (U.S \$96,000.00)**. Subject to any additions and alteration in pursuant to Authorized Change Order.

## ARTICLE 4. PROGRESS PAYMENTS:

Payments of the contract price shall made in the following manner:

1 <sup>st</sup> . Increment: Design new drawing and apply the permits (item 1 & 2) -----	\$9,000.00	10/31/06 CK#14
2 <sup>nd</sup> . Increment: Order materials (direct pay to the supplies) ----- +/-	\$28,000.00	12/9/06 CK#14 \$2848
3 <sup>rd</sup> . Increment: Completed scope of work item 3 & 4 -----	\$9,000.00	1/22/07 CK#1573 \$701.92
4 <sup>th</sup> . Increment: Completed scope of work item 5 & 6 & 7 -----	\$14,000.00	11/24/06 CK#784 \$5510.
5 <sup>th</sup> . Increment: Completed scope of work of item #8 -----	\$4,000.00	1/22/07 \$500 3/16/07 \$300
6 <sup>th</sup> . Increment: Completed scope of work of item #9 -----	\$7,000.00	3/16/07 \$2000
7 <sup>th</sup> . Increment: Completed scope of work of item #10 ----- +/-	\$15,000.00	10/7/07 \$300 CK#
Final payment: Issued of Building Occupancy Permit after 15days -----	\$10,000.00	11/16/07 CK# \$12,000
<b>Total Payment is: -----</b>	<b>\$96,000.00</b>	

## ARTICLE 5. GENERAL PROVISION:

1. All work shall complete in good workmanship like manner and in compliance with all building codes and other applicable laws.
2. To the extent required by law individuals duly licensed and authorized by law to perform the said work shall perform all work.
3. All Change Orders shall be in writing and signed by both Owner and Contractor.
4. The Owner shall provide the main waterline tapping work and stub-out into the property with-in +/-60 ft. from where the water meters location for the work of connection of the water meters.
5. The Owner shall provide the excavation and backfill work if request by the heavy equipment.
6. The Owner will provide the temporary power and water and toilet for the construction work on the job site.

*Handwritten initials and signature*

# CONTRACT AGREEMENT

7. The Owner shall authorize the Contractor to apply the water meters for the project.
8. Contractor shall furnish Owner appropriate releases on waivers of lien for all work performed on labor and the material provided at the time the next payment shall be due.
9. Contractor cannot sub-contract the project whole or any parts to any sub-contractor to perform the contract (except the fire alarm work).
10. In the even the existing electrical rough-in conduits & junction box can not be using, the Contract shall provide the new one to perform the work, also the Contract shall provide all the necessary chipping & patch work to perform the work.
11. Contractor warrants it is adequately insured for injury to its employees and other incurring loss, or injury because of the act of Contractor or its employees of Owner.
12. The Contractor will be responsible for all the government agency inspection for the work and pay the fees if necessary such as payment to the Treasurer of Guam.
13. The Contractor shall its own expense obtain all necessary permits and clearance for the work to be performed.
14. Contractor shall remove clean the unused and discarded materials and trash of work, and leave the work site in clean condition when work is finished.
15. Any modification of this agreement or addition obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative pf each party.
16. In the even that either Owner or Contractor should bring suit against the other for the recovery of any sum due hereunder, or because of the breach of any covenant in this agreement, or for ay other relief, the prevailing party shall be entitle to receive from the other its reasonable attorneys' fee incurred and cost of suit, whether or not such action is prosecuted to judgment.
17. Contractor warrants workmanship for a period of **18 months** following the completion,

Singed under seal this 31 day of **October, 2006**

Singed in presence of:

Owner: Lucky Dragon Development Co. Ltd.

By: Wang Changsheng Date: 10/21/06  
Wang Changsheng (General Manger)

Contractor: RSG Mechanical & Const. Co.

By: Rodrigo S. Garcia Date: 10-31-06  
Rodrigo S. Garcia (General Manger)

11217 2110 416J 10.7

# CHANGE ORDER --- 001

May 14, 2007

Owner: Lucky Dragon Development Co., Ltd.

Contractor: RSG Mechanical & Const. Co.

Project: Lucky Dragon 17units town house condominiums

Location: Lot 5067-1-4, Marine Corp. Drive, Upper Tumon, Guam

### Description of Work:

1. Provide the new design revision drawing with necessary hydraulic calculation of the system and approval to Owner and all necessary government agencies such as Guam Fire Department, Guam Waterwork, GEPA, DPW etc. to add on and extend the required fire sprinkler system for the building basement from West boundary to Grid 2 area.
2. Provide & install & testing required fire sprinkler system (not less than 28 each upright sprinkler head) for the basement from West boundary to Grid 2 area of the building.
3. Provide all required Permits & fee and Certification & testing for the revision work and system.
4. All other term & condition shall remain with the original **Contract Agreement**.

### Construction Cost:

Total change order for above the revised work add to the original contract price is **Eleven Thousand five hundred dollars only (US \$11,500.00)**. The cost included all materials, labor, equipment, overhead, supervisions & management, insurance, profit and tax.

The payment schedule as follow:

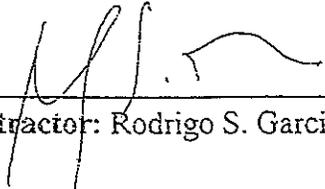
- 1<sup>st</sup> payment: Due to confirm the Change Order ----- \$5,000.00 *5/14/07 paid at 1615*
- 2<sup>nd</sup> payment: upon completed the revision work ----- \$6,500.00 *6002.00 6/22/07*

Total payment is: ----- **\$11,500.00** *paid CR#1659*

### Completion Time:

All the revision work shall completed within **Ten (10)** calendar days, and the work shall commence **May 14, 2007** and shall completed on or before **May 24, 2007**.

  
 \_\_\_\_\_ Date: *5/14/07*  
 Owner: Wang Changsheng (General Manger)

  
 \_\_\_\_\_ Date: *5/14/07*  
 Contractor: Rodrigo S. Garcia (General Manger)

**Guam Fire Department Inspection Report**  
**Fire Prevention Bureau**  
 Telephone : 646-8810 (DPW Onestop Office) Fax : 646-3130

Inspection Date <i>12/11/07</i>	Inspection Time <i>10:00AM</i>	Review or Reference No.	Primary Contractor
Establishments Name <i>Lucky Dragon Town Houses</i>		Lot / Tract Number	
Location <i>ROUTE #1 ACROSS NIZZAN CITY</i>		Village <i>UPPER TUMON</i>	
Establishment Owner	Manager/Person In Charge <i>Lucky Dragon Corp.</i>	Telephone	Alternate Number
Mailing Address			
Building Complex <i>TOWN HOUSES</i>		Building Contact Number	
Building Owner <i>MR. WANG CHANG SHENG</i>		Interior Wall Construction	
Structure <i>Concrete</i>			
Type I Fire Resistive	Type II Noncombustible	Type III Ordinary	Type IV Heavy Timber / Type V Wood
Number of Stories <i>3</i>	Exits Ground Level <i>Adequate</i>	Number of Elevators <i>N/A</i>	Number of Stairwells
Occupancy Classification <i>R</i>	Type of Inspection	Business License	New Occupancy <i>RE INSPECTION</i>
Uniform Fire Code Article & GCA Chapter 10 Section 73 <i>ALL</i>		GCA Section 73111 <i>73</i>	Re-Inspection Date
Requirements			
1. <i>NEEDS UFC Requirement.</i>			
2.			
3. <i>FIRE ALARM AND ALL PULL STATIONS</i>			
4. <i>FLOW SWITCH TESTED ALSO MAIN BRANCHING</i>			
5. <i>NOTE: Garage parking only Sprinklers.</i>			
6.			
7.			
8.			
9.			
10.			

Emergency Lights <i>Generator</i>	Smoke Detectors	Pull Stations	Exit Lights
Exit Signs Luminescent	Exit Signs Placard Non-Luminescent	Exit Signs Refectory / Fluorescent	
Fire Extinguishers	Dry Chemical	Carbon Dioxide	Halon Water Dry Powder

Fire Alarm System <i>Norm. AL</i>	Last Alarm Test Date <i>12/11/07</i>	Fire Alarm Certification / Test Co. <i>PHOENIX SECURITY</i>
Automatic Sprinkler System <i>WET</i>	Last Sprinkler Test Date <i>12/11/07</i>	Fire Sprinkler Certification / Test Co. <i>FIRE-GARD</i>
Cooking Suppression System	Last Hood & Duct Test Date	Commercial Cooking Suppression Certification / Test Co.
Standpipe Class System	Last Standpipe Test Date	Standpipe Certification / Test Co.
Liquid Petroleum Gas Piping	Last LPG Test Date	Liquid Petroleum Gas Certification / Test Co.

Underground Storage Tank	Last UST Tank Test	Underground Storage tank Certification / Test Co.
1 <sup>st</sup> Phase	2 <sup>nd</sup> Phase	3 <sup>rd</sup> Phase
Aboveground Storage Tank	Last AST Tank Test	Aboveground Storage tank Certification / Test Co.
1 <sup>st</sup> Phase	2 <sup>nd</sup> Phase	3 <sup>rd</sup> Phase

Disposition : Approved ~~Disapproved~~

Accompanied by: Print Name *Yasmin OJ* Code Enforcement Officer / Print Name *J.L. Cortez*

Signed: Date: Time *[Signature] 12/11/07* Inspector's Signature *[Signature]*

**CERTIFICATE OF COMPLETION**

Name of Protected Property: PROPOSED TOWNHOUSE DEVELOPMENT  
Mailing Address: TAMUNING, GUAM 96913

Representative of Protected Property: \_\_\_\_\_  
Authority Having Jurisdiction: GUAM FIRE DEPARTMENT (ONE STOP)  
Address/Contact Number(s): (671) 646-3102

1. Type(s) of System or Service:  
X NFPA 72, Chapter 3-Local  
If Alarm is transmitted to location(s) off premise, list where received:

N/A NFPA 72, Chapter 3 -Emergency Voice/Alarm Service  
Quantity of voice/alarm channels: N/A Single: N/A Multiple: N/A

N/A NFPA 72, Chapter 4 -Auxiliary  
Indicate type of connection:  
Local energy: N/A Shunt: N/A Parallel telephone: N/A  
Location and telephone number for receipt of signals:

N/A NFPA 72, Chapter 4-Remote Station  
Alarm: N/A  
Supervisory: N/A

N/A NFPA 72, Chapter 4-Proprietary  
If alarms are re-transmitted to public fire service communications center or others, indicate location and telephone number of the organization receiving alarm:  
N/A  
Indicate how alarm is re-transmitted:  
N/A

N/A NFPA 72, Chapter 4-Central Station  
The Prime Contractor: N/A  
Central Station Location: N/A

Means of transmission of signals from the protected premise to the central station:  
N/A McCulloh N/A Multiplex N/A One-Way Radio  
N/A Digital Alarm Communicator N/A Two-Way Radio N/A Others

Means of transmission of alarms to the public fire service communications center:  
Type(s) of System or Service:  
1. MANUAL DIALING 911  
System Location: TAMUNING, GUAM

# Pacific (Guam), Inc. System Integrators

	Organization	Representative (Name/Number)
Installer:	<u>RSG Mechanical</u>	<u>Rudy Garcia 888-5047</u>
Supplier:	<u>Phoenix Pacific (Guam), Inc.</u>	<u>Jon Sandstrom 646-6461</u>
Service Organization:	<u>Phoenix Pacific (Guam), Inc.</u>	<u>Vince Castro 646-6461</u>
Location of Record (As-Built) Drawings: <u>ON - SITE</u>		

Location of Owner's Manuals:  
ON - SITE

Location of Test Reports:  
Phoenix Pacific (Guam), Inc.

A contract, dated 12/10/07, for test and inspection in accordance with NFPA standard(s) No.(s) 72 dated 12/10/07, is in effect.

2. Certification of System Installation:

Fill out after installation is complete and wiring checked for open, shorts, ground faults and improper branching, but prior to conducting operational acceptance tests.)

This system has been installed in accordance with the NFPA standards as listed below, and was

Inspected by Ben Sabuya on 12/10/2007 includes the devices listed below and has been in service since \_\_\_\_\_

NFPA 72, Chapters 1 3 4 5 6 7 (circle all that apply)

NFPA 70, National Electrical Code, Article 760

Manufacturer's Instructions

Other (specify): \_\_\_\_\_

Signed: Ben Sabuya - ME License No. 0305-201

Date: December 10, 2007

Organization: Sabuya Electric

3. Certification of System Operation:

All operational features and functions of this system were tested by \_\_\_\_\_

Vince Castro

On 12/10/07 and found to be operating properly in accordance with the requirements of:

NFPA 72, Chapters 1 3 4 5 6 7 (circle all that apply)

NFPA 70, National Electrical Code, Article 760

Manufacturer's Instructions

Other (specify): \_\_\_\_\_

Signed: Vince Castro

Date: 10 December 2007

Organization: Phoenix Pacific (Guam), Inc.

4. Alarm Initiating Devices and Circuits (Use blanks to indicate quantity of devices).

MANUAL

a) 08 Manual Stations  Non-coded, Activating \_\_\_\_\_ Transmitters \_\_\_\_\_ Coded

b) -0- Combination Manual Fire Alarm and Guard's Tour Coded Stations

AUTOMATIC

Coverage: 100%

Complete: 100%

Partial: N/A

**Pacific (Guam), Inc.**  
*System Integrators*

- a) -0- Smoke Detectors      -0- Ion      -0- Photo
- b) -0- Duct Detectors      -0- Ion      -0- Photo
- c) -0- Heat Detectors      -0- FT      -0- RR      -0- FT/RR         RC
- d) -0- Sprinkler Water Flow Switches      X Non-coded, activating         Transmitters         Coded
- e) -1- Other (list):      Tamper Switch Contact
- f) -1- Other (list):      Pressure Switch Contact

5. Supervisory Signal Initiating Devices and Circuits (Use blanks to indicate quantity of devices.)

GUARD'S TOUR

- a) -0- Coded Stations
- b) -0- Non-Coded Stations Activating         Transmitters
- c) -0- Compulsory Guard Tour System Comprised of         Transmitter Stations and Intermediate Stations.

SPRINKLER SYSTEM \*\*NOT PROVIDED BY PHOENIX PACIFIC (GUAM), INC.\*\*

- a) -0- Coded Valve Supervisory Signaling Attachments  
 Valve Supervisory Switches Activating         Transmitters.
- b) -0- Building Temperature Points
- c) -0- Site Water Temperature Points
- d) -0- Site Water Supply Level Points

ELECTRIC FIRE PUMP:

- e) -0- Fire Pump Power
- f) -0- Fire Pump Running
- g) -0- Phase Reversal

ELECTRICAL-DRIVEN FIRE PUMP:

- h) -0- Selector in Auto Position
- i) -0- Engine or Control Panel Trouble
- j) -0- Fire Pump Running

ENGINE DRIVEN GENERATOR:

- k) -0- Selector In Auto Position
- l) -0- Control Panel Trouble
- m) -0- Transfer Switches
- n) -0- Engine Running

Other Supervisory Function (s) (specify):

6. Alarm Notification Appliances and Circuits

Quantity of indicating appliance circuits connected to the system:   

Types and quantities of alarm indicating appliances installed:

- a) -0- Bells         Inch         Speakers
- b) -0- Horns
- c) -0- Chimes
- d) -0- Other:
- e) 08 Visual Signals      Type: 15/75 CD Horn/Strobe  
08 with audible      -0- without audible
- f) -0- Local Annunciators

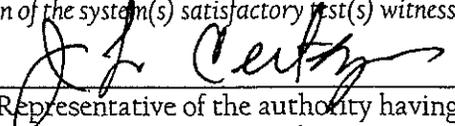
# Pacific (Guam), Inc. System Integrators

7. Signaling Line Circuits:  
Quantity and Style (See NFPA 72, Table 3-6.1) of signaling line circuits connected to system:  
Quantity: N/A Style: N/A
8. System Power Supplies:  
Quantity and Style (See NFPA 72, Table 3-6.1) of signaling line circuits connected to system:
- a) Primary (Main): 110VAC Nominal Voltage: 110VAC Current Rating: N/A  
Over-current Protection: Type: Internal Current Rating: 7A Location: \_\_\_\_\_
  - b) Secondary (Standby):  
02 Storage battery: Amp-Hour Rating: 7.0  
Calculated capacity to drive system, in hours: X 24 \_\_\_\_\_ 60  
-0- Engine-driven generator dedicated to fire alarm system  
Location of fuel storage: \_\_\_\_\_
  - c) Emergency or Standby System used as backup to Primary Power Supply, instead of using a Secondary Power Supply:  
-0- Emergency System described in NFPA 70, Article 700  
-0- Legally Required Standby System described in NFPA 70, Article 701  
-0- Optional Standby System described in NFPA 70, Article 702, which also meets the Performance requirements of Article 700 or 701.
9. System Software
- a) Operation System Software Revision Level(s): FIRESHIELD
  - b) Application Software Revision Level(s): VERSION 1.0
  - c) Revision Completed by (Name): EDWARDS SYSTEM TECHNOLOGY  
Revision Completed by (Firm): EDWARDS SYSTEM TECHNOLOGY

\*\* COMMENTS:  
1.

By: <u>Phoenix Pacific (Guam), Inc.</u>	<u>December 10, 2007</u>
<u>Central Station or Alarm Service Company</u>	<u>Date</u>
 <u>Vince Castro</u>	<u>Technical Services Manager</u>
<u>Name</u>	<u>Title</u>

Under completion of the system(s) satisfactory test(s) witnessed (if required by the authority having jurisdiction):

By: 	<u>12/11/07</u>
<u>Representative of the authority having jurisdiction</u>	<u>Date</u>
<u>S.L. Certera</u>	<u>CAPTAIN</u>
<u>Name</u>	<u>Title</u>

# Guam Contractors License Board Contractor's License

Felix P. Camacho  
Governor of Guam

Kaleo S. Moylan  
Lt. Governor of Guam

Pursuant to the provisions of Chapter VII, Title XI of the Government Code of Guam and the Rules and Regulations of the Contractors License Board, the Registrar of Contractors hereby issues this license to:

**Ben B. Sabuya**

To engage in the business or act in the capacity of a contractor in the following classifications:  
**Master Electrician**

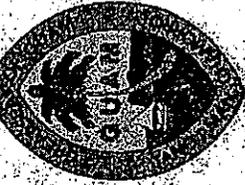
This license is the property of the Registrar of Contractors, not transferable, and shall be returned to the Registrar upon demand when suspended, revoked or invalidated for any reason. It becomes void if not renewed on or before June 30 of each year.

Issued: **21 JUN 2007** GRT No. **200302027**

Expires: **June 30, 2008**

Lic. No. **0305-201** Cert. No. **M-0706-0623**

  
Chairman of the Board



  
Signature of RME

  
Tertzo R. Marten, Registrar of Contractors

  
Signature of Licensee

# Contractor's Materials and Test Certificate for Aboveground Piping

## PROCEDURE

Upon completion of work, inspection and tests shall be made by contractor's representative and witnessed by an owner's representative. All defects shall be corrected and system left in service before contractors's personnel finally leave the job.

A certificate shall be filled out and signed by both representatives. Copies shall be prepared for approving authorities, owners, and contractor. It is understood the owner's representatives signature in no way prejudices any claim against contractor for faulty material, poor workmanship, or failure to comply with approving authority's requirements or local ordinances.

PROPERTY NAME <b>TOWNHOUSE DEVELOPMENT TUMON, GUAM</b>					DATE <b>19 Nov. 2007</b>					
PROPERTY ADDRESS <b>DFS Stores -Guam International Air Terminal</b>										
PLANS	ACCEPTED BY APPROVING AUTHORITIES (NAMES) <b>Guam Fire Department</b>									
	ADDRESS <b>Public Works Bldg. A Upper Tumon Guam</b>									
	INSTALLATION CONFORMS TO ACCEPTED PLANS <span style="float: right;"><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</span>									
	EQUIPMENT USED IS APPROVED <span style="float: right;"><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</span>									
IF NO, EXPLAIN _____										
INSTRUCTIONS	HAS PERSON IN CHARGE OF FIRE EQUIPMENT BEEN INSTRUCTED AS TO LOCATION OF CONTROL VALVES AND CARE AND MAINTENANCE OF THIS NEW EQUIPMENT? <span style="float: right;"><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</span>									
	IF NO, EXPLAIN _____									
	HAVE COPIES OF THE FOLLOWING BEEN LEFT ON THE PREMISES? <span style="float: right;"><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</span>									
1. SYSTEM COMPONENTS INSTRUCTION <span style="float: right;"><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</span> 2. CARE AND MAINTENANCE INSTRUCTION <span style="float: right;"><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</span> 3. NFPA 25 <b>Requested them to purchase a copy.</b> <span style="float: right;"><input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</span>										
LOCATION OF SYSTEM		<b>TOWNHOUSE DEVELOPMENT TUMON, GUAM</b>								
SPRINKLERS	MAKE	MODEL	YEAR OF MANUFACTURE	ORIFICE SIZE	QUANTITY	TEMPERATURE RATING				
	<b>Victaulic</b>	<b>V2703</b>	<b>2006</b>	<b>1/2"</b>	<b>150ea.</b>	<b>200d</b>				
PIPES AND FITTINGS	Type of Pipe	<b>Schedule 40 Black Iron</b>								
	Type of Fittings	<b>Schedule 40 Malleable Iron</b>								
ALARM VALVE OR FLOW INDICATOR	ALARM DEVICE				MAXIMUM TIME TO OPERATE THROUGH TEST CONNECTION					
	TYPE	MAKE	MODEL	MINUTE	SECOND					
		<b>Potter</b>	<b>PS 10A</b>		<b>30</b>					
DRY PIPE OPERATING TEST	DRY VALVE			Q.O.D.						
	MAKE	MODEL	SERIAL NO.	MAKE	MODEL	SERIAL NO.				
	TIME TO TRIP THROUGH TEST CONNECTION †		WATER PRESSURE	AIR PRESSURE	TRIP POINT AIR PRESSURE	TIME WATER REACHED TEST OUTLET †	ALARM OPERATED PROPERLY			
		MIN	SEC	PSI	PSI	PSI	MIN	SEC	YES	NO
	Without Q.O.D.									
	With Q.O.D.									
IF NO, EXPLAIN _____										

†MEASURED FROM TIME INSPECTOR'S TEST CONNECTION IS OPENED.



HYDRAULIC DATA NAMEPLATE	NAMEPLATE PROVIDED  <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	IF NO, EXPLAIN	
REMARKS	DATE LEFT IN SERVICE WITH ALL CONTROL VALVES OPEN  11/1/2007		
SIGNATURES	NAME OF SPRINKLER CONTRACTOR  FIREGARD		
	TESTS WITNESSED BY		
	FOR PROPERTY OWNER (SIGNED) 	TITLE GM	DATE 11/21/07
	FOR SPRINKLER CONTRACTORS (SIGNED)  Lucito M. Nucum	TITLE Proj. Engineer	DATE Nov. 19, 2007
ADDITIONAL EXPLANATION AND NOTES			

A/C  
Equipment

# CONTRACT AGREEMENT

Handwritten marks and stamps in the top right corner.

This AGREEMENT made as of the 24<sup>th</sup> day of February 2007 by the between **Lucky Dragon Development Co. Ltd.** (P. O. Box 7467, Tamuning Guam 96931; Tel: 649-6886, Fax: 649-1968) herein after called the Owner, and **Carrier Guam, Inc.** (P. O. Box 23847, Barrigada, Guam 96921; Tel: 647-9278, Fax: 646-9139) herein after called the Contractor, that the Owner and the Contractor in consideration of hereinafter agree as follows:

## ARTICLE 1. SCOPE OF WORKS:

The Supplier and the Contractor shall provide furnish and fully installation and fully preventive maintenance service of total 17units new U.S. made **CARRIER** brand 10 tons rooftop packaged cooling air condition (120,000Btuh, 208/230 Volt, 3 Phase, 60Hz) units with ultra violet air purifier & coil guard for the 17 units Townhouse Condominium. As annexed here to as it pertains to work to perform on property at **Lot 5067-1-4, Upper Tumon, Guam.** The scope of work breakdown item as follow:

1. Provide total 17 units 10 Tons WeatherMaster rooftop commercial packaged cooling air condition units, 120,000Btuh, 11.0EER, 208-230Volt, 3Phase, 60Hz, Manufacturer: Carrier USA made with Digital 2 stage programmable T-stat/3Ph thermostat and 3 phase voltage monitor and 2" thick disposable air filter (6ea/unit) and time delay relay with anti-short cycle timer.
2. Provide and installed Ultra violet air purifier sterile-air UVA (2 lamps) for indoors air quality.
3. Provide the manufacturer pre-applied or field applied the **Phenolic** coating guard on the casing and condenser coils for the unit for the corrosion protection.
4. Installation of the A/C unit with thermostat, voltage monitor, 2" thick vibration isolators and the UV filter, and provide the roof curb and metal flushing and seal with the unit for the waterproofing of the system, and secured the unit by anchoring or cable tie down with turnbuckles finish.
5. Connect power & control wire with flex conduit from the disconnect switch to the unit.
6. Fabrication and install of transition galvanized sheet metal air duct with 2" thick duct insulation and aluminum cladding support from the unit to the existing building air distribution supply and return duct system between the A/C unit and the building roof curb. All the fabrication and installation of ductwork shall be in accordance with SMACNA standards.
7. Provide and installed 0-25% manual outside fresh air damper for the units.
8. Start-up and commissioning and testing run of the air-condition units.
9. Provide the fully preventive maintenance service every **Three (3) months** for the entire units after air-condition unit has been installed & tested during **Thirty (30) months** warranty period. The scope of work of the fully preventive maintenance as follow:
  - a. Clean and flush evaporator and condenser coils
  - b. Check refrigerant levels
  - c. Clean & flush all drain lines

Handwritten signatures and initials at the bottom of the page.

# CONTRACT AGREEMENT

- d. Check and tighten electrical connection system and the unit amperage.
  - e. Clean the fan blades and change the air filters.
  - f. Check all the safety switches and the UVA air purifier and the overall system functions.
  - g. Check and tighten the secured of the unit for the prevention of the typhoon damaged.
  - h. All other required cleaning and general checking-up work and unscheduled instant repairs & service.
10. Certification and testing on entire work and system by the licensed professional technician and engineer.
11. Provide **30 months** fully labor and parts and equipment warranty and on the entire units and **five-year** Manufacturer's limited Warranty applies on parts and compressors after the project completed.

## ARTICLE II. TIME OF COMPLETION:

The project will complete within **One Hundred (100) to One Hundred (120)** calendar days depend on the materials units shipping and delivery schedule. And the project will be commenced on **February 27, 2007** and shall completed on or before **June 04 or June 24, 2007**.

In the event that Once the order materials has been delivery on Guam within **Thirty (30)** calendar days the Contractor must complete all installation and the commissioning work, or shall fail to complete the scope of work to influence the project, the Contractor warrants to the Owner the completion date by hereby promising to pay the Owner **Two Hundred Dollars only (US\$200.00)** for each calendar day after the Completion Date the work has **Not** been complete, and the Contractor shall responsible all other liquidated damages assessed to the Owner.

## ARTICLE III. THE CONTRACT PRICE:

The Owner agrees to pay the Contractor for materials (included air condition cooling unit, Digital Programmable Thermostat, Voltage Monitor, 2 Lamps Sterile-air Ultra Violet Air Purifier & Coil Guard & Air Ductwork etc.), equipment (forklift, crane service etc.), labor and the fully preventive maintenance service for the project to be performed under the Contract the sum of **One Hundred Forty Three Thousand Dollars only (US \$143,000.00)**.

Any additions and alteration work the direct labor cost under **US\$17,000.00** for total 17units shall be included with the Contract price. In the even that the additions and alteration work the direct labor cost over **US\$17,000.00** shall be in pursuant to authorized **Change Order**.

## ARTICLE IV. PROGRESS PAYMENTS:

Payments of the contract price shall made in the following manner:

1<sup>st</sup>. Increment: Deposit upon Confirmation of Agreement ----- \$30,000.00

2/28/07 credit 6

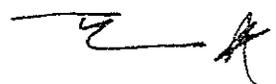
*Te A*

# CONTRACT AGREEMENT

2 <sup>nd</sup> Increment: Upon Order materials (A/C units) delivered on jobsite ----	\$30,000.00	6/28/07 Credit Card
3 <sup>rd</sup> Increment: Completed of the unit's installation & testing work -----	\$42,000.00	15000 + 15000 = 30000
4 <sup>th</sup> Increment: Project completed after 24 days -----	\$23,000.00	19/16/07 Credit Card
5 <sup>th</sup> Increment: Preventive maintenance completed after 6 month -----	\$7,200.00	20000 + 10000 + 12000
6 <sup>th</sup> Increment: Preventive maintenance completed after 21 month -----	\$7,200.00	
Final payment: Preventive maintenance completed after 27 months -----	\$3,600.00	
<b>Total Payment Due: -----</b>	<b>\$143,000.00</b>	

## ARTICLE V. GENERAL PROVISION:

1. All work (A/C units & electrical / duct work etc. materials & labor & equipment & the preventive maintenance service) shall complete in good workmanship like manner and in compliance with all newest building codes and other applicable laws.
2. To the extent required by law individuals duly licensed and authorized by law to perform the said work shall perform all work.
3. All **Change Orders** shall be in writing and signed by Owner and the Contractor.
4. The Owner shall provide the Building Permit to perform the project.
5. The Owner will provide the temporary power and water and toilet for the construction work on the job site.
6. The Owner will provide the main electrical disconnect switch and control wiring from the thermostat to the disconnect switch to perform the work.
7. The ductworks of inside the building shall be provide by the Owner.
8. The Owner shall provide the extension of concrete roof curb to support the unit base.
9. The Contractor shall furnish Owner the evidence of order the materials within **Three (3)** calendar days of received the first payment from the Owner, also appropriate releases on waivers of lien for all work performed on labor and the material provided at the time the next payment shall be due.
10. Contractor warrants it is adequately insured for injury to its employees and other incurring loss, or injury because of the act of Contractor or its employees of Owner.
11. The Contractor will be responsible for all required issues with the government & other private agencies, such as permits (except the Building Permit), clearance, coordination, processing, inspection and fee (if necessary) for the work and the system.
12. The Contractor shall responsible remove & clean and disposal the unused and discarded materials and trash of work, and leave the work site in clean condition when work is finished.
13. Base on the existing job-side and building condition, any digging, trenching, concrete cutting & sawing and chipping & patching work if necessary shall provide by the Contractor.
14. The fully preventive maintenance service shall be carried out by **Carrier Guam, Inc.** certified and licensed professional technician. And will be schedule with the Owner and / or the Buyer of the individual unit after the project completed.
15. All the construction work will comply with the public laws and newest building codes.

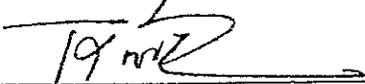


# CONTRACT AGREEMENT

16. The Supplier and Contractor and Owner shall coordinate on day-to-day basis for mutual understanding and better work relationship, and coordination with other related Contractor for the project performance.
17. Any modification of this agreement or addition obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.
18. In the even that either **Owner** or **Contractor** should bring suit against the other for the recovery of any sum due hereunder, or because of the breach of any covenant in this agreement, or for ay other relief, the prevailing party shall be entitle to receive from the other its reasonable attorneys' fee incurred and cost of suit, whether or not such action is prosecuted to judgment.
19. The Supplier and Contractor shall provide the **fully** warranty for entire equipment and workmanship (labor, materials, equipment, parts and the crane service) for a period of **Thirty (30) months** and **Five-years** manufacturer's (applies on parts and compressors) warranty following the date of the project completed.

Singed under seal this 26<sup>th</sup> day of February, 2007  
Singed in presence of:

**Owner:** Lucky Dragon Development Co. Ltd.

By:  Date: 2/26/07  
Yangming Ou (Authorized Representative)

**Contractor:** Carrier Guam, Inc.

By:  Date: 2/26/07  
Leonard Aguigi (Project Manger)



Tumon Development

to: Mr. Yangming Ou  
Lucky Dragon Development Co. Ltd

Date: 3/2/07  
From: Gaurang Pandya  
Office: Carrier Guam, Inc  
Subject: 50HJ-012---5 / Order confirmation  
Ref: (A) Lucky Development project, Upper Tumon

Dear Mr Ou,

We would like to confirm to you the order placement of 17ea. 50HJ 10 PACKAGE Air-conditioning units with our factory on February 28, 2007. We will be anticipating delivery dates on or before June 4 2007 via Guam.

Sincerely,

Gaurang Pandya  
General Manager

CUSTOMER'S COPY

CARRIER GUAM, INC.  
HARMON, GUAM  
TERM ID # 17740272

TRANSACTION DATE  
WED FEB 20, 2007 11:25 AM

EXPIRY DATE : 04/08  
BATCH NUMBER : 038  
TERMINAL NO. : 17740272  
CARD NUMBER :  
XXXXXXXXXXXXXXXX0926

REFERENCE NUMBER  
00043

TRANSACTION TYPE  
CR/DB CARD SALE

CARD ISSUER  
MASTERCARD INT'L  
APPROVAL CODE  
056309

TOTAL : \$ 14000.00

THANK YOU  
PLEASE COME AGAIN



CUSTOMER'S COPY

CARRIER GUAM, INC.  
HARMON, GUAM  
TERM ID # 17740272

TRANSACTION DATE  
WED FEB 20, 2007 11:27 AM

EXPIRY DATE : 08/09  
BATCH NUMBER : 030  
TERMINAL NO. : 17740272  
CARD NUMBER :  
XXXXXXXXXXXX8765

REFERENCE NUMBER  
00045

TRANSACTION TYPE  
CR/DB CARD SALE

CARD ISSUER  
AMERICAN EXPRESS  
APPROVAL CODE  
014639

TOTAL : \$ 7000.00

THANK YOU  
PLEASE COME AGAIN



CUSTOMER'S COPY

CARRIER GUAM, INC.  
HARMON, GUAM  
TERM ID # 17740272

TRANSACTION DATE  
WED FEB 20, 2007 11:26 AM

EXPIRY DATE : 01/10  
BATCH NUMBER : 038  
TERMINAL NO. : 17740272  
CARD NUMBER :  
XXXXXXXXXXXX5697

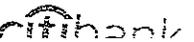
REFERENCE NUMBER  
00044

TRANSACTION TYPE  
CR/DB CARD SALE

CARD ISSUER  
MASTERCARD INT'L  
APPROVAL CODE  
006357

TOTAL : \$ 9000.00

THANK YOU  
PLEASE COME AGAIN



Carrier Guam, Inc.  
P.O. Box 23847, GMF, Guam 96921-3847  
Tel: (671)847-9298 • Fax: (671) 646-9139

RECEIVED FROM  
ADDRESS  
*Surely Muelapud*

FOR *Down payment* *pe- 0K30-08976*  
*total amount \$ 143,000.00*

ACCOUNT		HOW PAID	
AMOUNT PAID	5,000.00	CASH	
BALANCE	112,000.00	CHECK	
		MONEY ORDER	

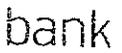
RECEIPT N°. 20240

DATE *2-20* 20 *07*

TEL. NO. \_\_\_\_\_  
DOLLARS \$ *20,000.00*

Thank You!

*CP*





Carrier Guam, Inc.  
 P.O. Box 23847, GMF, Guam 96921-3847  
 Tel: (671) 647-9298 • Fax: (671) 646-9139

RECEIPT N°. 20302  
 DATE 06/28 2007

RECEIVED FROM Yang Jinyou Ou / Lucky Dragon  
 ADDRESS \_\_\_\_\_ TEL. NO. \_\_\_\_\_  
 Fifteen Thousand dollars only DOLLARS \$ 15,000.00  
 FOR 12L0109D

ACCOUNT		HOW PAID	
AMT. OF ACCOUNT		CASH	
AMOUNT PAID	15,000.00	CHECK	
BALANCE DUE		MONEY ORDER	

Thank You!  
 BY Michelle Mastas #166 ✓



Carrier Guam, Inc.  
 P.O. Box 23847, GMF, Guam 96921-3847  
 Tel: (671) 647-9298 • Fax: (671) 646-9139

RECEIPT N°. 20303  
 DATE 06/28 2007

RECEIVED FROM Chongyong Sheng Wimey (Lucky Dragon)  
 ADDRESS \_\_\_\_\_ TEL. NO. \_\_\_\_\_  
 Fifteen Thousand dollars only DOLLARS \$ 15,000.00  
 FOR 12L0109D

ACCOUNT		HOW PAID	
AMT. OF ACCOUNT		CASH	
AMOUNT PAID	15,000.00	CHECK	
BALANCE DUE		MONEY ORDER	

Thank You!  
 BY Michelle Mastas



**Carrier Guam, Inc.**  
 P.O. Box 23847, GMF, Guam 96921-3847  
 Tel: (671) 647-9298 • Fax: (671) 646-9139

**RECEIPT N°.** 20386  
 DATE 10/10 2007

RECEIVED FROM Uncky Dragon  
 ADDRESS forty two thousand dollars only TEL. NO. 9  
 FOR Person (17 Units) DOLLARS \$ 42,000.00

ACCOUNT		HOW PAID	
AMT. OF ACCOUNT		CASH	
AMOUNT PAID		CHECK	
BALANCE DUE		MONEY ORDER	

CC  
 Thank You!  
 BY Micelle Motta

**CARRIER GUAM INC.**  
 HARMON, GUAM  
 CITIBANK N.A.

**CARRIER GUAM INC.**  
 HARMON, GUAM  
 CITIBANK N.A.

**CARRIER GUAM INC.**  
 HARMON, GUAM  
 CITIBANK N.A.

TERMINAL ID. : 90000069  
 MERCHANT #: 000790171100019  
 AMEX - CARD SWIPE  
 \*\*\*\*\*1004  
 OFFL SALE  
 INVOICE: 045176 BATCH: 000011  
 DATE: OCT 16, 07 TIME: 17:25  
 AUTH NO: 164809  
 TOTAL \$12000.00  
 \* OFFLINE ENTERED \*

TERMINAL ID. : 90000069  
 MERCHANT #: 000790171100019  
 AMEX - CARD SWIPE  
 \*\*\*\*\*1004  
 OFFL SALE  
 INVOICE: 045175 BATCH: 000011  
 DATE: OCT 16, 07 TIME: 17:24  
 AUTH NO: 105175  
 TOTAL \$10000.00  
 \* OFFLINE ENTERED \*

TERMINAL ID. : 90000069  
 MERCHANT #: 000790171100019  
 MASTERCARD - CARD SWIPE  
 \*\*\*\*\*8926  
 OFFL SALE  
 INVOICE: 045172 BATCH: 000029  
 DATE: OCT 16, 07 TIME: 16:59  
 AUTH NO: 069235  
 TOTAL \$20000.00  
 \* OFFLINE ENTERED \*

CUSTOMER COPY

CUSTOMER COPY

CUSTOMER COPY

## CONTRACT AGREEMENT

This AGREEMENT made as of the 18<sup>th</sup> day of June 2007 by the between Lucky Dragon Development Co. Ltd. (P. O. Box 7467, Tamuning Guam 96931; Tel: 649-6886, Fax: 649-1968) herein after called the Owner and Appliance Galleria (P. O. Box 8229, Tamuning, Guam 96931; Tel: 646-7800, Fax: 646-7778) herein after called the Contractor, that the Owner and the Contractor in consideration of hereinafter agree as follows:

### ARTICLE 1. SCOPE OF WORKS:

The Contractor shall provide and fully installed with commissioning total 17 sets new Kitchen-Aid Brand appliance (total 7 items per-set see the attachment 1 for the model number) for of the 17 units Townhouse Condominium. As annexed here to as it pertains to work to perform on property at **Lot 5067-1-4, Upper Tumon, Guam**. One set of the kitchen appliance (direct purchase by the Owner and already delivered on side see the attachment 2) shall be use on the project if available or exchange to the new one which item are not available to using.

### ARTICLE 2. TIME OF COMPLETION:

The project will complete within Fifty (55) calendar days and the project will be commenced on **June 20, 2007** and shall fully complete on or before **August 14, 2007**.

In the event that the Contractor shall fail to complete the scope of work to influence the project, the Contractor warrants to the Owner the completion date by hereby promising to pay the Owner **Three Hundred Dollars only (US\$300.00)** for each calendar day after 7 calendar days of the Completion Date the work has **not** been complete.

### ARTICLE 3. THE CONTRACT PRICE:

The Owner agrees to pay the Contractor for materials and labor (included appliances and necessary installation hardware etc.), equipment, delivery, and installation work for the project to be performed under the contract the sum of **Two Hundred Thirty Three Thousand and Sixty Dollars (U.S \$233,060.00)**. Subject to any additions and alteration shall in pursuant to **Authorized Change Order**.

Any additions and site alteration work the materials cost under **US\$17,000** shall be included with the Contract price. In the even the additions and site alteration work the materials cost over **US\$17,001.00** shall be in pursuant to **authorized Change Order**.



# CONTRACT AGREEMENT

## ARTICLE 4. PROGRESS PAYMENTS:

Payments of the contract price shall made in the following manner:

	\$67,000.00
1 <sup>st</sup> Increment: Deposit upon Confirmation of Agreement	-----
2 <sup>nd</sup> Increment: Upon all appliances delivered on job side	\$103,060.00
Final payment: Project completed after 2 weeks	\$63,000.00
<b>Total Payment is:</b>	<b>----- \$233,060.00</b>

*Handwritten notes:*  
 8/17/07 CE #1766  
 \$70,000.00  
 8/15/07 CE #152  
 \$67,000.00

## ARTICLE 5. GENERAL PROVISIONS:

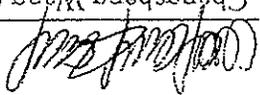
1. All work (materials & labor) shall complete in good workmanship like manner and in compliance with all building codes and other applicable laws.
2. To the extent required by law individuals duly licensed and authorized by law to perform the said work shall perform all work.
3. All Change Orders shall be in writing and signed by both Owner and Contractor.
4. The Owner will provide the temporary power and water and toilet for the construction work on the job site.
5. Contractor shall furnish Owner the evidence of order the materials within 5 days of received the deposit from the Owner, also appropriate releases on waivers of lien for all work performed on labor and the material provided at the time the next payment shall be due.
6. Within 5 days after sign the Contract Agreement, The Contractor shall check the drawing of the kitchen cabinet provide by the Owner and inspection of the existing job side & building condition to confirm and make sure the installation work can be perform.
7. All the necessary installation hardware and accessories materials such power cord & fitting plumbing connection pipe & fitting, exhaust duct & adaptor etc. shall be provide by the Contractor.
8. Contractor shall start-up and commissioning and testing run of all the installed appliances. And certification on entire works by the licensed professional technician and engineer.
9. All the construction shall be comply with public laws and newest building codes.
10. Contractor shall remove and clean all the unused and discarded materials and trash of work and leave the work site in clean condition when work is finished.
11. The Contractor shall responsible for breakage and any damaged to the existing building cause by the appliances delivery and installation work. All the repair work shall provide by the Contractor if requesting.
12. Contractor provides fully on site warranty for labor, materials & equipment on all the workmanship for a period of 24 months following the date of all the appliances has been fully installation and completed the commissioning & testing run work.

# CONTRACT AGREEMENT

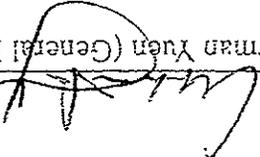
13. Contractor warrants it is adequately insured for injury to its employees and other incurring loss, or injury because of the act of Contractor or its employees of Owner.
14. Any modification of this agreement or addition obligation assumed by either party in connection with this agreement shall be binding only if evidenced in writing signed by each party or an authorized representative of each party.
15. In the event that either Owner or Contractor should bring suit against the other for the recovery of any sum due hereunder, or because of the breach of any covenant in this agreement, or for any other relief, the prevailing party shall be entitled to receive from the other its reasonable attorneys' fee incurred and cost of suit, whether or not such action is prosecuted to judgment.

Signed under seal this 20 day of June, 2007  
Signed in presence of:

OWNER: Lucky Dragon Development Co. Ltd.

By:   
Date: \_\_\_\_\_  
Changsheng Wang (General manager)

Contractor: Appliance Gallens

By:   
Date: \_\_\_\_\_  
Norman Yuen (General Manager)

# Appliance Galleria

P.O. BOX 8229 TAMUNING  
GUAM 96931 USA  
TEL: (671) 646-7800 FAX: (671) 646-7778

## QUOTE

Customer	LUCKY DRAGON DELVELOPMENT P.O. BOX 7464, TAMUNING 649-1968	Date:	6/20/07 REVISED		
		Ref:			
Payment	PER AGREEMENT	Estimated Shipping Date: AUGUST 15, 2007			
Delivery	PER AGREEMENT	Country of Destination: GUAM			
Model	Description	Qty	Unit Price \$US	Extension	
KSSC42QTS	FRIDGE 42" BI Stainless Steel Door	17	\$5,450.00	\$	92,650.00
KWCU300LSS	30" RANGE HOOD	17	\$1,250.00	\$	21,250.00
KEMS308SSS	MW COMBO CONVECTION	17	\$2,900.00	\$	49,300.00
KECC508RPS	30" COOKTOP	17	\$1,150.00	\$	19,550.00
KEWD105HSS	WARMING DRAWER	17	\$801.18	\$	13,620.00
KUDP02CRBS	DISHWASHER	17	\$700.00	\$	11,900.00
KUCS02CRSS	15" COMPACTOR	17	\$690.00	\$	11,730.00
			\$12,941.18	\$	220,000.00
	OCEAN FREIGHT	17	free		free
	INSTALLATION	17		\$	15,000.00
	EXT. TO 24 MONTH WARRANTY	17		\$	11,000.00
	Total	153		\$	246,000.00

**NOTE:**

PRICE INCLUDES OCEAN FREIGHT, SHIPPING DAMAGES, DELIVERY TO JOB SITE, SUPERVISE AND PROVIDE INSTALLATION ASSISTANCE TO FINISH.

WARRANTY: TWO YEAR PARTS AND LABOR

INSTALLATION: INCLUDED

PAYMENT TERMS: AS INDICATED ON CONTRACT

QUOTED BY:

ACCEPTED BY:

Landscapes

GREENSCAPES

EN  
EJ

**TASI 17 CONDOS**

**Lucky Dragon Development Co., Ltd.**

**Irrigation / Landscape Installation Proposal**

**Submitted by Greenscapes / Ernie Nelson**

September 27, 2007

Final Revision 10/20/2007

# GREENSCAPES

## Contract for Irrigation and Landscape Installation

SUBMITTED TO: OU, Yangming, Project Engineer, Lucky Dragon Development Co., Ltd.

JOB NAME Tasi 17 Townhouses- Upper Tumon, Guam

DATE: September 27, 2007. Revised 10/11/2007 Final Revision 10/20/2007

SCOPE OF WORK AS FOLLOWS: includes delivery and installation of all soil, plants and materials for automatic irrigation system and landscaping. Please refer to attached drawings and pictures.

### #1. AUTOMATIC IRRIGATION SYSTEM INSTALLATION

#### INCLUSIONS:

1. Fully automatic irrigation system to cover all installed plants / grass. Controller to be a Rainbird ESP.
2. All valves, sprinkler heads etc. shall be Rainbird brand. We stock replacement parts.
3. Controller is computerized and has battery backup. Also has fuse protector for power surges.
4. Repair of trench lines.
5. One year warranty on parts and labor.

#### EXCLUSIONS:

1. Client is responsible for providing ~~1.5~~ 1.0" inch water line off the large main water line for Greenscapes to connect to for the automatic irrigation system. ~~1.5~~ 1.0" inch line should be located near the guard shack on the right as you enter. It would be best to put it within the landscape bed.
2. Power for controller. Client must provide outlet for 120 volt- to plug in controller.
3. Small amount of Landscaping on the balcony / Oceanside of the last two units are not included.
4. Cutting of freshly poured concrete. Irrigation needs to be installed prior to driveway, sidewalk etc
5. Replacement or repairs due to vandalism, negligence by others, theft, fire or any act of nature.

### #2. LANDSCAPE INSTALLATION

#### INCLUSIONS:

1. Greenscapes shall be responsible for excavating deeper than eight inches (8") in areas where palms are to be installed. Please see #1. Under exclusions.
2. Installation of approximately 53 cubic yards of Topsoil in all areas to be landscaped.
3. Slow release granular fertilizer shall be incorporated into soil where palms / plants are installed.
4. Please see Plant / Material List below for plants to be installed.
5. All installed plants provided by Greenscapes are guaranteed to be in good health at time of installation.
6. Greenscapes shall provide all labor, materials and equipment.
7. All work areas shall be left in a clean and neat manner at the conclusion of each day and upon completion of installation.
8. Greenscapes is an insured and licensed contractor License Number 7640. Classification C27.

#### EXCLUSIONS:

1. All landscape beds shall be evenly cleaned out by the Lucky Dragon Development Co. to a depth of eight inches (8") from the level of the curb, sidewalk, etc. This will allow for Greenscapes to install six inches (6") topsoil and mulch. Areas where palms are to be installed shall be excavated further by Greenscapes.
2. Lucky Dragon Development Co shall be responsible for construction of a landscape planter bed for the last one hundred and twenty five feet (125') of property outside the wall that runs along pool area. This landscape planter bed must be at least six inches (6") in height to insure that it will hold four inches (4") topsoil and mulch. Greenscapes recommends using coral limestone rock cemented together to create the landscape planter bed. This will look nicer and last longer than plastic edging.

# GREENSCAPES

DN  
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**Landscape Installation Exclusions Continued:**

3. Lucky Dragon Development Co. shall be responsible for widening the landscape planter bed along the sidewalk where used. Old pavers (bricks) and concrete within three feet of outside wall shall also be removed by LDD Co. Area in-between the wall and sidewalk to be used as a landscape planter bed has been figured at three feet (3').
4. Replacement or repairs due to vandalism, negligence by others, theft, fire, inclement weather and / or any acts of nature.

**PLANT / MATERIAL LIST: to be installed:**

\*\*Foxtail Palm size has been changed from the original proposal.

Type of Plant / Material	Container Size / Overall Plant Height	Number of Plants / Quantity of Material
Foxtail Palm	20 gallon / 6 - 8' feet	20
Philodendron split leaf	Field stock	2
Blue Daze	1 gallon	45
Ti Plant (pink)	1 gallon	5
Ti Plant (pink)	4 gallon	4
Ti Plant (green)	4 gallon	10
Alamanda - yellow flower	1 gallon	63
Chinese Taro	1 gallon	9
Dracena- thin leaf	1 gallon	5
Pseuderanthemum (Yellow) or similar plant	1 gallon	116
Crotons	1 gallon	39
Panax - dwarf	1 gallon	25
Coral Plant	1 gallon	42
Spider Lilly	1 gallon	32
Gardenia Tree (snowball )	7 gallon	1
Night Blooming Jasmine	2 gallon	1
Hibiscus or Periwinkle	1 gallon	3
Rocks - grey volcanic	40 pound plus	9
Topsoil	Cubic Yard	53

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# GREENSCAPES

TOTAL CONSTRUCT PRICE: \$45,000.00

## TERMS OF CONTRACT / PAYMENT SCHEDULE:

- DOWN PAYMENT: Mobilizations and materials ----- \$15,000.00
  - 2<sup>nd</sup> INCREMENT: Completed of all Scope of Work ----- \$27,000.00
  - FINAL PAYMENT: After six months Warranty Period ----- \$3,000.00
- TOTAL CONTRACT PRICE IS: ----- \$45,000.00**

### NOTE:

GREENSCAPES agrees to a **Six (6) Months** maintenance service and warranty on all the plants as stated above. **No** replacement or repairs due to vandalism, negligence by theft, fire, inclement weather and / or any act of God.

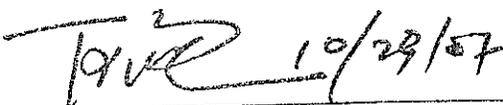
GREENSCAPES shall free of charge install mulch to cover all bare soil within landscape beds

The project shall be completed within **20 Calendar Days** and shall commence from the date of signing the Contract with received down payment from the Owner within 3 calendar days. Heavy rainfall bad weather may cause delays with soil delivery and installation.

Contractor: (Greenscapes)


 \_\_\_\_\_ Date: 10/29/2007  
 By: Ernest Nelson (Owner)

Owner: (Lucky Dragon Development Co., Ltd.)


 \_\_\_\_\_ Date: \_\_\_\_\_  
 By: Yangming Ou (Representative)

Security / Intrusion System

2006年9月14日

# PACAIR, LTD.



## INTRUSION DETECTION, INTERCOM SYSTEM CCTV SURVEILLANCE AND TELEPHONE ENTRY for

LUCKY DRAGON DEVELOPMENT CO.  
P.O. BOX 7467  
TAMUNING, GU 96931

(PROPOSED TOWNHOUSE DEVELOPMENT, UPPER TUMON)

### 1. SCOPE OF WORK:

The proposed project shall provide all labor, wiring, and materials for 17 ea. Intrusion Detection & Intercom Systems and Perimeter CCTV Surveillance System. This system is designed for installation based on discussions and plans provided by Lucky Dragon Development Co.

### 2. METHODOLOGY:

- a. Furnish, install and tune seventeen (17) IDS panels and perimeter security equipment for each unit.
- b. Furnish, install, and program seventeen (17) Intercom systems with video capabilities.
- c. Furnish, install and tune seven (11) Exterior color cameras equipped with vari-focal lens, exterior housing, mounting brackets, and power supplies.
- d. Furnish, install, and program an 16-channel DVR, equipped with 160GB HDD, DVD-R, NIC card, WXPE and 17" LCD Monitor.
- e. Furnish, install, and test all video and power cabling required for the system, from the DVR to each camera location.
- f. Furnish, install, and program a Telephone Entry System into the telephone Make up room and test to individual units.
- g. Project Manager to arrange coordination meetings with Prime Contractor on all conduit installations and locations based on final approved design.

### 3. EQUIPMENT LIST:

Refer to Price Quotation 2032 for itemized list of equipment.

### 4. PAYMENT TERMS:

1 <sup>st</sup> Payment	\$ 20,000.00	Due upon price acceptance
2 <sup>nd</sup> Payment	\$ 15,000.00	Due within 5 days from equipment arrival
3 <sup>rd</sup> Payment	\$ 15,000.00	Due upon installation of wires and equipment
4 <sup>th</sup> Payment	\$ 20,000.00	Due within 15 days from project completion and acceptance

*- all equipment for complete project -*

### 5. GENERAL TERMS AND CONDITIONS.

- a. Any discrepancies identified during this installation shall be handled separately through a Work Order, which will be submitted for approval, prior to proceeding. This includes any additional wiring and/or connectors. *\* material system under 41,000 no charge order of over 41,000 to be charge order.*
- b. All requests to add or modify the layout of the proposed system shall be handled as an out of scope service. A price quotation shall be submitted for approval prior to commencement.
- c. Client shall provide full access to the facility for installation of the above equipment.
- d. Telephone ~~wiring~~ for monitoring is not included. Client must supply, *and apply for service at STA.*
- e. Unless selected, this proposal does not include costs for conduit or work normally provided by a General Contractor.
- f. Standard ~~Manufacturer~~ Manufacturer warranty shall apply. *from date of occupancy permit.*
- g. Price quote and scope of work is valid for 45 days and is based on site survey conducted.

### 6. CONFIDENTIALITY:

Information provided here-in is proprietary to PacAir, Ltd. and company listed above. Any sharing of this information shall require prior written consent of both parties.

Submitted by:  
PacAir, Ltd. (IT Services Division)  
*[Signature]*  
John A. Cruz  
Managing Director

Accepted by:  
Lucky Dragon Development Co. Ltd.  
*[Signature]*  
Signature

*Sept. 14 2006*  
Date

Print Name & Title  
*2006. 9. 14*  
Date



# TERRITORY OF GUAM

## BUILDING PERMIT CERTIFICATE OF OCCUPANCY

THIS CERTIFICATE ISSUED PURSUANT TO THE REQUIREMENTS OF SECTION 31033, BUILDING LAW TITLE XXXII, GOVERNMENT CODE OF GUAM CERTIFYING THAT AT THE TIME OF ISSUANCE THIS STRUCTURE WAS IN COMPLIANCE WITH THE VARIOUS CODES REGULATIONS BUILDING CONSTRUCTION OR USE.

TP07-0395

Date: 07/20/2007 Permit No.: TP05-0327 / TP06-0978

Applicant (Contractor): Lucky Dragon Dev. Co., Ltd. Address: P.O. Box 7467, Tamuning, 8355  
(No.) (Street) (Contr's License)

Permit To: Occupy ( 3 ) Story: Townhouse Number of Dwelling Units: 17 Units  
No. (Proposed Use)

At (Location): #1031 North Marine Corps Drive, Upper Tumon Zoning District: C  
(No.)

Between: \_\_\_\_\_ And: \_\_\_\_\_  
(Cross Street) (Cross Street)

Tract No.: \_\_\_\_\_ Lot: 5067-1-4 Block: \_\_\_\_\_

Building is to be: 408 Ft. Wide By: 50 Ft. Long By: 31 Ft. in Height & Shall Conform in Construction.

To Type: II Use Group: R1 Basement Walls of Foundation: Concrete

Remarks: To occupy 17 units 3 story Townhouse Condominium residential with  
basement parking stall.

Area or Volume: +/- 5,270 s.m.

Owner:  Wang, Changsheng  
(Sign & Print)

Building official:   
(JESUS Q. NINETE, SR.)

Address: 20K Winner Building, Tamuning, Guam 96913

12-13-07

## ESCROW AGREEMENT

### PREAMBLE

THIS AGREEMENT is entered into by and between SECURITY TITLE INC., a Guam corporation, whose address is Orlean Pacific Plaza, Suite 202B, 865 S. Marine Corps Drive, Tamuning, Guam 96913 ("Escrow Agent") and LUCKY DRAGON DEVELOPMENT CO., LTD., whose address is Post Office Box 7467, Tamuning, Guam 96931 ("Seller").

### WITNESSETH:

#### Recitals

WHEREAS, Seller is developing a condominium project to be known as TASI 17 consisting of seventeen (17) apartment units (the "Project"), in accordance with plans sealed by Oscar A. Coloma, RA, on certain real estate more particularly described as follows:

Lot No. 5067-1-4, Tumon, Municipality of Tamuning (formerly of Dededo), Estate No. 13581, Suburban, as said Lot is marked and designated on Drawing No. PRB-93-75A, as L.M. Check Number 449 FY 93, and recorded on November 26, 1993, under Document No. 498850 at the Department of Land Management, Government of Guam.

Last Certificate of Title being No. 76702 in the name of Paul J. Bordallo.  
Area: 5,270 ± square meters; 56,730 ± square feet.

WHEREAS, Seller is developing the Project in accordance with the Horizontal Property Regime Act, 21 Guam Code Annotated Chapter 45 (the "Act"); and

WHEREAS, Seller intends to enter into Condominium Deposit and Purchase Agreement(s) ("Purchase Agreement(s)") for the sale of the apartment units comprising the Project, with payments for one or more of the 17 units being made to Escrow Agent to be held and disbursed by and

one or more of the 17 units being made to Escrow Agent to be held and disbursed by and according to the provisions of this Agreement; and

WHEREAS, Escrow Agent has consented to hold all payments received under such Purchase Agreement(s) and any other funds received by it pursuant to the terms and conditions of this Agreement; now, therefore,

## **AGREEMENT**

In consideration of the premises, it is mutually AGREED as follows:

### **SECTION 1. PAYMENT OF FUNDS TO ESCROW AGENT**

§1.1. Payment of Funds. The Purchase Agreement(s) shall require any deposits due thereunder to be made to Escrow Agent. Seller shall deliver to Escrow Agent executed copies of the Purchase Agreement(s), together with the address(es) of the purchaser(s). Escrow Agent shall receive and hold in an escrow account to be called "Security Title Escrow Account-TASI 17 ", and shall make disbursements in accordance with the terms of this Purchase Agreement(s).

### **SECTION 2. DEPOSITORY**

§2.1. Deposits. All monies received by Escrow Agent hereunder shall be deposited, on receipt, in an interest bearing trust account(s) with financial institution(s) on Guam, and held in accordance with the terms hereof, and shall be credited to the account of the purchaser(s).

### **SECTION 3. PURCHASER'S DEPOSITS AND DISBURSEMENT OF FUNDS**

§3.1. Requirements Prior to Disbursements. No deposits shall be received from purchaser or disbursements made from the purchaser's funds unless and until the Guam Land Use Commission

has issued its Final Public Report for the Project and (i) the purchaser has been given a copy of the Final Public Report and supplementary reports, if any, and has had an opportunity to read such reports; (ii) the purchaser has executed a receipt for the Final Public Report and supplementary reports, if any, and (iii) Seller has delivered to Escrow Agent a copy of such receipt(s).

§3.2. Disbursement of Funds. Upon compliance with section §3.1 above, Escrow shall disburse purchaser's funds in accordance with the Purchase Agreement to Seller and as otherwise required by the Purchase Agreement, including but not limited, payment for title insurance, if any, escrow fees, recordation of title, and pro-rata taxes.

#### **SECTION 4. COLLECTION PERIOD**

§4.1. Collection. Upon receipt of notice in writing from Seller that any payments are due under any of the Purchase Agreement, Escrow Agent shall give notice in writing to each purchaser under any such Purchase Agreement held by Escrow Agent and shall call for such payment to be made to Escrow Agent.

#### **SECTION 5. REFUND TO PURCHASER**

§5.1. Purchaser. If Escrow Agent receives a written request from Seller to return to the purchaser the funds of such person then held hereunder by Escrow Agent, Escrow Agent shall pay said funds to the purchaser. In such event, Seller shall pay Escrow Agent a cancellation fee of \$100.00 ("cancellation fee"), in lieu of the escrow fee under §9.1, below. Provided however, if the cancellation is due to a default of purchaser, purchaser will be responsible for the payment of the cancellation under §6.1, below.

## **SECTION 6. PURCHASER'S DEFAULT**

§6.1. Default. If at any time Seller shall certify in writing to Escrow Agent that a purchaser, whose funds are being held hereunder by Escrow Agent, has defaulted under the terms of its Purchase Agreement, Escrow Agent shall notify said purchaser of its default and shall thereafter treat all funds of such purchaser paid on account of said Purchase Agreement, less Escrow Agent's cancellation fees, as funds of Seller which were transmitted to Escrow Agent to be held pursuant to the provisions of the Purchase Agreement and not as funds of such purchaser.

## **SECTION 7. PERIODIC REPORTS**

§7.1. Report. During the effectiveness of this Agreement, Escrow Agent shall report in writing to Seller the status of receipts, interest-bearing deposits, and disbursements at least once each calendar month.

## **SECTION 8. DOCUMENTATION CLOSING**

§8.1. Closing. Escrow Agent shall arrange for and supervise the signing and recording of all documents relating to the purchase of the units under the Purchase Agreement(s) including, but not limited to, the execution of the apartment deeds, closing statements, promissory notes, mortgages and affidavits for Department of Land Management, Government of Guam.

## **SECTION 9. COMPENSATION OF ESCROW AGENT**

§9.1. Compensation. The compensation of Escrow Agent for performance hereunder shall be four hundred dollars (\$400.00) to be paid by purchaser, for each apartment unit for which a Purchase Agreement is received.

## SECTION 10. EXCEPTIONS OF ESCROW

§10.1. Exceptions. Escrow Agent shall not be responsible for the validity or sufficiency of any Purchase Agreement received by it and shall be entitled for all purposes to assume that all Purchase Agreements and other documents have been signed by the persons whose signatures purport to be thereon. If any dispute or difference arises between Seller and any third person or if any conflicting demand shall be made upon Escrow Agent, Escrow Agent shall not be required to determine the merits of said claim or take any action thereon and may wait settlement of the controversy by final appropriate legal proceedings. Alternatively, Escrow Agent may file a suit in interpleader in the Superior Court of Guam for the purpose of having the respective rights of the parties adjudicated and shall deposit such money with the court and give notice thereof to the parties thereto by personal service or in accordance with the order of the court. Escrow Agent shall be fully released and discharged from all further obligations hereunder with respect to the monies so deposited.

## SECTION 11. MISCELLANEOUS PROVISIONS

§11.1. Severability. If any term stated in this Agreement subsequently is determined to be invalid, illegal, or unenforceable, that determination shall not affect the validity, legality, or enforceability of the remaining terms stated in this Agreement unless otherwise expressly stated in this Agreement, or unless performance as reasonably contemplated by the parties is made impossible by the absence of the omitted term.

§11.2. Governing Law; Dispute Resolution; Waiver of Jury Trial. The terms of this Agreement shall be interpreted in accordance with the laws of Guam as that law is construed and

amended from time to time. Any disputes arising under this Agreement shall be resolved before a judge of the Superior Court of Guam, sitting without a jury, and each party expressly waives any right to a trial by jury.

§11.3. Counterparts. This Agreement may be executed by the parties in counterparts. The counterparts executed by the parties named in this instrument, taken together, shall constitute a single agreement.

§11.4. No Drafter. No party shall be deemed to have drafted this Agreement. No term stated in this Agreement shall be construed against any party as its drafter.

§11.5. Defined Terms. Where certain terms initially are used in this Agreement, they are set off by quotation marks inside parentheses and subsequently are capitalized. Those designated terms shall have the same meaning throughout this Agreement.

§11.6. Paragraph Titles. The titles of each paragraph included in this Agreement are included only for the convenience of the parties. They shall not be considered in the construction and interpretation of the terms stated in this Agreement.

§11.7. Integration. This Agreement constitutes the sole agreement between the parties with respect to the Property. There are no collateral understandings, representations or agreements other than those contained herein. All prior agreements whether oral or written are hereby superseded.

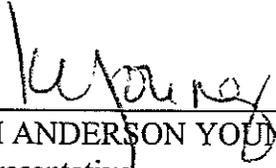
This Agreement is executed on the date(s) set forth below.

## EXECUTION

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

**Escrow Agent,**

**SECURITY TITLE, INC.**

By:   
KIM ANDERSON YOUNG, Its Duly Authorized  
Representative

**Seller,**

**LUCKY DRAGON DEVELOPMENT CO., LTD.**

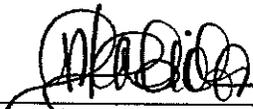
By:   
CHANG SHENG WANG, Its General Manager

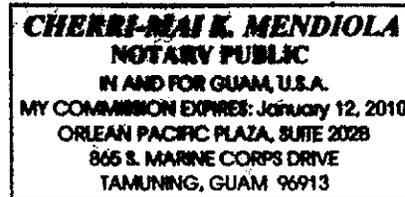
GUAM )  
 ) ss:  
CITY OF TAMUNING )

On this \_\_\_\_ day of July, 2007, before me, a notary public in and for Guam, personally appeared KIM ANDERSON YOUNG, known to be the duly authorized representative of SECUIRITY TITLE, INC., who executed the foregoing Escrow Agreement, and she acknowledged to me that such corporation executed the same.

WITNESS my hand and official seal.

(SEAL)

  
\_\_\_\_\_  
Notary Public

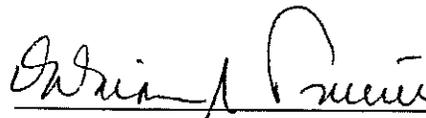


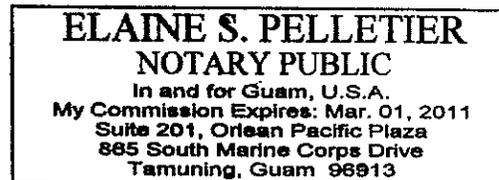
GUAM )  
 ) ss:  
CITY OF TAMUNING )

On this 23rd day of July, 2007, before me, a notary public in and for Guam, personally appeared CHANG SHENG WANG, the General Manager of LUCKY DRAGON DEVELOPMENT CO., LTD., known to be the Seller, who executed the foregoing Escrow Agreement.

WITNESS my hand and official seal.

(SEAL)

  
\_\_\_\_\_  
Notary Public



**S P E C I M E N**

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(Space above this line for Recorder's use only)

A copy of the Final Public Report for the Project is acknowledged to have been read by Buyers prior to the signing of this Agreement, and copy or copies thereof is/are acknowledged to have been received by Buyers.

**CONDOMINIUM DEPOSIT RECEIPT AND  
PURCHASE AGREEMENT**

This Condominium Deposit Receipt and Purchase Agreement ("Agreement") is made this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_, between LUCKY DRAGON DEVELOPMENT CO., LTD., whose mailing address is Post Office Box 7467, Tamuning, Guam 96931 (hereinafter referred to as "Seller"), and \_\_\_\_\_, whose mailing address is \_\_\_\_\_  
\_\_\_\_\_ (hereinafter referred to collectively as "Buyer").

This Agreement is based on the following facts, which are made a part of this Agreement:

A. Seller has received the Final Public Report from the Guam Land Use Commission ("GLUC") for the condominium project known as TASI 17 (sometimes referred herein as "Project") under the Horizontal Property Act, 21 Guam Code Annotated, Chapter 45, as amended, (the "Act") and Buyer hereby acknowledges that Buyer has received and read a copy of the Final Public Report prior to signing this Agreement;

B. Seller desires to sell and Buyer desires to purchase a certain condominium unit in the TASI 17 project constructed on real property more particularly described as follows:

Lot No. 5067-1-4, Municipality of Tamuning (formerly of Dededo), Estate No. 13581, Suburban, as said Lot is marked and designated on Drawing No. PRB-93-75A, as L.M. Check Number 449 FY 93, and recorded on November 26, 1993, under Document No. 498850 at the Department of Land Management, Government of Guam.

Last Certificate of Title being No. 76702 in the name of Paul J. Bordallo.

Area: 5,270 ± square meters; 56,730 ± square feet.

ACCORDINGLY, FOR AND IN CONSIDERATION of the mutual covenants contained herein and other good and valuable consideration, the sufficiency and adequacy of which is hereby acknowledged, the parties agree as follows:

1. Condominium Unit. Seller agrees to sell and Buyer agrees to buy the condominium unit in the TASI 17 project as described in the Declaration of Final Horizontal Property Regime of TASI 17 dated December 18, 2007 (the "Declaration") and recorded with the Department of Land Management, Government of Guam, under Instrument No. \_\_\_\_\_ and shown on the Condominium Map No. 154 ("Condominium Map") filed with the Department of Land Management, Government of Guam, on \_\_\_\_\_ under Instrument No. \_\_\_\_\_, described as follows ("Condominium Unit"):

- a. Apartment Unit A, containing four (4) bedrooms, three and one-half (3-1/2) bathrooms, a foyer, kitchen, living room, dining room, two (2) balconies and garage with two (2) parking stalls.
- b. Fractional Interest in Common Elements. 5.8718% fractional undivided interest in common elements of the Project as defined in the Declaration and Act ("Common Elements").

c. Limited Common Elements. Limited Common Elements consisting of a patio and roof terrace appurtenant to the Apartment Unit and basement-level storage cabinet.

2. Appliances/Typhoon Shutters. The Condominium Unit will have central air conditioning, refrigerator, oven, microwave oven, range top, garbage disposal, dishwasher, trash compactor, hot water heater, Jacuzzi, sauna, tankless water heater, water softener, reverse osmosis water system and typhoon shutters.

3. Purchase Price. The purchase price for the Condominium Unit is \$ \_\_\_\_\_ payable as follows:

a. Deposit due within \_\_\_ days of the Buyer being provided a Final Public Report and supplementary reports, if any, and an opportunity to read such report(s) and executed a receipt for the same: \$ \_\_\_\_\_

b. Final payment due in cash or cashier's check at Closing: \$ \_\_\_\_\_

4. Deposit in Escrow. Seller has entered into an escrow agreement ("Escrow Agreement") with Security Title, Inc. (the "Escrow Agent"), covering the receipt, collection and disbursement of funds to be paid by Buyer under this Agreement. All sums hereunder shall be paid to the Escrow Agent. Interest earned on Buyer's funds deposited in Escrow will be allocated to Buyer.

5. Common Element Expense Reserve. At Closing, Buyer shall pay \_\_\_\_\_ and 00/100 Dollars (\$ \_\_\_\_\_), being an amount due at Closing, as an advance payment for the common expense reserve. This amount is in addition to, and is not part of the Total Purchase Price set out in Section 2, supra.

6. Title. Seller warrants that insurable title can be conveyed to the Condominium Unit at Closing. The Condominium Unit shall be conveyed by warranty deed and shall be fee simple,

subject to the following: 1) the Declaration of Final Horizontal Property Regime for TASI 17, the By-Laws of the Association of Apartment Owners of TASI 17 attached to the Declaration, the House Rules, which are to be adopted or have been adopted by the Association of Apartment Owners of TASI 17, as such documents may be amended from time to time, and all other related condominium documents; 2) Grant of Right-of-Way for the Erection and Maintenance of Power Lines, Wires, Cables & Underground Conduits, granted to Guam Power Authority, for a ten (10) foot by ninety (90) ± foot strip of land extending partially across Lot No. 5067-1-4, dated April 21, 2006 and recorded on April 21, 2006, under Document No. 737886 at the Department of Land Management, Government of Guam; and 3) real property taxes not yet due and owing. The form and substance of the condominium documents and the unit conveyance document shall be to the Seller's satisfaction and shall, basically, conform with the documents as recorded with the Department of Land Management, Government of Guam, under the Declaration of Final Horizontal Property Regime.

7. Closing Date. The closing shall be held at \_\_\_\_\_ on \_\_\_\_\_, 200\_\_, or such other date mutually agreeable to by Seller and Buyer ("Closing"). The Closing shall be at the offices of Escrow Agent or such other place as the parties may agree.

8. Escrow Instructions. Buyer agree immediately on request by Seller or the Escrow Agent (and in no event later than ten (10) days after notice to Buyer of such request) to execute and return such escrow instructions as may be required by Seller and/or the Escrow Agent, which escrow instructions shall conform to this Agreement.

9. Costs, Fees, Payable by Seller and Buyers at Closing Date.

- (a) *Payable by Seller.* Seller agrees to pay at Closing, the cost for preparation of the deed, Seller's pro rata share of the Common Element expenses and the property taxes on the Condominium Unit up to Closing.
- (b) *Payable by Buyer.* Buyer agrees to pay at Closing, in addition to the purchase price of the Property under Section 3 of this Agreement, Buyer's attorney's fees, if any, the cost of title insurance (if requested), cost for preparation of any mortgages of Buyer's, fees for recordation of the deed and any mortgages of Buyer's, Buyers' pro-rata share of the Common Element expenses and property taxes on the Condominium Unit up to Closing, and the Escrow Agent's fees.

10. Damage to Unit. If the Condominium Unit is materially damaged prior to Closing, the Seller shall have the right and option to terminate this Agreement. Upon termination by Seller, then Buyer's deposit, plus interest, shall be returned and Seller shall not be liable for any damages, costs or expenses incurred by Buyer.

11. Possession. Buyer shall have possession of the Condominium Unit immediately after Closing.

12. Risk of Loss. All risk of loss to the Condominium Unit and the Buyer's interest in the Common Elements shall be borne by Seller until Closing and thereafter, all such risk of loss shall be borne by Buyer.

13. Inspection of Condominium Unit. Buyer has inspected and is acquainted with the condition of the Condominium Unit and Project.

14. Warranty. Seller's warranty for the Condominium Unit and Project is limited to the warranties required under 5 GCA §32501 or otherwise required by law. There are no other warranties, expressed or implied. Except for the warranties as stated above, Buyer, by Closing,

accepts the premises "as-is", where is, with all faults" with no right of set-off or reduction in the purchase price under Section 3 of this Agreement, or other remedy, at law or equity.

15. Default by Buyer. In the event Buyer is in default in any payment when required, or fails to perform any other obligation required of Buyer hereunder, this Agreement may, at Seller's option, be terminated by written notice to the Buyer and Seller may keep the initial deposit as liquidated damages, it being agreed by Buyer that the sale of the Condominium Unit requires substantial administrative and promotional expense and that it will be impracticable and extremely difficult to determine actual damages incurred by Seller because of the breach by Buyer, and, therefore, this provision is an attempt by the parties to liquidate any damages suffered, rather than provide for a penalty, and this provision shall not be considered as a penalty. Or, at Seller's option, Seller may pursue any other remedy in law or equity for specific performance or for damages.

16. Default by Seller. In the event the Seller defaults on its obligations contained in this Agreement, Buyer shall be entitled to any and all remedies in law or equity for specific performance or for damages.

17. Management of the Condominium. Buyer agrees that Seller may employ, at Buyer's pro-rata expense, a person or corporation for the management, operation, and maintenance of said project until the election of a Board of Directors under the By-Law.

18. Notices. Any notices relating to this Agreement shall be given in writing and shall be deemed sufficiently given and served for all purposes when delivered personally to the Company's office or Buyer, or five (5) days after deposit in the United States mail certified or registered, return receipt requested, with postage prepaid, addressed as follows:

Seller: \_\_\_\_\_  
\_\_\_\_\_

Buyer: \_\_\_\_\_  
\_\_\_\_\_

Either party may change its address by written notice to the other given in the manner set forth above.

19. No Assignment by Buyers. Buyer hereby represent that it is buying the Property for its own occupancy or for investment purposes and not for purposes of immediate resale. This Agreement may not be assigned or otherwise transferred by Buyer without the written consent of Seller, which consent may be withheld at Seller's sole discretion. Seller may assign its rights and delegate its duties hereunder without limitation.

20. Severability. If any term stated in this Agreement subsequently is determined to be invalid, illegal, or unenforceable, that determination shall not affect the validity, legality, or enforceability of the remaining terms stated in this Agreement unless otherwise expressly stated in this Agreement, or unless performance as reasonably contemplated by the parties is made impossible by the absence of the omitted term.

21. Governing Law; Dispute Resolution; Waiver of Jury Trial. The terms of this Agreement shall be interpreted in accordance with the laws of Guam as that law is construed and amended from time to time. Any disputes arising under this Agreement shall be resolved before a judge of the Superior Court of Guam, sitting without a jury, and each party expressly waives any right to a trial by jury.

22. Counterparts. This Agreement may be executed by the parties in counterparts. The counterparts executed by the parties named in this instrument, taken together, shall constitute a single agreement.

23. No Drafter. No party shall be deemed to have drafted this Agreement. No term stated in this Agreement shall be construed against any party as its drafter.

24. Defined Terms. Where certain terms initially are used in this Agreement, they are set off by quotation marks inside parentheses and subsequently are capitalized. Those designated terms shall have the same meaning throughout this Agreement.

25. Definition of Closing. The term Closing as used in this Agreement means the payment of the purchase price under Paragraph 2 of this Agreement by Buyer to Seller and the delivery by Seller to Buyer of a deed to the Condominium Unit in the form required by Paragraph 5 of this Agreement.

26. Paragraph Titles. The titles of each paragraph included in this Agreement are included only for the convenience of the parties. They shall not be considered in the construction and interpretation of the terms stated in this Agreement.

27. Integration. This Agreement constitutes the sole agreement between the parties with respect to the Property. There are no collateral understandings, representations or agreements other than those contained herein. All prior agreements whether oral or written are hereby superseded.

This Agreement is executed on the date(s) set forth below.

Seller:

Buyer:

LUCKY DRAGON DEVELOPMENT CO., LTD.

\_\_\_\_\_  
By: Chang Sheng Wang, Its General Manager

\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

TAMUNING, GUAM ) ss:

ON THIS \_\_\_\_\_ of \_\_\_\_\_, 200 \_\_\_\_, before me, a Notary Public in and for Guam, personally appeared CHANG SHENG WANG, known to me to be the General Manager of LUCKY DRAGON DEVELOPMENT CO., LTD., a Guam corporation, and acknowledged to me that he executed the same as his free and voluntary act and deed for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the date last above written.

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Notary Public

TAMUNING, GUAM ) ss:

ON THIS \_\_\_\_\_ of \_\_\_\_\_, 200 \_\_\_\_, before me, a Notary Public in and for Guam, personally appeared \_\_\_\_\_, known to me to be person whose name is subscribed to the foregoing instrument and acknowledged to me that \_\_\_\_\_ executed the same as \_\_\_\_\_ free and voluntary act and deed for the purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the date last above written.

---

Notary Public

Filing with the registrar of )  
land titles pursuant to the )  
Land Title Registration )  
Act requested by the )  
Grantor. After filing )  
deliver copies to \_\_\_\_\_ )  
\_\_\_\_\_ )  
\_\_\_\_\_ )  
The real property affected by )  
this instrument is registered )  
land, the name of the last )  
registered owner being )  
\_\_\_\_\_ )  
and the number of the )  
certificate of last registration )  
being No. \_\_\_\_\_ )  
\_\_\_\_\_ )

**S P E C I M E N**

**APARTMENT UNIT DEED**

Apartment No. \_\_\_\_\_

TO ALL TO WHOM THESE PRESENTS MAY COME, GREETINGS:

*Parties, Consideration and Grant*

§1. KNOW YE, that **LUCKY DRAGON DEVELOPMENT CO., LTD.**, whose address is Post Office Box 7467, Tamuning, Guam 96931 (the "Grantor"), in consideration of the sum of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration paid to it by \_\_\_\_\_, whose mailing address is \_\_\_\_\_ (the "Grantee"), receipt whereof is hereby acknowledged, does hereby GRANT AND CONVEY unto the Grantee, as tenants in common, the apartment unit and undivided interest in the Common Elements as such are described in Exhibit A attached hereto and incorporated herein by reference (the "Property").

constitute and shall constitute covenants running with the land, equitable servitude, and liens to the extent set forth in said documents and as provided by law, and all of which are accepted by the Grantee as binding and to be binding on the Grantee and his, their or its successors, heirs, administrators, executors, and assigns or the heirs and assigns of the survivor of them, as the case may be.

*Subject to Easements, Taxes, and Liens of Record*

§5. SUBJECT, in addition to: (i) Grant of Right-of-Way for the Erection and Maintenance of Power Lines, Wires, Cables & Underground Conduits, granted to Guam Power Authority, for a ten (10) foot by ninety (90) ± foot strip of land extending partially across Lot No. 5067-1-4, dated April 21, 2006 and recorded on April 21, 2006, under Document No. 737886 at the Department of Land Management, Government of Guam; (ii) real property taxes not yet due and owing; and (iii) all other easements and encroachments of record .

*Habendum*

§6. TO HAVE and TO HOLD the same, together with all improvements, tenements, rights, easements, privileges, and appurtenances, thereunto belonging or anywise appertaining or held and enjoyed therewith unto the Grantee and his, their, or its successors, heirs, administrators, executors, and assigns or the heirs and assigns of the survivor of them, as the case may be, subject as aforesaid, forever.

*Covenants of Grantor*

§7. And the GRANTOR hereby, for itself and its successors and assigns, COVENANTS and AGREES with the Grantee as hereinabove described, that the Grantor is lawfully seized in fee simple of the Property; that it has good right to grant and convey the same in the manner set forth

herein; that the Property is subject to such reservations, restrictions, easements, liens and encumbrances as may be noted herein and in Exhibit A; and that Grantor, its successors, and assigns shall WARRANT and DEFEND the Property unto the Grantee, as hereinabove described, against the lawful claims and demand of all persons except as aforesaid.

*Covenants of Grantee*

§8. And the GRANTEE does hereby COVENANT and AGREE that the purpose for which the Property may be used is for residential use only, subject to such limitations and/or exceptions as may be contained in the Declaration, By-Laws and House Rules which are to be adopted or have been adopted, as such documents may be amended from time to time.

*Additional Covenants of Grantee*

§9. And the GRANTEE does hereby, for the Grantee and Grantee's heirs, executors, administrators, successors or assigns, FURTHER COVENANT and AGREE, for the benefit of the owners and occupants from time to time of all other apartments in the Project, to at all times observe, perform, comply with, and abide by, all of the restrictions, obligations, and other provisions set forth in the Declaration, By-Laws and House Rules referred to herein as such documents may hereafter from time to time be amended. The covenants of the Grantee herein contained shall run with the land.

*Water and Power*

§10. The Grantor represents and warrants that water and power is immediately available to the Project.

*Definitions*

§11. The terms used in this deed are defined as follows:

§11.01. Project. "Project" means all of the real property, together with all improvements thereto and thereon, which are within the Horizontal Property Regime for TASI 17 Condominium, as shown in Condominium Map No. 154, recorded with the Department of Land Management, Government of Guam under Document Number \_\_\_\_\_ ("Condominium Map").

§11.02. Apartment. "Apartment" means a numbered parcel as shown on the Condominium Map of the Project. The apartment includes the spaces bound by and contained within the perimeter walls, floors, doors, windows, and ceilings of the apartment unit inclusive of the garage appurtenant the apartment unit and floor areas of the two balconies, including all the walls, beams and columns within the perimeter walls which are not load-bearing, and the interior decorated or finished surfaces of all load-bearing walls, beams and columns, floors, and ceilings within the perimeter walls. The apartment shall not be deemed to include the undecorated or unfinished perimeter walls or interior load-bearing walls; the building foundation and roof, floors and ceilings surrounding each apartment; and any pipes, wires, conduits, or other utility lines running to the apartment which are utilized for or serve other apartments, and all other parts of the Project which are Common Elements.

§11.03. Common Elements. The "Common Elements" for the apartments mean all land and all portions of the Project not located within any apartment; and also includes, but not by way of limitation, all foundations, floor slabs, roofs, and all load bearing walls, columns and beams of the Project; the grounds, swimming pool and deck area, access way, sidewalks, mechanical and electrical equipment room, generator and generator fuel storage tank, refuse facilities, walls, fences and gate; the sixty-two (62) parking stalls designated as Common Elements

in the Declaration, all pipes, cables, conduits, ducts, flues, chutes, wires, equipment, and other central and appurtenant installations over, under and in the Project, which serve more than one (1) apartment unit for services such as and including conveyance, power, light, water, sewer, telephone, television, and internet signal transmission, and as additionally defined in the Act.

§11.04. Grantor/Grantee. "Grantor" or "Grantee" or any pronoun used in place thereof means and includes the masculine and the feminine, the singular or the plural number and jointly and severally, individuals, firms, or corporations and their and each of their respective successors, executors, administrators, and assigns according to the context thereof.

§11.05. Limited Common Elements. Limited Common Elements means those parts of the Common Elements which are set aside and reserved for the exclusive use of certain apartment units and for which such apartment units have an exclusive easement for use, as set forth in the Declaration.

**TESTIMONIUM**

IN WITNESS WHEREOF, the Grantor has caused this deed to be executed this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_.

GRANTOR:

**LUCKY DRAGON DEVELOPMENT CO., LTD.**

\_\_\_\_\_  
By: CHANG SHENG WANG, Its General Manager

TAMUNING, GUAM ) ss:

ON THIS \_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_, before me, a Notary Public in and for Guam, personally appeared Chang Sheng Wang, known to me to be the General Manager of LUCKY DRAGON DEVELOPMENT CO., LTD., a Guam corporation, and acknowledged to me that he executed the same as his free and voluntary act and deed for the purposes therein set forth on behalf of the company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the date last above written.

\_\_\_\_\_  
Notary Public

## EXHIBIT A

### LEGAL DESCRIPTION OF APARTMENT UNIT

The Apartment Unit consists of the following:

1. Apartment No. A (the "Apartment") of those certain premises comprising the TASI 17 Condominium Project, situated on Lot No. 5067-1-4, Tumon, Municipality of Tamuning (formerly of Dededo). The Project having been established as a Horizontal Property Regime by the Declaration and By-Laws filed in the Department of Land Management, Government of Guam, under and pursuant to the provisions of the Horizontal Property Act, 21 Guam Code Annotated, Chapter 45, as amended, as shown on Condominium Map No.154 ABSOLUTELY and in FEE SIMPLE.

2. An undivided 5.8718 percent interest in the Common Elements of the Project now existing or hereafter created as described in the Declaration, or such other undivided interest as may hereafter be established as appurtenant to the Apartment by amendment of the Declaration, subject to all easements appurtenant to any other apartments of the Project and to all encumbrances affecting the Project.

3. Limited Common Elements appurtenant to the Apartment consisting of the patio and roof terrace appurtenant to the Apartment Unit and storage cabinet number 2 as such are shown on the Condominium Map. Together with such other Limited Common Elements as may hereafter be established as appurtenant to the apartment unit by amendment of the Declaration, subject to all easements appurtenant to any other apartment units of the Project and to all encumbrances affecting the Project.

SUBJECT, HOWEVER, to easements for the encroachment of any portion of the Common Elements and facilities of the Project now existing or hereafter created, and for such entry as may be necessary for the operation of the Project or for making repairs or for the installation, maintenance, repair or replacement of any Common Elements and facilities in accordance with the Declaration or the By-Laws thereto attached, as either may from time to time be amended.

The parcel of land included within the Project is all that certain real property described as follows:

Lot No. 5067-1-4, Tumon, Municipality of Tamuning (formerly of Dededo), Estate No. 13581, Suburban, as said Lot is marked and designated on Drawing No. PRB-93-75A, as L.M. Check Number 449 FY 93, and recorded on November 26, 1993, under Document No. 498850 at the Department of Land Management, Government of Guam.

Last Certificate of Title being No. 76702 in the name of Paul J. Bordallo.

Area: 5,270 ± square meters; 56,730 ± square feet.

**BEFORE THE  
GUAM LAND USE COMMISSION  
GOVERNMENT OF GUAM**

-----

In the Matter of the	)	
Application of TASI 17 for	)	Statement on Financing
issuance of a Final Public	)	the Project.
Report	)	

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TO THE HONORABLE GUAM LAND USE COMMISSION:

LUCKY DRAGON DEVELOPMENT CO., LTD., whose mailing address is Post Office Box 7467, Tamuning, Guam 96931 (the "Applicant"), hereby, in connection with its request for issuance of a Final Public Report on TASI 17, a Horizontal Property Regime (the "Project"), submits the following statement on how the Project is to be financed:

*Use of Applicant's own funds .*

§1. The Applicant used its own funds and a loan from First Hawaiian Bank to complete construction of the Project. Applicant did not use future purchasers' funds to finance the construction.

*Prayer for relief*

WHEREFORE, the Applicant respectfully requests of the Guam Land Use Commission issuance of a Final Public Report on TASI 17.

Dated at Tamuning, Guam on December 18, 2007.

Applicant,

**LUCKY DRAGON DEVELOPMENT CO.,  
LTD.**



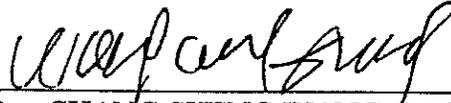
By: CHANG SHENG WANG, Its General  
Manager

**AFFIDAVIT OF VERIFICATION**

GUAM )  
 ) ss:  
CITY OF TAMUNING )

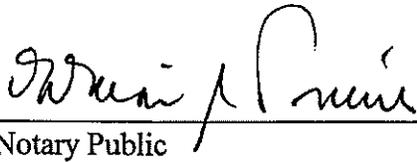
CHANG SHENG WANG, being first duly sworn, states that he is the General Manager of LUCKY DRAGON DEVELOPMENT CO., LTD., the Applicant herein, and is authorized to execute this affidavit of verification on behalf of said corporation; that he has read the foregoing explanation and know the contents thereof; and that the same is true of his own knowledge.

**LUCKY DRAGON DEVELOPMENT CO.,  
LTD.**



By: CHANG SHENG WANG, Its General  
Manager

SUBSCRIBED AND SWORN to before me this 18<sup>th</sup> day of December, 2007, by  
CHANG SHENG WANG.



Notary Public

**ELAINE S. PELLETIER**  
**NOTARY PUBLIC**  
In and for Guam, U.S.A.  
My Commission Expires: Mar. 01, 2011  
Suite 201, Orlean Pacific Plaza  
885 South Marine Corps Drive  
Tamuning, Guam 96913

**BEFORE THE**  
**GUAM LAND USE COMMISSION**  
**GOVERNMENT OF GUAM**

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In the Matter of the	)	
Application of TASI 17 for	)	Statement of Costs Involved
the issuance of a Final	)	in Completing the Project.
Public Report.	)	

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**TO THE HONORABLE, THE GUAM LAND USE COMMISSION:**

LUCKY DRAGON DEVELOPMENT CO., LTD., whose mailing address is Post Office Box 7467, Tamuning, Guam 96931 (the "Applicant"), hereby respectfully request issuance of a Final Public Report on TASI 17, a Horizontal Property Regime (the "Project"), and in support thereof, states the following:

*Cost of Completion of the Project*

§1. The Applicant represents that the total cost of completing the Project, including land costs, permitting fee, construction costs, architect, engineering and attorney's fees, financing costs, advertisement costs and provisions for contingencies is estimated at \$14,790,000.00 as set forth below:

Construction Cost

Construction Materials	\$5,480,000.00
Construction Work	\$4,260,000.00
Cost of Land	\$800,000.00
Architectural/Engineering & Permit Fees	\$220,000.00
Legal Fees	\$20,000.00
Subcontract	\$1,170,000.00
Contingency	\$1,350,000.00
Interest During Development Period	\$890,000.00

Advertising Fee/Sales Commission	\$620,000.00
Grand Total:	\$14,790,000.00

§2. The Applicant represents that the construction of the Project was completed on December 13, 2007.

*Necessary Documents Filed*

§3. The Applicant has filed herewith its notice of intention, a verified questionnaire properly filled in, and the required filing fee, together with, among other things, (i) a recorded copy of a deed to the property, the subject of the Project, (ii) copies of an executed declaration of Horizontal Property Regime, (iii) Bylaws of the Association of Apartment Owners, (iv) a title policy on the property, (v) a specimen sales contract, (vi) a specimen apartment deed, (vii) an executed escrow agreement, (viii) a site plan and condominium plans, and (ix) a form of the Final Public Report.

*Project Completed*

§4. The Applicant represents that the Project was completed on December 13, 2007.

*Final Report Discloses All Material Facts*

§5. The Final Public Report for the Project is included in this application, and is incorporated herein. The Applicant submits that the same adequately discloses all material facts, which a prospective purchaser should consider, and that adequate protection for the purchasers has been provided.

*Executed Escrow Agreement*

§6. Filed herewith is a copy of the executed escrow agreement between the Applicant and SECURITY TITLE, INC., governing the protection given purchasers before disbursement of their

funds.

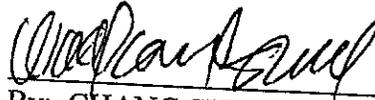
*Prayer for Relief*

WHEREFORE, the Applicant respectfully requests of the Guam Land Use Commission issuance of a Final Public Report on the TASI 17 Project.

Dated at Tamuning, Guam on December 18, 2007.

Applicant,

**LUCKY DRAGON DEVELOPMENT CO., LTD.**



By: CHANG SHENG WANG, Its General Manager

**AFFIDAVIT OF VERIFICATION**

GUAM )  
CITY OF TAMUNING ) ss:  
)

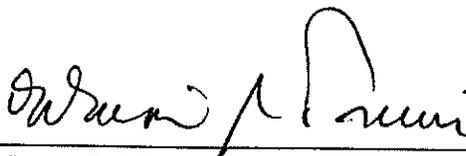
CHANG SHENG WANG, being first duly sworn, states that he is the General Manager of LUCKY DRAGON DEVELOPMENT CO., LTD., the Applicant herein, and is authorized to execute this affidavit of verification on behalf of said corporation; that he has read the foregoing explanation and know the contents thereof; and that the same is true of his own knowledge.

**LUCKY DRAGON DEVELOPMENT CO., LTD.**



By: CHANG SHENG WANG, Its General Manager

SUBSCRIBED AND SWORN to before me this 18<sup>th</sup> day of December, 2007, by CHANG  
SHENG WANG.



Notary Public

**ELAINE S. PELLETIER**  
**NOTARY PUBLIC**  
in and for Guam, U.S.A.  
My Commission Expires: Mar. 01, 2011  
Suite 201, Orlan Pacific Plaza  
885 South Marine Corps Drive  
Tamuning, Guam 96913

**RECEIPT FOR HORIZONTAL PROPERTY REGIME FINAL  
PUBLIC REPORT**

No. \_\_\_\_\_, 200\_

A copy of the Guam Land Use Commission's Final Public Report was received from Lucky Dragon Development Co, Ltd., for TASI 17 prior to the signing of the Condominium Deposit and Receipt and Purchase Agreement for the unit designated as Unit No. \_\_\_\_\_ in the Final Public Report.

\_\_\_\_\_  
Prospective Purchaser

Date: \_\_\_\_\_

GUAM LAND USE COMMISSION  
Guam.