

R-468

STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED

NOV 13, 1996 09:48 AM

Doc No(s) 96-160599

/s/ CARL T. WATANABE
ACTING
REGISTRAR OF CONVEYANCES

LAND COURT SYSTEM

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL OR PICKUP

GE CAPITAL HAWAII, INC. - CREF
P.O. BOX 2448
HONOLULU, HAWAII 96804-2448



TYPE OF DOCUMENT:

AMENDMENT TO MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

PARTIES TO DOCUMENT:

LENDER: GE CAPITAL HAWAII, INC., a Hawaii corporation
BORROWER: NAPILI GARDENS, INC., a Hawaii corporation
CO-BORROWERS: DOUGLAS ANDERSON AND ELIZABETH ANDERSON, husband and wife

TAX MAP KEY FOR PROPERTY: (2) 4-3-002-068 and (2) 2-2-006-099

**AMENDMENT TO MORTGAGE,
SECURITY AGREEMENT AND FINANCING STATEMENT**

This Indenture made this 6th day of November, 1996, by and between NAPILI GARDENS, INC., a Hawaii corporation (the "Borrower") and DOUGLAS ANDERSON and ELIZABETH ANDERSON, husband and wife (collectively, the "Co-Borrowers") all of whose address is 210 Kawehi Place, Kula, Hawaii 96790 and GE CAPITAL HAWAII, INC., a Hawaii corporation, whose address is 745 Fort Street, Suite 1800, Honolulu, Hawaii 96813 (the "Lender")

RECITALS:

A. GECC Financial Corporation, a Hawaii corporation ("GECC") made the Borrower and the Co-Borrowers a loan (the "Prior Loan") in the original principal amount of Three Million Six Hundred Thousand and No/100 Dollars (\$3,600,000.00), which Prior Loan is evidenced by a promissory note dated November 4, 1994 (the "Prior Note") and subject to the terms of a Construction Loan Agreement dated November 4, 1994 (the "Loan Agreement").

B. The repayment of the amounts due under the Prior Note is secured by, among other things, that certain Mortgage, Security Agreement and Financing Statement (the "Mortgage") dated November 4, 1994, made by Borrower and Co-Borrowers in favor of GECC and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 94-191904.

C. GECC endorsed, sold, assigned, transferred, set over and delivered unto the Lender, all of GECC's right, title and interest in and to, among other things, the Prior Note, the Loan Agreement, and the Mortgage by that certain Assignment of Instruments recorded in said Bureau as Document No. 95-165779.

D. Concurrently herewith Lender is making Borrower and Co-Borrowers an additional charge loan for, among other things, working capital for the 16-unit condominium commonly known as "Napili Gardens".

NOW, THEREFORE, the Borrower, Co-Borrowers and Lender hereby agree to modify and amend the Mortgage as follows:

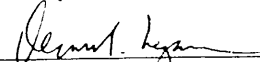
1. Paragraph D(28)(j)(v) on page 27 of the Mortgage is hereby deleted in its entirety and replaced with the following:

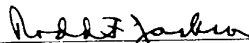
(v) Simultaneously with each release of a Unit, there shall be paid to the Mortgagee in cash or certified check the greater of: (a) \$280,000.00, or (b) the net sales proceeds from the sale of the Unit (the "Net Sales Proceeds"). Net Sales Proceeds shall be determined by deducting the following from the total of all sales proceeds for the Unit: (i) the \$3,500.00 portion of the Release Fee due upon the sale of the Unit (which shall also be paid simultaneously with the release); and (ii) reasonable commissions and normal closing costs approved by Mortgagee. Mortgagee shall have the right to review the closing statements for the sale of each Unit to insure that Mortgagee is being paid all of the Net Sales Proceeds, and to review the commissions and closing costs. Such payments for partial releases shall be made to the Mortgagee from all closings of condominium

unit sales until such time as all amounts due and owing and payable to Mortgagee under this Mortgage and any other loan documents, including the Release Fees, shall have been paid in full.

IN WITNESS WHEREOF, the Borrower, Co-Borrowers and Lender have caused this instrument to be duly executed on the date first hereinabove written.

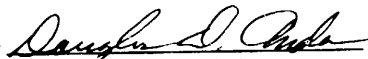
GE CAPITAL HAWAII, INC.,
a Hawaii corporation


By 
Name: Dennis N. Ueyama
Title: Assistant Vice President

By 
Name: Todd F. Jackson
Title: Vice President

Lender

NAPILI GARDENS, INC.,
a Hawaii corporation

By 
Name: Douglas D. Anderson
Title: President

By 
Name: Elizabeth Anderson
Title: ~~Vice President~~ Vice Sec
Vice President/Secretary


DOUGLAS ANDERSON


ELIZABETH ANDERSON

Co-Borrowers

STATE OF HAWAII)
)
) SS.
CITY AND COUNTY OF HONOLULU)

On this the 6th day of November, 1996, before me personally appeared

Dennis N. Ueyama and Todd F. Jackson, of
Name of Signer Name of Signer

GE CAPITAL HAWAII, INC., personally known to me -OR- proved to me on the basis of satisfactory evidence who, being by me duly sworn or affirmed, did say that such person(s) executed the foregoing instrument as the free act and deed of such person(s), and if applicable in the capacities shown, having been duly authorized to execute such instrument in such capacities.

Debra K. Gonsert
Notary Public, State of Hawaii

My commission expires: 08/01/99

STATE OF HAWAII

)

COUNTY OF MAUI

)

SS.

)

On this the 01st day of NOVEMBER, 1996, before me,

WENDY FUJIMURA
Name of Notary Public

, the undersigned Notary Public, personally appeared

DOUGLAS ANDERSON
Name of Signer

and

ELIZABETH ANDERSON
Name of Signer

personally known to me -OR- proved to me on the basis of satisfactory evidence to be the person(s) who executed the within instrument as PRESIDENT and
Corporate Title

VICE PRESIDENT / SECRETARY of NAPILI GARDENS, INC., on behalf of the
Corporate Title

corporation therein named, and acknowledged to me that the corporation executed it. Witness my hand and official seal.

Mindy Morales
Notary Public, State of Hawaii

My commission expires: 10.26.98
45,

STATE OF HAWAII

)

COUNTY OF MAUI

)

SS.

)

On this the 01st day of November, 1996, before me personally appeared DOUGLAS D. ANDERSON and ELIZABETH ANDERSON, personally known to me -OR- proved to me on the basis of satisfactory evidence who, being by me duly sworn or affirmed, did say that such person(s) executed the foregoing instrument as the free act and deed of such person(s), and if applicable in the capacities shown, having been duly authorized to execute such instrument in such capacities.

Deady Dmako
Notary Public, State of Hawaii

My commission expires: 10.20.98

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