

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII
1010 RICHARDUS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

**SUPPLEMENTARY
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT**

ON
HANALEI BEACH AND RACQUET CLUB APARTMENTS
Princeville, Hanalei
Island of Kauai, State of Hawaii

REGISTRATION NO. 738

This Report Is Not an Approval or Disapproval of This Condominium Project

It was prepared as a supplement to an earlier Report dated May 12, 1975, issued by the Real Estate Commission on the above project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project until

- (1) A copy of this Report has been given to the prospective purchaser,
- (2) The latter has been given an opportunity to read same, and,
- (3) His receipt taken therefor.

Issued: August 26, 1975
Expires: June 12, 1976

SPECIAL ATTENTION

A comprehensive reading of the report is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the purchaser or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION TO SELL SUBMITTED DECEMBER 16, 1974, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF AUGUST 22, 1975. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL AND SUBMITTING INFORMATION ON MATERIAL CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Final Public Report on May 12, 1975, on the HANALEI BEACH AND RACQUET CLUB APARTMENTS, the Developer reports that changes have been made in the plan or setup as presented in the December 16, 1974 Notice of Intention to Sell.

The changes subsequently made are determined to be a material revision to the information disclosed earlier. This Supplementary Public Report amends the Final Public Report,

becoming a part of the HANALEI BEACH AND RACQUET CLUB APARTMENTS registration. The Developer is responsible for placing a true copy of this Supplementary Public Report in the hands of all purchasers and prospective purchasers, along with a copy of the Final Public Report. The buyer shall sign the required receipt signifying that he has had an opportunity to read both reports.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of the project and the updating of information disclosed therein.
3. The Developer advises the Commission that the Declaration of Horizontal Property Regime has been amended. The Developer has filed with the Commission a copy of the First Amendment to Declaration of Horizontal Property Regime made April 17, 1975, recorded in the Bureau of Conveyances in Liber 10579, Page 451; Second Amendment to Declaration of Horizontal Property Regime dated April 29, 1975, recorded in said Bureau in Book 10603, Page 489; Third Amendment to Declaration of Horizontal Property Regime dated August 7, 1975, recorded in said Bureau in Book 10829, Page 454; and Fourth Amendment to Declaration of Horizontal Property Regime dated August 21, 1975, recorded in said Bureau in Book 10856, Page 150.
4. Promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
5. The Declaration of Horizontal Property Regime, as amended, and the specimen Sales Contract state that the Developer intends to sell 51 undivided co-tenancy interests ("Time Interests") in each of the 134 residential apartments. Each Time Interest is for seven days (the "Use Period") less ten hours (the "Service Period"), except for Use Period 51 which is ordinarily seven days less ten hours, but every five or six years extends for 14 days less ten hours. There are also three additional Service Periods of seven days and ten hours each relating to specific apartments. Each Sales Contract of a Time Interest provides that the sale is conditional upon selling all of the Time Interests in the Apartment involved prior to September 1, 1976, unless this condition is waived by the Seller.
6. The purchaser and prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations promulgated thereunder, which relate to Horizontal Property Regimes.
7. This Supplementary Public Report automatically expires on June 12, 1976, unless a further Supplementary Public Report is issued or the Commission, upon review of the registration, issues an order extending the effective period of this report.

The information in the topical headings NAME OF PROJECT, LOCATION, TAX KEY, ZONING, DEVELOPER, ATTORNEY REPRESENTING DEVELOPER, COMMON ELEMENTS, LIMITED COMMON ELEMENTS, PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE, OWNERSHIP OF TITLE and PURCHASE MONEY HANDLING of the Final Public Report of May 12, 1975, remain unchanged.

DESCRIPTION OF PROJECT: All of the information under the topical heading DESCRIPTION OF PROJECT remains unchanged except: Each of the 60 apartments in Buildings 12A, 12B, 13, 14 and 15 have a living-dining room with an efficiency kitchen, a bedroom, two bathrooms and two lanais. The efficiency kitchen includes a Dwyer kitchen unit consisting of a three-burner electric range with oven and broiler, an under-counter eight cubic foot refrigerator, a single-compartment one-piece sink with disposal, and storage drawers and cabinets.

PERCENTAGE OF UNDIVIDED OWNERSHIP TO BE CONVEYED: Each Buyer ("Time Interest Owner") of Use Periods 1 through 50, inclusive, will receive a 1.960% undivided co-tenancy interest and the Time Interest Owner of Use Period 51 will receive a 2.00% undivided co-tenancy interest. These co-tenancy interests will be in common with all the other Time Interest Owners owning a Use Period in a particular apartment.

TIME-SHARING PROVISIONS:

1. Legal Documents and Use Periods: The number of one-week Use Periods has been reduced from 52 to 51 and a one-week Service Period has been created for all of the apartments, during which major cleaning and necessary refurbishing will be accomplished.
2. Management: The name of the first Owners' Agent has been changed to Realty Management Corp.
3. Miscellaneous: The Developer has advised the Commission that it has purchased all furniture and furnishings to fully furnish 36 apartments, consisting of 15 one-bedroom units, 15 two-bedroom units and 6 three-bedroom units. It has also purchased the carpeting for all the remaining 98 units in the project. The Developer has further advised the Commission that initially sales will be limited to these 36 fully furnished apartments and that the profits from the sale of these apartments will be used to complete the furnishing of additional apartments, which will then be placed on the market. The Developer advises that it will only offer for sale Time Interests in fully furnished apartments.

ENCUMBRANCES: The Preliminary Report dated August 1, 1975, prepared by Security Title Corporation states that title to the land is subject to:

1. Real property taxes for the current period.
2. Easement S-1 (10 feet wide) for Sanitary Sewer Purposes over and across Lot 2, as delineated on File Plan No. 1303; as confirmed by instrument dated October 26, 1973, recorded on November 27, 1973 in the Bureau of Conveyances of the State of Hawaii in Book 9615 Page 404.
3. Declaration of Restrictions, Covenants and Conditions dated March 1, 1971, recorded on March 12, 1971 in said Bureau of Conveyances in Book 7444 Page 93, to which reference is hereby made.

By instruments dated July 6, 1971, September 13, 1972, September 19, 1972, December 6, 1972, September 28, 1973, September 28, 1973, October 26, 1973, January 8, 1974, January 14, 1974, and February 18, 1975,

recorded in said Bureau of Conveyances in Book 7663 Page 264, Book 8582 Page 366, Book 8599 Page 6, Book 8786 Page 121, Book 9520 Page 503, Book 9546 Page 324, Book 9569 Page 113, Book 9686 Page 123, Book 9694 Page 548 and Book 10464 Page 166, respectively, the foregoing Declaration was amended.

4. The terms and provisions of that certain instrument entitled "Water and Sanitation Assessment and Lien", dated April 7, 1971, recorded on April 12, 1971 in said Bureau of Conveyances in Book 7486 Page 292, to which reference is hereby made. Confirmation thereto recorded in Book 8192 Page 257.

Said "Water and Sanitation Assessment and Lien" is subject to the following:

- a) Undated Financing Statement recorded on March 16, 1972 in said Bureau of Conveyances in Book 8192 Page 268.
 - b) By instrument dated March 16, 1972, recorded on March 16, 1972 in said Bureau of Conveyances in Book 8192 Page 276, the foregoing "Water and Sanitation Assessment and Lien" was assigned to FIRST HAWAIIAN BANK, an Hawaiian banking corporation (the "Trustee").
 - c) SUPPLEMENT TO WATER AND SANITATION ASSESSMENT AND LIEN dated March 27, 1972, recorded on April 3, 1972 in said Bureau of Conveyances in Book 8222 Page 388, to which reference is hereby made.
 - d) By instrument dated November 13, 1972, recorded on November 20, 1972 in said Bureau of Conveyances in Book 8743 Page 1, the foregoing "Water and Sanitation Assessment and Lien" was amended.
 - e) By instrument dated October 9, 1973, recorded on November 7, 1973 in said Bureau of Conveyances in Book 9583 Page 521, the foregoing "Water and Sanitation Assessment and Lien" was further amended.
 - f) By instrument dated December 16, 1974, recorded in said Bureau of Conveyances in Book 10584 Page 326, the foregoing "Water and Sanitation Assessment and Lien" was further amended.
5. Mortgage dated December 6, 1972, recorded on December 6, 1972 in said Bureau of Conveyances in Book 8786 Page 168, made by GENERAL HAWAIIAN DEVELOPMENT CORPORATION, a Hawaii corporation, as Mortgagor, to EAGLE COUNTY DEVELOPMENT CORPORATION, a Colorado corporation authorized to do business in the State of Hawaii, as Mortgagee, to secure the repayment of the sum of \$564,800.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to.

Use Period 1: The annual period of 7 days less ten hours from 6:00 p.m. on the third Friday of January until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 1.

Service Period 1: The annual period of ten hours from the end of Use Period 1 until 6:00 p.m. on the same day, Friday.

Use Period 2: The annual period of 7 days less ten hours from the end of Service Period 1 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 2.

Service Period 2: The annual period of ten hours from the end of Use Period 2 until 6:00 p.m. on the same day, Friday.

Use Period 3: The annual period of 7 days less ten hours from the end of Service Period 2 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 3.

Service Period 3: The annual period of ten hours from the end of Use Period 3 until 6:00 p.m. on the same day, Friday.

Use Period 4: The annual period of 7 days less ten hours from the end of Service Period 3 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 4.

Service Period 4: The annual period of ten hours from the end of Use Period 4 until 6:00 p.m. on the same day, Friday.

Use Period 5: The annual period of 7 days less ten hours from the end of Service Period 4 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 5.

Service Period 5: The annual period of ten hours from the end of Use Period 5 until 6:00 p.m. on the same day, Friday.

Use Period 6: The annual period of 7 days less ten hours from the end of Service Period 5 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 6.

Service Period 6: The annual period of ten hours from the end of Use Period 6 until 6:00 p.m. on the same day, Friday.

Use Period 7: The annual period of 7 days less ten hours from the end of Service Period 6 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 7.

Service Period 7: The annual period of ten hours from the end of Use Period 7 until 6:00 p.m. on the same day, Friday.

Use Period 8: The annual period of 7 days less ten hours from the end of Service Period 7 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 8.

Service Period 8: The annual period of ten hours from the end of Use Period 8 until 6:00 p.m. on the same day, Friday.

Use Period 9: The annual period of 7 days less ten hours from the end of Service Period 8 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 9.

Service Period 9: The annual period of ten hours from the end of Use Period 9 until 6:00 p.m. on the same day, Friday.

Use Period 10: The annual period of 7 days less ten hours from the end of Service Period 9 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 10.

Service Period 10: The annual period of ten hours from the end of Use Period 10 until 6:00 p.m. on the same day, Friday.

Use Period 11: The annual period of 7 days less ten hours from the end of Service Period 10 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 11.

Service Period 11: The annual period of ten hours from the end of Use Period 11 until 6:00 p.m. on the same day, Friday.

Use Period 12: The annual period of 7 days less ten hours from the end of Service Period 11 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 12.

Service Period 12: The annual period of ten hours from the end of Use Period 12 until 6:00 p.m. on the same day, Friday.

Use Period 13: The annual period of 7 days less ten hours from the end of Service Period 12 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 13.

Service Period 13: The annual period of ten hours from the end of Use Period 13 until 6:00 p.m. on the same day, Friday.

Use Period 14 : The annual period of 7 days less ten hours from the end of Service Period 13 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 14.

Service Period 14: The annual period of ten hours from the end of Use Period 14 until 6:00 p.m. on the same day, Friday.

Use Period 15: The annual period of 7 days less ten hours from the end of Service Period 14 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 15.

Service Period 15: The annual period of ten hours from the end of Use Period 15 until 6:00 p.m. on the same day, Friday.

Use Period 16: The annual period of 7 days less ten hours from the end of Service Period 15 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 16.

Service Period 16: The annual period of ten hours from the end of Use Period 16 until 6:00 p.m. on the same day, Friday.

Use Period 17: The annual period of 7 days less ten hours from the end of Service Period 16 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 17.

Service Period 17: The annual period of ten hours from the end of Use Period 17 until 6:00 p.m. on the same day, Friday.

Use Period 18: The annual period of 7 days less ten hours from the end of Service Period 17 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 18.

Service Period 18: The annual period of ten hours from the end of Use Period 18 until 6:00 p.m. on the same day, Friday.

Use Period 19: The annual period of 7 days less ten hours from the end of Service Period 18 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 19.

Service Period 19: The annual period of ten hours from the end of Use Period 19 until 6:00 p.m. on the same day, Friday.

Use Period 20: The annual period of 7 days less ten hours from the end of Service Period 19 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 20.

Service Period 20: The annual period of ten hours from the end of Use Period 20 until 6:00 p.m. on the same day, Friday.

Use Period 21: The annual period of 7 days less ten hours from the end of Service Period 20 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 21.

Service Period 21: The annual period of ten hours from the end of Use Period 21 until 6:00 p.m. on the same day, Friday.

Use Period 22: The annual period of 7 days less ten hours from the end of Service Period 21 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 22.

Service Period 22: The annual period of ten hours from the end of Use Period 22 until 6:00 p.m. on the same day, Friday.

Use Period 23: The annual period of 7 days less ten hours from the end of Service Period 22 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 23.

Service Period 23: The annual period of ten hours from the end of Use Period 23 until 6:00 p.m. on the same day, Friday.

Use Period 24: The annual period of 7 days less ten hours from the end of Service Period 23 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 24.

Service Period 24: The annual period of ten hours from the end of Use Period 24 until 6:00 p.m. on the same day, Friday.

Use Period 25: The annual period of 7 days less ten hours from the end of Service Period 24 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 25.

Service Period 25: The annual period of ten hours from the end of Use Period 25 until 6:00 p.m. on the same day, Friday.

Use Period 26: The annual period of 7 days less ten hours from the end of Service Period 25 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 26.

Service Period 26: The annual period of ten hours from the end of Use Period 26 until 6:00 p.m. on the same day, Friday.

Use Period 27: The annual period of 7 days less ten hours from the end of Service Period 26 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 27.

Service Period 27: The annual period of ten hours from the end of Use Period 27 until 6:00 p.m. on the same day, Friday.

Use Period 28: The annual period of 7 days less ten hours from the end of Service Period 27 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 28.

Service Period 28: The annual period of ten hours from the end of Use Period 28 until 6:00 p.m. on the same day, Friday.

Use Period 29: The annual period of 7 days less ten hours from the end of Service Period 28 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 29.

Service Period 29: The annual period of ten hours from the end of Use Period 29 until 6:00 p.m. on the same day, Friday.

Use Period 30: The annual period of 7 days less ten hours from the end of Service Period 29 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 30.

Service Period 30: The annual period of ten hours from the end of Use Period 30 until 6:00 p.m. on the same day, Friday.

Use Period 31: The annual period of 7 days less ten hours from the end of Service Period 30 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 31.

Service Period 31: The annual period of ten hours from the end of Use Period 31 until 6:00 p.m. on the same day, Friday.

Use Period 32: The annual period of 7 days less ten hours from the end of Service Period³¹ until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 32.

Service Period 32: The annual period of ten hours from the end of Use Period³² until 6:00 p.m. on the same day, Friday.

Use Period 33: The annual period of 7 days less ten hours from the end of Service Period³² until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 33.

Service Period 33: The annual period of ten hours from the end of Use Period³³ until 6:00 p.m. on the same day, Friday.

Use Period 34: The annual period of 7 days less ten hours from the end of Service Period³³ until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 34.

Service Period 34: The annual period of ten hours from the end of Use Period³⁴ until 6:00 p.m. on the same day, Friday.

Use Period 35: The annual period of 7 days less ten hours from the end of Service Period³⁴ until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 35.

Service Period 35: The annual period of ten hours from the end of Use Period³⁵ until 6:00 p.m. on the same day, Friday.

Use Period 36: The annual period of 7 days less ten hours from the end of Service Period³⁵ until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 36.

Service Period 36: The annual period of ten hours from the end of Use Period³⁶ until 6:00 p.m. on the same day, Friday.

Use Period 37: The annual period of 7 days less ten hours from the end of Service Period³⁶ until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 37.

Service Period 37: The annual period of ten hours from the end of Use Period³⁷ until 6:00 p.m. on the same day, Friday.

Use Period 38: The annual period of 7 days less ten hours from the end of Service Period 37 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 38.

Service Period 38: The annual period of ten hours from the end of Use Period 38 until 6:00 p.m. on the same day, Friday.

Use Period 39: The annual period of 7 days less ten hours from the end of Service Period 38 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 39.

Service Period 39: The annual period of ten hours from the end of Use Period 39 until 6:00 p.m. on the same day, Friday.

Use Period 40: The annual period of 7 days less ten hours from the end of Service Period 39 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 40.

Service Period 40: The annual period of ten hours from the end of Use Period 40 until 6:00 p.m. on the same day, Friday.

Use Period 41: The annual period of 7 days less ten hours from the end of Service Period 40 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 41.

Service Period 41: The annual period of ten hours from the end of Use Period 41 until 6:00 p.m. on the same day, Friday.

Use Period 42: The annual period of 7 days less ten hours from the end of Service Period 41 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 42.

Service Period 42A: The annual period of 7 days and ten hours from the end of Use Period 42 until 6:00 p.m. on Friday, 7 days thereafter, with respect to the use of the apartments contained in Buildings 5, 6, 7 and 8.

Service Period 42B: The annual period of ten hours from the end of Use Period 42 until 6:00 p.m. on the same day, Friday, with respect to the use of the apartments contained in Buildings 1, 2, 3, 4, 9, 10 and 11.

Service Period 42C: The annual period of ten hours from the end of Use Period 42 until 6:00 p.m. on the same day, Friday, with respect to the use of the apartments contained in Buildings 12A, 12B, 13, 14 and 15.

Use Period 43A: The annual period of 7 days less ten hours from the end of Service Period 42A until 8:00 a.m. on Friday, 7 days thereafter, with respect to the use of the apartments contained in Buildings 5, 6, 7 and 8. An undivided 1.960% interest in an Apartment is allocated to Use Period 43A.

Use Period 43B: The annual period of 7 days less ten hours from the end of Service Period 42B until 8:00 a.m. on Friday, 7 days thereafter, with respect to the use of the apartments contained in Buildings 1, 2, 3, 4, 9, 10 and 11. An undivided 1.960% interest in an Apartment is allocated to Use Period 43B.

Use Period 43C: The annual period of 7 days less ten hours from the end of Service Period 42C until 8:00 a.m. on Friday, 7 days thereafter, with respect to the use of the apartments contained in Buildings 12A, 12B, 13, 14 and 15. An undivided 1.960% interest in an Apartment is allocated to Use Period 43C.

Service Period 43A: The annual period of ten hours from the end of Use Period 43A until 6:00 p.m. on the same day, Friday, with respect to the use of the apartments contained in Buildings 5, 6, 7 and 8.

Service Period 43B: The annual period of 7 days and ten hours from the end of Use Period 43B until 6:00 p.m. on Friday, 7 days thereafter, with respect to the use of the apartments contained in Buildings 1, 2, 3, 4, 9, 10 and 11.

Service Period 43C: The annual period of ten hours from the end of Use Period 43C until 6:00 p.m. on the same day, Friday, with respect to use of the apartments contained in Buildings 12A, 12B, 13, 14 and 15.

Use Period 44A: The annual period of 7 days less ten hours from the end of Service Period 43A until 8:00 a.m. on Friday, 7 days thereafter, with respect to the use of the apartments contained in Buildings 5, 6, 7 and 8. An undivided 1.960% interest in an Apartment is allocated to Use Period 44A.

Use Period 44B: The annual period of 7 days less ten hours from the end of Service Period 43B until 8:00 a.m. on Friday, 7 days thereafter, with respect to the use of the apartments contained in Buildings 1, 2, 3, 4, 9, 10 and 11. An undivided 1.960% interest in an Apartment is allocated to Use Period 44B.

Use Period 44C: The annual period of 7 days less ten hours from the end of Service Period 43C until 43C until 8:00 a.m. on Friday, 7 days thereafter, with respect to the use of the apartments contained in Buildings 12A, 12B, 13, 14 and 15. An undivided 1.960% interest in an Apartment is allocated to Use Period 44C.

Service Period 44A: The annual period of ten hours from the end of Use Period 44A until 6:00 p.m. on the same day, Friday, with respect to the use of the apartments contained in Buildings 5, 6, 7 and 8.

Service Period 44B: The annual period of ten hours from the end of Use Period 44B until 6:00 p.m. on the same day, Friday, with respect to the use of the apartments contained in Buildings 1, 2, 3, 4, 9, 10 and 11.

Service Period 44C: The annual period of 7 days and ten hours from the end of Use Period 44C until 6:00 p.m. on Friday, 7 days thereafter, with respect to the use of the apartments contained in Buildings 12A, 12B, 13, 14 and 15.

Use Period 45: The annual period of 7 days less ten hours from the end of Service Periods 44A, 44B and 44C until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 45.

Service Period 45: The annual period of ten hours from the end of Use Period 45 until 6:00 p.m. on the same day, Friday.

Use Period 46: The annual period of 7 days less ten hours from the end of Service Period 45 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 46.

Service Period 46: The annual period of ten hours from the end of Use Period 46 until 6:00 p.m. on the same day, Friday.

Use Period 47: The annual period of 7 days less ten hours from the end of Service Period 46 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 47.

Service Period 47: The annual period of ten hours from the end of Use Period 47 until 6:00 p.m. on the same day, Friday.

Use Period 48: The annual period of 7 days less ten hours from the end of Service Period 47 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 48.

Service Period 48: The annual period of ten hours from the end of Use Period 48 until 6:00 p.m. on the same day, Friday.

Use Period 49: The annual period of 7 days less ten hours from the end of Service Period 48 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 49.

Service Period 49: The annual period of ten hours from the end of Use Period 49 until 6:00 p.m. on the same day, Friday.

Use Period 50: The annual period of 7 days less ten hours from the end of Service Period 49 until 8:00 a.m. on Friday, 7 days thereafter. An undivided 1.960% interest in an Apartment is allocated to Use Period 50.

Service Period 50: The annual period of ten hours from the end of Use Period 50 until 6:00 p.m. on the same day, Friday.

Use Period 51: The annual period from the end of Service Period 50 until 8:00 a.m. on the following third Friday in January. This period will be of seven days less 10 hours duration except when Use Period 1 starts in 1976 and in 5 or 6 year intervals thereafter, including the years 1982, 1988, 1993, 1999, 2004, 2010, 2016, 2021, 2027, 2032, 2038, 2044, 2049, 2055, 2060, 2066, 2072, 2077, 2083, and 2088, in which years this period will be 14 days less 10 hours. An undivided 2.00% interest in an Apartment is allocated to Use Period 51.

Service Period 51: The annual period of ten hours from the end of Use Period 51 until the commencement of Use Period 1.

CADES SCHUTTE FLEMING & WRIGHT

ATTORNEYS AT LAW

FIRST HAWAIIAN BANK BUILDING
P. O. BOX 939
HONOLULU, HAWAII 96808
TELEPHONE (808) 531-7232
TELEX 7238589

ARTHUR G. SMITH (1882-1966)
URBAN E. WILD (1891-1952)
EUGENE H. BEEBE (1889-1966)
CHARLES A. GREGORY (1902-1972)
OF COUNSEL
MILTON CADES

J. RUSSELL CADES
WILLIAM L. FLEMING
HAROLD S. WRIGHT
C. FREDERICK SCHUTTE
JAMES S. CAMPBELL
A. SINGLETON GALE
RICHARD L. GRIFFITH
ROBERT B. BUNN
WILLIAM M. SWOPE
DONALD A. BECK
DOUGLAS E. PRIOR
E. GUNNER SCHULL
THOMAS P. HUBER
PETER C. F. CHAR
MICHAEL P. PORTER

ANDREW O. EGSETH, JR.
HARVEY E. HENDERSON, JR.
DONALD E. SEARGE
EDWARD A. JAFFE
RICHARD A. HICKS
BENJIE LITMAN
ROLAND O. F. THOM
MICHAEL S. NABI
JEFFREY S. PORTNOY
NICHOLAS C. DREHER
ROGER H. EPSTEIN
C. MICHAEL HARE
MARK A. HAZLETT
ROBERT A. KUWAN
EDWARD G. L. BOYLE
PHILIP J. LEAS
MICHAEL A. SHEA
DAVID C. LARSEN
STEPHEN B. MACDONALD

August 22, 1975

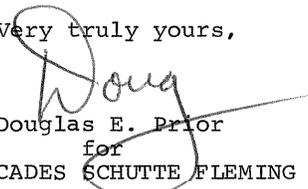
Mr. Alvin Yamamoto
Real Estate Commission
State of Hawaii
1010 Richards Street
Honolulu, Hawaii

Re: General Hawaiian Development
Corp. - Hanalei Beach and
Racquet Club Apartments

Dear Alvin:

Enclosed is a file-marked copy of a Fourth Amendment to the Declaration of Horizontal Property Regime for the Hanalei Beach and Racquet Club Apartments. This amendment revises the description of the kitchenette areas in the one-bedroom apartments, as we discussed recently by telephone. Thank you very much for calling this needed change to my attention.

Very truly yours,


Douglas E. Prior
for
CADES SCHUTTE FLEMING & WRIGHT

Enclosure