

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer POIPU SUITE PARTNERS
Address Five Waterfront Plaza, Suite 400, 500 Ala Moana Boulevard
Honolulu, Hawaii 96813

Project Name(*): THE POINTE AT POIPU
Address: 1613 Pe'e Road, Koloa, Kauai, Hawaii 96756

Registration No. 2480

Effective date: June 3, 1994
Expiration date: July 3, 1995

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

PRELIMINARY: The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed. (yellow)

X FINAL: The developer has legally created a condominium and has filed complete information with the Commission. (white)
[] No prior reports have been issued.
[X] This report supersedes all prior public reports.
[] This report must be read together with

SUPPLEMENTARY: This report updates information contained in the: (pink)
[] Preliminary Public Report dated:
[] Final Public Report dated:
[] Supplementary Public Report dated:

And [] Supersedes all prior public reports
[] Must be read together with
[] This report reactivates the public report(s) which expired on

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

- Required and attached to this report Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

- No prior reports have been issued by the developer.

- Changes made are as follows:

See Pages 2-B and 2-C

Summary of Changes from Earlier Public Reports

1. The number of buildings in the Project has been increased to 12, and the number of apartments in the Project has been increased to 220 (219 residential apartments + 1 commercial apartment). [See Exhibit H to this Final Public Report and Exhibit C to the Declaration.]
2. The descriptions and sizes of the apartments in the Project have been revised. [See Exhibits C and H to this Final Public Report and Exhibits B and C to the Declaration.]
3. The commercial apartment has been designated as comprising (a) the Administration Room, the Business Center, and the Cart Storage Room located in Building One, and (b) portions of the Reception Building, as indicated on the condominium map, and the square footage of such commercial apartment has been revised accordingly. [See Exhibit B to the Declaration.]
4. The common interest appurtenant to the apartments in the Project has been revised to reflect the changes in the size and number of the apartments. [See Exhibit H to this Final Public Report and Exhibit C to the Declaration.]
5. The housekeeping rooms in the buildings of the Project have been designated as limited common elements appurtenant to the commercial apartment. [See Exhibit G to this Final Public Report and Paragraph D.3 of the Declaration.]
6. The estimate of initial maintenance fee disbursements has been revised to reflect changes in the Project including, but not limited to, an increase in the cost of insurance for the Project, and the estimate of initial maintenance fees has been revised to reflect changes including, but not limited to, (a) the increase in estimated initial maintenance fee disbursements, and (b) the revised common interests of apartments in the apartment as noted in Paragraph 4 hereinabove. [See Exhibit L to this Final Public Report.]
7. The number of parking stalls has been increased to 383 and the designation of the parking stall(s) appurtenant to each of the apartments has been revised. [See Exhibits E and H to this Final Public Report and Exhibit C to the Declaration.]
8. Paragraph M of the Declaration has been amended to clarify the Association's obligations with respect to obtaining and maintaining, at its common expense, hazard insurance covering the Historical Site Preservation Area.

10. The Developer has reserved a right to designate, cancel, relocate, grant and otherwise deal with an easement over, under, across and through the road connecting the Poipu Kai Road with Pe'e Road (the "Lot 3 Road") for public access purposes, or in the alternative, a right to (a) withdraw the Lot 3 Road from the Project, (b) transfer and convey the Lot 3 Road to the County of Kauai, (c) grant the County of Kauai a right to discharge storm waters into the Project's drainage system, and (d) execute and record an amendment to the Declaration and the Condominium Map to effect the withdrawal of the Lot 3 Road from the Project, without being required to obtain the consent or joinder of any apartment owner, in order to satisfy certain conditions to the County of Kauai's grant of approval of the development and construction of the Project. [See Exhibit A to this Final Public Report and Paragraph U of the Declaration.]
11. The Developer has adopted House Rules.

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General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: POIPU SUITE PARTNERS Phone: 529-7300
Name
Five Waterfront Plaza, Suite 400 (Business)
Business Address
500 Ala Moana Boulevard
Honolulu, Hawaii 96813

Names of officers or general partners of developers who are corporations or partnerships:

KEONELOA BAY PARTNERS, a Hawaii limited partnership, its General Partner

Real Estate Broker: The Prudential Locations Inc. Phone: (808) 545-8800
Name (Business)
Seven Waterfront Plaza, Suite 210

Business Address
500 Ala Moana Boulevard
Honolulu, Hawaii 96813

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 521-0211
Name (Business)
235 Queen Street

Business Address
Honolulu, Hawaii 96813

General Contractor: Pacific Construction Co., Ltd. nka Fletcher Pacific Construction Co., Ltd. Phone: (808) 521-7861
Name (Business)
707 Richards Street, Suite 400

Business Address
Honolulu, Hawaii 96813

Condominium Managing Agent: Self-managed by the Association of Apartment Owners Phone: _____
Name (Business)

Business Address

Attorney for Developer: McCorrison Miho Miller Mukai Phone: (808) 529-7300
Name (Business)
Five Waterfront Plaza, Suite 400

Business Address
500 Ala Moana Boulevard
Honolulu, Hawaii 96813

**II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- A. Declaration of Condominium Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

- Proposed
 Recorded - Bureau of Conveyances: Document No. 94-047021
Book _____ Page _____
 Filed - Land Court: Document No. _____

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]:

First Amendment to Declaration recorded as Document No. 94-090495.

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

- Proposed
 Recorded - Bureau of Conveyances Condo Map No. 2009
 Filed - Land Court Condo Map No. _____

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]:

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

- Proposed
 Recorded - Bureau of Conveyances: Document No. 94-047022
Book _____ Page _____
 Filed - Land Court: Document No. _____

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]:

D. House Rules. The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the developer.

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

E. Changes to Condominium Documents

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. Apartment Owners: Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>N/A</u>

* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. Developer:

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

See Exhibit A and Exhibit J.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per Month Year

For Subleaseholds:

Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 Canceled Foreclosed

As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

Individual Apartments in Fee Simple: Common Interest in the Underlying Land in Leasehold or Subleasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per Month Year

Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

Address: 1613 Pe'e Road Tax Map Key: (4)2-8-20-1 and 2-8-21-1
Koloa, Kauai, Hawaii 96756 (TMK)

Address TMK is expected to change because _____

Land Area: 21.744 square feet acre(s) Zoning: R-10

~~XXXXXX~~

(Fee Owner): Poipu Suite Partners
Name Five Waterfront Plaza, Suite 400
500 Ala Moana Boulevard
Address
Honolulu, Hawaii 96813

Sublessor:
Name _____
Address _____

C. Buildings and Other Improvements:

1. New Building(s) Conversion of Existing Building(s) Both New Building(s) and Conversion
2. Number of Buildings: 12 Floors Per Building 1 Reception Building and Utility Building
- Exhibit _____ contains further explanations. 2 Buildings Five and Seven
3. Principal Construction Material: 3 Buildings One, Nine and Ten
- Concrete Hollow Tile Wood 4 Buildings Two, Three, Four, Six and Eight
- Other _____

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning	No. of Apts.	Use Determined By Zoning
<input checked="" type="checkbox"/> Residential	<u>219</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Ohana	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Commercial	<u>1</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Industrial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Agricultural	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	___	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Recreational	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Timeshare	<u>219</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other: _____	___	<input type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?
 Yes No

5. **Special Use Restrictions:**

The Declaration and Bylaws may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to:

Pets: Dogs, cats and other household pets permitted in reasonable number

Number of Occupants: _____

Other: Residential apartments shall be used for residential use only; commercial apartment shall be used for commercial use only.

There are no special use restrictions.

See Exhibit B

6. **Interior (fill in appropriate numbers):**

Elevators: 5 Stairways: 20 Trash Chutes: 5

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>See Exhibit C</u>	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 220

*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment:

Each apartment consists of the spaces within the perimeter and party walls, windows, doors, floors and ceiling of the respective apartments as shown on the Condominium Map

Permitted Alterations to Apartments:

See Exhibit D

7. Parking Stalls:

Total Parking Stalls: 383

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for each unit)		<u>290*</u>		<u>56</u>			<u>346</u>
Guest		<u>23</u>		<u>4</u>			<u>27</u>
Unassigned							
Extra for							
Purchase							
Other:		<u>10**</u>					<u>10</u>

Total
Covered & Open 323 60

*Including seven (7) handicap stalls. **Including one (1) handicap stall.

Each apartment will have the exclusive use of at least one (1) parking stall(s).
Buyers are encouraged to find out which stall(s) will be available for their use.

Commercial parking garage permitted in condominium project.

Exhibit E contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pools Storage Area Recreation Area

Laundry Area Tennis Court Trash Chute

Other: Whirlpool spas (2); health club

9. Compliance With Building Code and Municipal Regulations: Cost to Cure Violations

There are no violations. Violations will not be cured.

Violations and cost to cure are listed below. Violations will be cured by _____

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations
(For conversions of residential apartments in existence for at least five years):

N/A

11. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	X	_____	_____
Structures	X	_____	_____
Lot	X	_____	_____

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit F.

as follows:

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

There are no limited common elements in this project.

The limited common elements and the apartments which use them, as described in the Declaration, are:

described in Exhibit G.

as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit H.

as follows:

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit I describes the encumbrances against the title contained in the title report dated March 18, 1994 and issued by Title Guaranty of Hawaii, Incorporated.

See Exhibit J

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

- [] There are no blanket liens affecting title to the individual apartments.
- [x] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

Type of Lien

**Effect on Buyer's Interest and Deposit if Developer Defaults
or Lien is Foreclosed Prior to Conveyance**

Construction Mortgage

Under the Condominium Purchase Agreement, Deposit Receipt & Contract (the "Purchase Agreement") Buyer's interest is subordinate to the mortgage lien and other security interests in the Project granted to Developer's construction lender ("Lender"). If Developer defaults under the construction loan prior to conveying the apartment to Buyer and obtaining a partial release of the blanket lien held by Lender, then Buyer's interest under the Purchase Agreement is subject to being extinguished if Developer's construction lender elects not to complete construction of the Project. However, in such case, Buyer should be entitled to receive a refund of all deposits made under the Purchase Agreement.

F. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. **Building and Other Improvements:**

See Exhibit K

2. **Appliances:**

See Exhibit K

G. Status of Construction and Estimated Completion Date:

Status of Construction: 100% complete

Completion Date: October 1, 1993

H. Project Phases:

The developer has has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

Notice to Owner Occupants

Specimen Sales Contract

Exhibit M contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated January 29, 1991

Exhibit N contains a summary of the pertinent provisions of the escrow agreement.

Other _____

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:

A) The Developer delivers to the buyer a copy of:

1) Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;

AND

2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;

B) The buyer is given an opportunity to read the report(s); AND

C) One of the following has occurred:

1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or

2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or

3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND

B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners.
- D) House Rules.
- E) Condominium Map.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other _____

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 2480 filed with the Real Estate Commission on July 8, 1991

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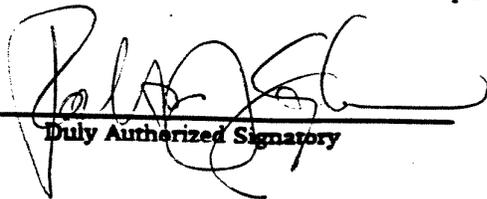
C. Additional Information Not Covered Above

None.

D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

POIPU SUITE PARTNERS

Name of Developer

By: 

Duly Authorized Signatory

1/19/94.
Date

Robert A. Everingham, Vice President
print name & title of person signing above

Distribution:

Department of Finance, County of Kauai
Planning Department, County of Kauai
Federal Housing Administration

**DEVELOPER'S RESERVATION OF RIGHT TO
CHANGE DECLARATION, CONDOMINIUM MAP AND BY-LAWS**

1. The Developer reserves the right to successively amend the Declaration, the By-Laws and the Condominium Map without the consent, approval or joinder of the persons then owning or leasing the apartments, to file the "as built" verified statement required by Section 514A-12, Hawaii Revised Statutes (a) so long as such statement is merely a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed or being filed simultaneously with such amendment fully and accurately depict the layout, location, apartment numbers and dimensions of the apartments as built, or (b) so long as any plans filed therewith involve only changes to the apartments and common elements as built which the Developer is permitted to make under the Declaration.

2. Until the filing in the Bureau of Conveyances of the State of Hawaii of Apartment Deeds covering all of the apartments in the Project in favor of parties not a signatory to the Declaration and other than to any mortgagee of the Developer, the Developer reserves the right to amend the Declaration, the By-Laws and the Condominium Map without the consent, approval or joinder of any purchaser of an apartment or any interest therein, and to make such amendments as may be required by law, by the Real Estate Commission of the State of Hawaii; by any title insurance company issuing a title insurance policy on the Project or any of the apartments or any interest therein, by any institutional lender lending funds on the security of the Project or any of the apartments or any interest therein, or by any governmental agency of any state, territory, possession or foreign county or other foreign jurisdiction as a condition precedent to the marketing or sale of apartments or any interests therein in any such jurisdiction, provided, however, that no such amendment which would change the common interest appurtenant to any apartment or substantially change the design, location or size of an apartment shall be made without the consent to such amendment by all persons having an interest in such apartment.

3. The Developer reserves the right to execute and record an amendment to the Declaration and the Condominium Map to effect the withdrawal of the Lot 3 Road from the Project, without the consent or joinder of any apartment owner, in the event the Developer and the County of Kauai agree that the Developer shall dedicate Lot 3 Road to the County of Kauai in lieu of granting a public access easement.

4. There is a Historical Site Preservation Area (0.924 acres) located on the land underlying the Project. The Developer intends to and reserves the right to convey the Historical Site Preservation Area to the State of Hawaii by means of a Preservation and Conservation Easement and to establish a Hawaii nonprofit corporation to undertake to maintain and preserve such Historical Site Preservation Area in strict accordance with the terms and conditions of that certain unrecorded Historic Preservation Mitigation Plan dated

May 4, 1990, prepared by Cultural Surveys Hawaii and approved by the Department of Land and Natural Resources of the State of Hawaii with the consensus of the Kauai Island Burial Council by letter dated June 19, 1990, as the same may be amended from time to time, affecting the Historical Site Preservation Area.

SPECIAL USE RESTRICTIONS

1. Pets. No livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the Project except as otherwise provided below and except that, with the prior written consent of the Board, dogs, cats and other household pets in reasonable number, excluding animals described as pests under Section 150A-2 of the Hawaii Revised Statutes and animals prohibited from importation under Sections 141-2, 150A-5 or 150A-6 of the Hawaii Revised Statutes, may be kept by the apartment owners and occupants in their respective apartments but shall not be kept, bred or used therein for any commercial purpose nor allowed on any common elements except in transit when carried or on a leash. Notwithstanding any provision to the contrary contained herein, certified guide dogs and signal dogs (as identified below) and other such animals specially trained to assist handicapped individuals (hereinafter collectively referred to as "specially trained animals") shall be permitted at the Project subject to the following restrictions:

- (i) Such specially trained animals shall not be kept, bred, or used at the Project for any commercial purpose;
- (ii) Such specially trained animals shall be permitted on the common elements (including but not limited to the recreation areas) provided the specially trained animal is on a leash.

Any pet as described above and any specially trained animal causing a nuisance or unreasonable disturbance to any other occupant of the Project shall be permanently removed therefrom promptly upon notice given by the Board or the Managing Agent; provided, however, that any such notice given with respect to a specially trained animal shall provide that before such animal must be removed, its owner shall have a reasonable time to acquire a replacement specially trained animal unless the Board determines that such animal poses an imminent serious threat of physical harm to other occupants of the Project. Any apartment owner who keeps a pet in the owner's apartment pursuant to the By-Laws may, upon the death of the animal, replace the animal with another and continue to do so for as long as the owner continues to reside in the owner's apartment or another apartment in the Project subject to the By-Laws. The Directors may from time to time promulgate such rules and regulations regarding the continued keeping of such pets and specially trained animals as the circumstances may require or the Board may deem advisable.

The term "guide dog" shall mean "any dog individually trained by licensed guide dog trainer for guiding a blind person by means of a harness attached to the dog and rigid handle grasped by the person" as defined in Section 515-3(8), Hawaii Revised Statutes, as the same may be amended from time to time in the future.

The term "signal dog" shall mean "any dog trained to alert a deaf person to intruders or sounds," as defined in Section 515-3(8), Hawaii Revised Statutes, as the same may be amended from time to time in the future.

2. Residential Apartments. Except when the holder of a first mortgage on a residential apartment has entered into possession of a residential apartment following (i) a default under its first mortgage, (ii) a foreclosure proceeding, or (iii) a conveyance in lieu of foreclosure, the residential apartments shall be occupied and used only for residential purposes by the respective owners thereof, their tenants, families, domestic servants and guests, and for no other purpose. The owners of the respective residential apartments shall have the absolute right to lease or rent such apartments for residential or resort rental purposes on a daily or longer term, subject to all provisions of the Declaration and the By-Laws.

3. Commercial Apartment. The commercial apartment shall be operated and used only for commercial purposes or uses. The owner or owners of the commercial apartment shall have the absolute right to rent or lease all or any portion or portions of the commercial apartment in connection with such commercial operation or use for any length of time and upon such terms and conditions as such owner or owners shall determine.

DESCRIPTION OF APARTMENTS

UNIT TYPE	NO. OF UNITS	BED/BATH	NET LIVING AREA	LANAI/ PATIO
1AT	2	2/2	1,064	255
1A	5	2/2	1,064	255
1AG	1	2/2	1,064	270
1AC	2	2/2	1,064	270
1T	6	2/2	1,110	255
1	12	2/2	1,110	255
1C	6	2/2	1,110	270
2LTP	9	2/2	1,156	111
2LT	5	2/2	1,156	111
2LP	12	2/2	1,156	111
2L	18	2/2	1,156	111
2LGP	4	2/2	1,134	139
2LG	2	2/2	1,134	139
2LCP	2	2/2	1,142	139
2LC	4	2/2	1,142	139
2UT	6	2/2	1,156	111
2UC	4	2/2	1,118	161
2ET	7	2/2	1,046	111
2EG	3	2/2	1,046	117
2EM	3	2/2	1,046	111
2SO	1	2/2	1,078	117
2ST	8	2/2	1,078	111
2S	7	2/2	1,078	111
2SG	5	2/2	1,055	139
2SC	2	2/2	1,063	139
2AT	8	2/2	1,064	111
2A	10	2/2	1,064	111
2AG	5	2/2	1,041	139
2AC	2	2/2	1,049	139
2CT	6	2/2	1,235	111
2C	6	2/2	1,235	111
2CG	5	2/2	1,189	161
3T	16	2/2	1,210	95
3G	5	2/2	1,210	101
3C	1	2/2	1,219	101
3G-1	1	1/2	1,210	101
3C-1	1	1/2	1,219	101
3AT	2	2/2	1,164	95
3AG	2	2/2	1,164	101
4T	2	2/2	1,202	247
4G	2	2/2	1,202	260
2L2P	2	2/2	1,156	111
2LGX	1	2/2	1,156	117
2AG2	3	2/2	1,064	117
5	1	3/3	2,350	279
5A	1	3/3	2,399	279
10	1	1/1	728	
COMMERCIAL	1	0/0	4,672	
TOTAL	220			

PERMITTED ALTERATIONS TO APARTMENTS

The owner of any apartment may make any alterations or additions within the owner's apartment, except for enclosing any exterior lanai, with the approval required hereinbelow. The owner of any two adjacent apartments which are separated by a common element that is a wall, with the approval required hereinbelow, may alter or remove all or portions of the intervening wall, if the structural integrity of the building is not thereby adversely affected and if the finish of the common element then remaining is then restored to a condition substantially comparable to that of the common element prior to such alterations.

The owner of any two (2) such adjacent apartments may install a door or doors to such opening or openings in the intervening common element. Alterations or additions within any such adjacent apartments shall require the written approval thereof, including the apartment owner's plans therefor, by the holders of first mortgage liens affecting such apartments (if the lien holders require such approval), by the appropriate agencies of the State of Hawaii and the County of Kauai (if such agencies so require), by the Board of Directors (which approval shall not be unreasonably or arbitrarily withheld or delayed), and by all other apartment owners thereby directly affected (as determined in a reasonable manner by the Board of Directors), and such alterations or additions may be undertaken without an amendment to this Declaration or filing of a complete set of floor plans of the Project as so altered; provided, however, if the alterations or additions are substantial in nature, as reasonably determined by the Board of Directors, the Board of Directors may require that the owner of the apartment provide evidence satisfactory to the Board of Directors of sufficient financing to complete such alterations or additions or, in lieu thereof, require that the owner obtain a performance and lien payment bond, naming as obligees the Board of Directors, the Association and collectively all apartment owners and their respective mortgagees of record, as their interests may appear, for a penal sum of not less than one hundred percent (100%) of the estimated cost of such construction. Prior to the termination of the common ownership of any such adjacent apartments, if the intervening wall shall have been altered or removed pursuant to the foregoing provisions and/or any entry to hallways sealed, the owner of such apartments shall be obligated to restore such intervening wall and/or hallway entries to substantially the same condition in which the same existed prior to such alteration or removal.

PARKING INFORMATION

The Project contains a total of three hundred eighty-three (383) uncovered parking stalls.

1. A total of three hundred forty-six (346) parking stalls are assigned to apartment units, as follows:
 - a. Each residential apartment shall have appurtenant thereto and reserved for its exclusive use one (1) or more parking stalls(s) as designated in the Declaration of Condominium Property Regime and in Exhibit H of this Final Public Report. A total of two hundred twenty-one (221) parking stalls are so assigned to the residential apartments.
 - b. Sixty-two (62) regular parking stalls (nos. 147 through 159, 204 through 214, 233 through 261, 374 through 377, and 379 through 383), fifty-six (56) compact parking stalls (nos. 5C through 11C, 262C through 291C, and 336C through 354C) and seven (7) handicap parking stalls (nos. 100H, 101H, 102H, 103H, 171H, 189H and 378H) shall constitute limited common elements appurtenant to and for the exclusive use of the commercial apartment.
2. Twenty-three (23) regular parking stalls (nos. 200 through 203 and 355 through 373) and four (4) compact parking stalls (nos. 1C through 4C) are guest parking stalls and shall constitute limited common elements appurtenant to and for the exclusive use of all of the residential apartments and the commercial apartment.
3. Ten (10) regular parking stalls (nos. 190H and 191 through 199) are public access parking stalls provided in compliance with the Kauai County Code.

COMMON ELEMENTS

One freehold estate is designated in all non-apartment portions of the Project, herein called the "common elements", including specifically, but not limited to:

- (a) The Land in fee simple;
- (b) All foundations, floor slabs, columns, girders, beams, supports, perimeter, party and load-bearing walls and partitions (excluding the finishes thereon), roofs, lobby areas, stairways, elevators, walkways, corridors, ramps, loading areas, elevator lobby areas, entrances, entry ways and exits of the buildings of the Project, the porte cochere, the telephone room, mailboxes and public bathrooms located on the second floor of building One, all storage rooms not located within an apartment, all maintenance rooms, all elevator machine rooms, all mechanical rooms, all electrical rooms (including the room for the electrical vault of Kauai Electric, a division of Citizen's Utilities Company), and all trash rooms;
- (c) All yards, grounds, walkways, walkway railings, landscaping, refuse facilities and gardens;
- (d) The swimming pool and appurtenant deck area;
- (e) All driveways, driveway ramps, parking stalls and parking areas;
- (f) All vents, shafts, sewer lines, electrical equipment, pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the Project which serve more than one apartment for services such as power, light, gas (if any), water, cablevision (if any), air conditioning, sewer, refuse, telephone, and radio and television signal distribution (if any), except for the microwave antenna or antennae and/or other electronic or telecommunications equipment and facilities belonging to Developer or such person or entity authorized by Developer;
- (g) Any and all other apparatus and installations existing for common use, such as tanks, pumps, motors, fans, compressors, and, in general, all other installations and apparatus existing for common use and any and all other parts of the Project necessary or convenient to its existence, maintenance or safety, or normally in common use; and
- (h) The elevator lobby and corridor on each of the floors in each building.

LIMITED COMMON ELEMENTS

Certain parts of the common elements, herein called the "limited common elements", are designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements as follows:

(a) Each apartment shall have appurtenant thereto and reserved for its exclusive use the parking stall or stalls assigned to it as set forth in Exhibit H to the Final Public Report and for every purpose made a part hereof. The parking stalls are designated on the Condominium Map by numbers and the number or numbers of the parking stall or stalls assigned to each residential apartment are set forth opposite the number of such apartment in said Exhibit H.

(b) Each apartment shall have for its exclusive use one (1) mailbox bearing the same number as such apartment.

(c) The commercial apartment shall have appurtenant thereto and reserved for its exclusive use the housekeeping rooms in the buildings of the Project, as shown on the Condominium Map.

BUILDING NO. ONE (NU1)

<u>FLOOR</u>	<u>APT. NO.</u>	<u>APT. TYPE</u>	<u>NO. OF BED/BATH</u>	<u>NET LIVING AREA</u>	<u>LANAI</u>	<u>TOTAL SQ. FT.</u>	<u>% COMMON INTEREST</u>	<u>PARKING STALL NO.*</u>	
1ST	101	2LGH	2/2	1,134	139	1,273	.45	324	
	102	2LGHR	2/2	1,134	139	1,273	.45	323	
	103	1AG	2/2	1,064	270	1,334	.45	322	
2ND	201	2LH	2/2	1,156	111	1,267	.45	321	
	202	2LHR	2/2	1,156	111	1,267	.45	320	
	203	1A	2/2	1,064	255	1,319	.45	293	
	204	2UTR	2/2	1,156	111	1,267	.45	292	
	205	10	1/1	728	0	728	.45	325	
		Commercial (por.)	---	0/0		0	1,959		
3RD	301	2LTH	2/2	1,156	111	1,267	.45	132	
	302	2LTR	2/2	1,156	111	1,267	.45	131	
	303	1AT	2/2	1,064	255	1,319	.45	130	
	304	2UTR	2/2	1,156	111	1,267	.45	129	
	305	1T	2/2	1,110	255	1,365	.45	128	
	306	2LTP	2/2	1,156	111	1,267	.45	127	
	307	2LTPR	2/2	1,156	111	1,267	.45	126	
	308	2ET	2/2	1,046	111	1,157	.45	125	
TOTAL:	16					21,863			

* All parking stalls are uncovered.
 All parking stalls having a "C" designation are compact parking stalls;
 All parking stalls having an "H" designation are handicap parking stalls;
 All other parking stalls are regular parking stalls.

BUILDING NO. TWO (SC1)

<u>FLOOR</u>	<u>APT. NO.</u>	<u>APT. TYPE</u>	<u>NO. OF BED/BATH</u>	<u>NET LIVING AREA</u>	<u>LANAI</u>	<u>TOTAL SQ. FT.</u>	<u>% COMMON INTEREST</u>	<u>PARKING STALL NO.*</u>
1ST	101	2SCR	2/2	1,063	139	1,202	.45	79
	102	2AC	2/2	1,049	139	1,188	.45	80
	103	3C-1	1/2	1,219	101	1,320	.45	81
	104	3CR	2/2	1,219	101	1,320	.45	82
	105	2ACR	2/2	1,049	139	1,188	.45	83
	106	2SC	2/2	1,063	139	1,202	.45	84
2ND	201	2SR	2/2	1,078	111	1,189	.45	85
	202	2A	2/2	1,064	111	1,175	.45	86
	203	3T	2/2	1,210	95	1,305	.45	87
	204	2C	2/2	1,235	111	1,346	.45	88
	205	3TR	2/2	1,210	95	1,305	.45	89
	206	2AR	2/2	1,064	111	1,175	.45	27
	207	2S	2/2	1,078	111	1,189	.45	26
3RD	301	2SR	2/2	1,078	111	1,189	.45	25
	302	2A	2/2	1,064	111	1,175	.45	24
	303	3T	2/2	1,210	95	1,305	.45	23
	304	2C	2/2	1,235	111	1,346	.45	22
	305	3TR	2/2	1,210	95	1,305	.45	21
	306	2AR	2/2	1,064	111	1,175	.45	20
	307	2S	2/2	1,078	111	1,189	.45	19
4TH	401	2STR	2/2	1,078	111	1,189	.45	18
	402	2AT	2/2	1,064	111	1,175	.45	17
	403	3T	2/2	1,210	95	1,305	.45	16
	404	2CT	2/2	1,235	111	1,346	.45	15
	405	3TR	2/2	1,210	95	1,305	.45	14
	406	2ATR	2/2	1,064	111	1,175	.45	13
	407	2ST	2/2	1,078	111	1,189	.45	12
TOTAL:	27					33,472		

BUILDING NO. THREE (SU1)

<u>FLOOR</u>	<u>APT. NO.</u>	<u>APT. TYPE</u>	<u>NO. OF BED/BATH</u>	<u>NET LIVING AREA</u>	<u>LANAI</u>	<u>TOTAL SQ. FT.</u>	<u>% COMMON INTEREST</u>	<u>PARKING STALL NO.*</u>
1ST	101	2LC	2/2	1,142	139	1,281	.45	72
	102	2LCR	2/2	1,142	139	1,281	.45	73
	103	1AC	2/2	1,064	270	1,334	.45	33
	104	2UCR	2/2	1,118	161	1,279	.45	40
	105	1C	2/2	1,110	270	1,380	.45	39
2ND	201	2L	2/2	1,156	111	1,267	.45	49
	202	2LR	2/2	1,156	111	1,267	.45	28
	203	1A	2/2	1,064	255	1,319	.45	34
	204	2LR	2/2	1,156	111	1,267	.45	41
	205	1	2/2	1,110	255	1,365	.45	45
	206	2LGP	2/2	1,134	139	1,273	.45	32
	207	2LGPR	2/2	1,134	139	1,273	.45	77
	208	2EG	2/2	1,046	117	1,163	.45	78
3RD	301	2L	2/2	1,156	111	1,267	.45	48
	302	2LR	2/2	1,156	111	1,267	.45	29
	303	1A	2/2	1,064	255	1,319	.45	35
	304	2LR	2/2	1,156	111	1,267	.45	42
	305	1	2/2	1,110	255	1,365	.45	44
	306	2LP	2/2	1,156	111	1,267	.45	37
	307	2LPR	2/2	1,156	111	1,267	.45	75
	308	2ET	2/2	1,046	111	1,157	.45	76
4TH	401	2LT	2/2	1,156	111	1,267	.45	47
	402	2LTR	2/2	1,156	111	1,267	.45	30
	403	1AT	2/2	1,064	255	1,319	.45	36
	404	2UTR	2/2	1,156	111	1,267	.45	46
	405	1T	2/2	1,110	255	1,365	.45	43
	406	2LTP	2/2	1,156	111	1,267	.45	38
	407	2LTPR	2/2	1,156	111	1,267	.45	31
	408	2ET	2/2	1,046	111	1,157	.45	74
TOTAL:	29					37,101		

BUILDING NO. FOUR (SU2)

<u>FLOOR</u>	<u>APT. NO.</u>	<u>APT. TYPE</u>	<u>NO. OF BED/BATH</u>	<u>NET LIVING AREA</u>	<u>LANAI</u>	<u>TOTAL SQ. FT.</u>	<u>% COMMON INTEREST</u>	<u>PARKING STALL NO.*</u>
1ST	101	2LCPR	2/2	1,142	139	1,281	.45	71
	102	1CR	2/2	1,110	270	1,380	.45	70
	103	2UCR	2/2	1,118	161	1,279	.45	69
	104	1C	2/2	1,110	270	1,380	.45	68
2ND	201	2LPR	2/2	1,156	111	1,267	.45	67
	202	1R	2/2	1,110	255	1,365	.45	66
	203	2LR	2/2	1,156	111	1,267	.45	65
	204	1	2/2	1,110	255	1,365	.45	64
	205	2LGXR	2/2	1,156	117	1,273	.45	63
	206	2EG	2/2	1,046	117	1,163	.45	62
3RD	301	2LPR	2/2	1,156	111	1,267	.45	61
	302	1R	2/2	1,110	255	1,365	.45	50
	303	2LR	2/2	1,156	111	1,267	.45	51
	304	1	2/2	1,110	255	1,365	.45	52
	305	2L2PR	2/2	1,156	111	1,267	.45	53
	306	2ET	2/2	1,046	111	1,157	.45	54
4TH	401	2LTPR	2/2	1,156	111	1,267	.45	55
	402	1TR	2/2	1,110	255	1,365	.45	56
	403	2UTR	2/2	1,156	111	1,267	.45	57
	404	1T	2/2	1,110	255	1,365	.45	58
	405	2L2PR	2/2	1,156	111	1,267	.45	59
	406	2ET	2/2	1,046	111	1,157	.45	60
TOTAL:	22					28,396		

BUILDING NO. FIVE (SC2)

<u>FLOOR</u>	<u>APT. NO.</u>	<u>APT. TYPE</u>	<u>NO. OF BED/BATH</u>	<u>NET LIVING AREA</u>	<u>LANAI</u>	<u>TOTAL SQ. FT.</u>	<u>% COMMON INTEREST</u>	<u>PARKING STALL NO.*</u>
1ST	101	2SGR	2/2	1,055	139	1,194	.45	312
	102	2AG	2/2	1,041	139	1,180	.45	313
	103	3G	2/2	1,210	101	1,311	.45	314
	104	2CG	2/2	1,189	161	1,350	.45	315
	105	3GR	2/2	1,210	101	1,311	.45	316
	106	2AGR	2/2	1,041	139	1,180	.45	317
	107	2SG	2/2	1,055	139	1,194	.45	90
2ND	201	2STR	2/2	1,078	111	1,189	.45	91
	202	2AT	2/2	1,064	111	1,175	.45	92
	203	3T	2/2	1,210	95	1,305	.45	93
	204	2CT	2/2	1,235	111	1,346	.45	94
	205	3TR	2/2	1,210	95	1,305	.45	95
	206	2ATR	2/2	1,064	111	1,175	.45	96
	207	2ST	2/2	1,078	111	1,189	.45	97
TOTAL:	14					17,404		

BUILDING NO. SIX (SU3)

<u>FLOOR</u>	<u>APT. NO.</u>	<u>APT. TYPE</u>	<u>NO. OF BED/BATH</u>	<u>NET LIVING AREA</u>	<u>LANAI</u>	<u>TOTAL SQ. FT.</u>	<u>% COMMON INTEREST</u>	<u>PARKING STALL NO.*</u>
1ST	101	2LC	2/2	1,142	139	1,281	.45	300
	102	2LCR	2/2	1,142	139	1,281	.45	301
	103	1AC	2/2	1,064	270	1,334	.45	116
	104	2UCR	2/2	1,118	161	1,279	.45	115
	105	1C	2/2	1,110	270	1,380	.45	114
2ND	201	2L	2/2	1,156	111	1,267	.45	113
	202	2LR	2/2	1,156	111	1,267	.45	112
	203	1A	2/2	1,064	255	1,319	.45	111
	204	2LR	2/2	1,156	111	1,267	.45	110
	205	1	2/2	1,110	255	1,365	.45	109
	206	2LGP	2/2	1,134	139	1,273	.45	108
	207	2LGPR	2/2	1,134	139	1,273	.45	107
	208	2EG	2/2	1,046	117	1,163	.45	106
3RD	301	2L	2/2	1,156	111	1,267	.45	302
	302	2LR	2/2	1,156	111	1,267	.45	303
	303	1A	2/2	1,064	255	1,319	.45	104
	304	2LR	2/2	1,156	111	1,267	.45	304
	305	1	2/2	1,110	255	1,365	.45	105
	306	2LP	2/2	1,156	111	1,267	.45	305
	307	2LPR	2/2	1,156	111	1,267	.45	306
	308	2ET	2/2	1,046	111	1,157	.45	307
4TH	401	2LT	2/2	1,156	111	1,267	.45	308
	402	5	3/3	2,350	279	2,629	.45	98 & 99
	403	2UTR	2/2	1,156	111	1,267	.45	309
	404	5A	3/3	2,399	279	2,678	.45	318 & 319
	405	2LTPR	2/2	1,156	111	1,267	.45	310
	406	2ET	2/2	1,046	111	1,157	.45	311
TOTAL:	27					37,190		

BUILDING NO. SEVEN (SC3)

<u>FLOOR</u>	<u>APT. NO.</u>	<u>APT. TYPE</u>	<u>NO. OF BED/BATH</u>	<u>NET LIVING AREA</u>	<u>LANAI</u>	<u>TOTAL SQ. FT.</u>	<u>% COMMON INTEREST</u>	<u>PARKING STALL NO.*</u>
1ST	101	2AG2	2/2	1,064	117	1,181	.45	294
	102	3AG	2/2	1,164	101	1,265	.45	295
	103	4G	2/2	1,202	260	1,462	.45	296
	104	4GR	2/2	1,202	260	1,462	.45	297
	105	3AGR	2/2	1,164	101	1,265	.45	298
	106	2AG2R	2/2	1,064	117	1,181	.45	299
	107	2SO	2/2	1,078	117	1,195	.45	124
2ND	201	2A	2/2	1,064	111	1,175	.45	123
	202	3AT	2/2	1,164	95	1,259	.45	122
	203	4T	2/2	1,202	247	1,449	.45	121
	204	4TR	2/2	1,202	247	1,449	.45	120
	205	3ATR	2/2	1,164	95	1,259	.45	119
	206	2ATR	2/2	1,064	111	1,175	.45	118
	207	2ST	2/2	1,078	111	1,189	.45	117
TOTAL:	14					17,966		

BUILDING NO. EIGHT (NU3)

<u>FLOOR</u>	<u>APT. NO.</u>	<u>APT. TYPE</u>	<u>NO. OF BED/BATH</u>	<u>NET LIVING AREA</u>	<u>LANAI</u>	<u>TOTAL SQ. FT.</u>	<u>% COMMON INTEREST</u>	<u>PARKING STALL NO.*</u>
1ST	101	2LCPR	2/2	1,142	139	1,281	.45	185
	102	1CR	2/2	1,110	270	1,380	.45	184
	103	2UCR	2/2	1,118	161	1,279	.45	183
	104	1C	2/2	1,110	270	1,380	.45	182
2ND	201	2LPR	2/2	1,156	111	1,267	.45	181
	202	1R	2/2	1,110	255	1,365	.45	180
	203	2LR	2/2	1,156	111	1,267	.45	179
	204	1	2/2	1,110	255	1,365	.45	160
	205	2LP	2/2	1,156	111	1,267	.45	161
	206	2LPR	2/2	1,156	111	1,267	.45	162
	207	2EM	2/2	1,046	111	1,157	.45	163
3RD	301	2LPR	2/2	1,156	111	1,267	.45	178
	302	1R	2/2	1,110	255	1,365	.45	177
	303	2LR	2/2	1,156	111	1,267	.45	176
	304	1	2/2	1,110	255	1,365	.45	175
	305	2LP	2/2	1,156	111	1,267	.45	174
	306	2LPR	2/2	1,156	111	1,267	.45	173
	307	2EM	2/2	1,046	111	1,157	.45	172
4TH	401	2LTPR	2/2	1,156	111	1,267	.45	164
	402	1TR	2/2	1,110	255	1,365	.45	165
	403	2UTR	2/2	1,156	111	1,267	.45	166
	404	1T	2/2	1,110	255	1,365	.45	167
	405	2LTP	2/2	1,156	111	1,267	.45	168
	406	2LTPR	2/2	1,156	111	1,267	.45	169
	407	2EM	2/2	1,046	111	1,157	.45	170
TOTAL:	25					32,185		

BUILDING NO. NINE (NC3)

<u>FLOOR</u>	<u>APT. NO.</u>	<u>APT. TYPE</u>	<u>NO. OF BED/BATH</u>	<u>NET LIVING AREA</u>	<u>LANAI</u>	<u>TOTAL SQ. FT.</u>	<u>% COMMON INTEREST</u>	<u>PARKING STALL NO.*</u>
1ST	101	2SGR	2/2	1,055	139	1,194	.45	188
	102	2AG	2/2	1,041	139	1,180	.45	187
	103	3G	2/2	1,210	101	1,311	.45	186
	104	2CG	2/2	1,189	161	1,350	.45	232
	105	3GR	2/2	1,210	101	1,311	.45	231
	106	2AGR	2/2	1,041	139	1,180	.45	230
	107	2SG	2/2	1,055	139	1,194	.45	229
2ND	201	2SR	2/2	1,078	111	1,189	.45	228
	202	2A	2/2	1,064	111	1,175	.45	227
	203	3T	2/2	1,210	95	1,305	.45	226
	204	2C	2/2	1,235	111	1,346	.45	225
	205	3TR	2/2	1,210	95	1,305	.45	224
	206	2AR	2/2	1,064	111	1,175	.45	223
	207	2S	2/2	1,078	111	1,189	.45	222
3RD	301	2STR	2/2	1,078	111	1,189	.45	221
	302	2AT	2/2	1,064	111	1,175	.45	220
	303	3T	2/2	1,210	95	1,305	.45	219
	304	2CT	2/2	1,235	111	1,346	.45	218
	305	3TR	2/2	1,210	95	1,305	.45	217
	306	2ATR	2/2	1,064	111	1,175	.45	216
	307	2ST	2/2	1,078	111	1,189	.45	215
TOTAL:	21					26,088		

BUILDING NO. TEN (NC1)

<u>FLOOR</u>	<u>APT. NO.</u>	<u>APT. TYPE</u>	<u>NO. OF BED/BATH</u>	<u>NET LIVING AREA</u>	<u>LANAI</u>	<u>TOTAL SQ. FT.</u>	<u>% COMMON INTEREST</u>	<u>PARKING STALL NO.*</u>
1ST	101	2SGR	2/2	1,055	139	1,194	.45	146
	102	2AG	2/2	1,041	139	1,180	.45	145
	103	3G-1	1/2	1,210	101	1,311	.45	144
	104	2CG	2/2	1,189	161	1,350	.45	143
	105	2CG	2/2	1,189	161	1,350	.45	335
	106	2CG	2/2	1,189	161	1,350	.45	334
	107	3GR	2/2	1,210	101	1,311	.45	333
	108	2AG2R	2/2	1,064	117	1,181	.45	332
2ND	201	2SR	2/2	1,078	111	1,189	.45	331
	202	2A	2/2	1,064	111	1,175	.45	330
	203	3T	2/2	1,210	95	1,305	.45	329
	204	2C	2/2	1,235	111	1,346	.45	328
	205	2C	2/2	1,235	111	1,346	.45	327
	206	2C	2/2	1,235	111	1,346	.45	326
	207	3TR	2/2	1,210	95	1,305	.45	133
	208	2AR	2/2	1,064	111	1,175	.45	134
3RD	301	2STR	2/2	1,078	111	1,189	.45	135
	302	2AT	2/2	1,064	111	1,175	.45	136
	303	3T	2/2	1,210	95	1,305	.45	137
	304	2CT	2/2	1,235	111	1,346	.45	138
	305	2CT	2/2	1,235	111	1,346	.45	139
	306	2CT	2/2	1,235	111	1,346	.45	140
	307	3TR	2/2	1,210	95	1,305	.45	141
	308	2AR	2/2	1,064	111	1,175	.45	142
TOTAL:	24					30,601		

RECEPTION BUILDING

<u>LOOR</u>	<u>APT. NO.</u>	<u>APT. TYPE</u>	<u>NO. OF ROOMS</u>	<u>NET TOTAL SQ. FT.</u>	<u>% COMMON INTEREST</u>	<u>PARKING STALL NO.*</u>
1ST	Commercial	Reception	5	2,713	1.45	100H - 103H; 171H; 189H; 5C - 11C; 147 - 159; 204 - 214; 233 - 261; 262C - 291C; 336C - 354C; 374 - 377; 378H; 379 - 383

ENCUMBRANCES AGAINST TITLE

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. Location of the seaward boundary in accordance with the laws of the State of Hawaii and shoreline setback line in accordance with County regulation and/or ordinance and the effect, if any, upon the area of the land described herein.
3. Rights or claims of parties and easements or claims of easement which may exist by reason of the burial of persons on the premises; as set forth in Trustee Deed dated August 3, 1979, recorded in the Bureau of Conveyances in Liber 13895 at Page 517, subject to the terms, covenants and conditions of that certain unrecorded Historic Preservation Mitigation Plan for Keonelo Bay Villas dated May 4, 1990, prepared by Cultural Surveys Hawaii and approved by the Department of Land and Natural Resources of the State of Hawaii with the consensus of the Kauai Island Burial Council by letter dated June 18, 1990, and which Mitigation Plan, among other things, establishes a Burial Site Preservation Area, containing an area of 0.924 acre, more or less.
4. Any trails, easements or rights-of-way which may exist by reason of the existence of any heiaus, claims to which, including claims to the heiaus, may be predicated upon prescriptive use or ancient Hawaiian use or custom, subject to the terms, covenants and conditions of that certain unrecorded Historic Preservation Mitigation Plan for Keonelo Bay Villas dated May 4, 1990, prepared by Cultural Surveys Hawaii and approved by the Department of Land and Natural Resources of the State of Hawaii with the consensus of the Kauai Island Burial Council by letter dated June 18, 1990.
5. Sidewalk encroaches 0.3 feet into the premises described in Schedule C, along northerly boundary line, and rock wall, CRM wall and yard from Lot 6-A encroaches onto the premises along the southwest boundary, as shown on survey map prepared by Dennis M. Esaki, Registered Professional Land Surveyor, of Esaki Surveying and Mapping, Inc., dated March 20, 1990.
6. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT dated August 9, 1990, recorded in the Bureau of Conveyances as Document No. 90-123627, made by POIPU SUITE PARTNERS, a Hawaii limited partnership, to THE MITSUI TRUST & BANKING CO., LTD., a corporation formed under the laws of Japan and acting through its Los Angeles Agency, to secure the Mortgagor's obligations under and pursuant to the Loan Commitment Agreement

dated as of August 9, 1990, and any and all Notes or other instruments, now or hereafter, executed by Mortgagor to evidence the Loan in an aggregate principal amount of \$62,000,000.00, made pursuant to said Loan Commitment Agreement; which Mortgage was amended by instrument dated March 29, 1991, recorded as Document No. 91-075784; which Mortgage, as amended, was by mesne assignments assigned to MITSUI TRUST & BANKING CO., LTD., a corporation formed under the laws of Japan and acting through its New York Branch, as Agent for and on behalf of the Mitsui Trust & Banking Co., Ltd., a corporation formed under the laws of Japan and acting through its New York Branch, Mitsui Leasing (U.S.A.) Inc., a Delaware corporation, Sanshin (U.S.A.) Inc., a Delaware corporation, and SL Capital Corp., a California corporation, by instrument dated September 5, 1991, recorded as Document No. 92-082860.

7. RIGHT-OF-ENTRY to CITIZENS UTILITIES COMPANY, a Delaware corporation, dated March 18, 1992, recorded as Document No. 92-094419, granting a right-of-entry for the purpose of building, constructing, repairing, maintaining and operating pole and wire lines, etc., for the transmission and distribution of electricity.
8. -AS TO PARCEL SECOND ONLY:
 - (A) Easement "1" (area 0.800 acre) for shoreline access purposes, in favor of The Public and for utility purposes, in favor of Kauai Electric and Department of Public Works, County of Hawaii, as shown on survey map dated August 6, 1992, prepared by Dennis M. Esaki, Registered Professional Surveyor.
 - (B) Easement "2" (area 0.049 acre) for parking purposes, related to shoreline access, in favor of The Public, as shown on survey map dated August 6, 1992, prepared by Dennis M. Esaki, Registered Professional Surveyor.
 - (C) Easement "3" (6 feet wide, area 0.116 acre) for shoreline and lateral shoreline access purposes, in favor of The Public, as shown on survey map dated August 6, 1992, prepared by Dennis M. Esaki, Registered Professional Surveyor.
 - (D) Easement "4" (6 feet wide, area 0.007 acre) for shoreline access purposes, in favor of The Public, as shown on survey map dated August 6, 1992, prepared by Dennis M. Esaki, Registered Professional Surveyor.
 - (E) Easement "5" (area 0.105 acre) for flowage purposes, in favor of Department of Public Works, County of Kauai, as shown on survey map

EXHIBIT I

dated August 6, 1992, prepared by Dennis M. Esaki, Registered Professional Surveyor.

(F) Easement "6" (area 0.059 acre) for flowage purposes, in favor of Department of Public Works, County of Kauai, as shown on survey map dated August 6, 1992, prepared by Dennis M. Esaki, Registered Professional Surveyor.

(G) Easement "7" (area 0.030 acre) for flowage purposes, in favor of Department of Public Works, County of Kauai, as shown on survey map dated August 6, 1992, prepared by Dennis M. Esaki, Registered Professional Surveyor.

(H) Easement "8" (area 0.314 acre) for flowage purposes, in favor of Department of Public Works, County of Kauai, as shown on survey map dated August 6, 1992, prepared by Dennis M. Esaki, Registered Professional Surveyor.

(I) Easement "9" (area 0.333 acre) for fire access purposes, in favor of Department of Public Works, County of Kauai, as shown on survey map dated August 6, 1992, prepared by Dennis M. Esaki, Registered Professional Surveyor.

(J) Easement "10" (area 0.190 acre) for electrical purposes, in favor of Kauai Electric Company, County of Kauai, as shown on survey map dated August 6, 1992, prepared by Dennis M. Esaki, Registered Professional Surveyor.

(K) GRANT to CITIZENS UTILITIES COMPANY, a Delaware corporation, dated November 20, 1990, recorded as Document No. 92-164511, granting an easement over said Easement "10", containing an area of 0.190 acre, more or less.

9. -AS TO PARCEL THIRD ONLY:-

(A) GRANT to DEPARTMENT OF WATER, COUNTY OF KAUAI, dated February 12, 1992, recorded as Document No. 92-070851, granting a perpetual easement on, over and under Lot 3, for the construction, installation, reinstallation, maintenance, repair and removal of a potable water pipe line, etc.

(B) Access in favor of those entitled thereto.

10. Any adverse claim or boundary dispute which may exist or arise by reason of the failure of the Memorandum of Agreement recorded in Liber 17211 at Page 682 to locate with certainty the boundaries of the Easement over TMK: 2-8-027:022 described in said instrument.
11. Any adverse claim or boundary dispute which may exist or arise by reason of the failure of instrument dated February 5, 1991, recorded as Document No. 93-082164 regarding a right-of-entry over a portion of Lot D-1.
12. The terms, provisions, covenants, conditions and reservations contained in the Declaration of Condominium Property Regime for The Pointe at Poipu condominium project dated January 19, 1994, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 94-047021, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 2009 recorded in said Bureau of Conveyances.)
13. The terms, provisions, covenants, conditions and reservations contained in the By-Laws of the Association of Apartment Owners of The Pointe at Poipu condominium project dated January 19, 1994, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 94-047022, as the same may hereafter be amended.

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**DEVELOPER'S RESERVATION OF RIGHT TO
DESIGNATE, GRANT, CONVEY, TRANSFER,
CANCEL, RELOCATE, ETC. EASEMENTS**

The Developer reserves the right to designate, grant, convey, transfer, cancel, relocate and otherwise deal with any easements over, under, across, or through the common elements of the Project for any reasonable purpose, which may include, but shall not be limited to, any easements for utilities or for any public purpose.

The Developer further reserves the right to transfer, cancel, relocate or otherwise deal with any easement over, under, across or through any lands adjacent to or across the street from the Project, which may be appurtenant to the Land or the Project, for any reasonable purpose, which may include, but shall not be limited to, any of the same purposes set forth above in this Exhibit J or for the reason that any owner of any such lands adjacent to or across the street from the Project exercises any right to require the relocation of any such easement.

The foregoing rights of the Developer set forth in this Exhibit J shall terminate on December 31, 2004.

To the extent that joinder of any apartment owner and lien holder or other person who may have any interest in the Land or the Project or any apartment in it may be required in order to validate any act or thing done pursuant to the foregoing reservations, such joinder shall be accomplished by power of attorney from each of the owners, lien holders or other such parties, the acquiring or acceptance of ownership in an apartment or of a lien covering an apartment or any other interest in the Project or Land subject to the Declaration being a grant of such power and the grant being coupled with an interest, being irrevocable.

CONSTRUCTION WARRANTIES

1. Building and Other Improvements:

The construction contract for the Project contains a clause which provides in pertinent part that:

"If any defective installation of any materials or equipment installed by Contractor, Subcontractor or Subsubcontractor under [the Construction Contract], or any Work not in accordance with the Contract Documents, shall be discovered within one (1) year or within such longer period of time as may be prescribed by law, or by the terms of any applicable warranty required by the Contract Documents, from the date of Substantial Completion..., Contractor will, at Contractor's own cost and expense, after receipt of written notice from Owner, promptly correct the same unless the Owner has previously given Contractor a written acceptance of such condition."

Seller makes no warranties itself, but Seller agrees that the closing of the sale of the Apartment shall constitute an assignment by Seller to Buyer of any and all warranties given Seller by the contractor(s) for the Project, including any contractor's agreement to promptly correct any of its work found to be defective or not in conformance with the Construction Contract following the "Date of Substantial Completion of the Apartment", as defined in the Construction Contract. The benefit of such agreement shall accrue to Buyer on closing without further instruments or documents. Seller hereby agrees to cooperate with Buyer during the effective period of such agreement in asserting any claims based on any such warranty. Buyer acknowledges and agrees that Seller is not adopting the contractor's warranty or acting as co-warrantor but is merely attempting to pass through to Buyer the benefit of such contractor's warranty, if any.

2. Appliances:

The closing of the sale of the Apartment shall also constitute the assignment by Seller to Buyer, for the unexpired term, if any, of any manufacturer's or dealer's warranties covering any furnishings, fixtures and appliances that are part of the Apartment. Buyer acknowledges that Seller is only passing through to Buyer any such manufacturer's or dealer's warranties; Seller is not adopting any such warranties or acting as co-warrantor with respect to any furnishings, fixtures or appliances. The terms of the manufacturer's or dealer's written warranties are available for Buyer's examination at Seller's sales office.

Except for the agreements set forth above, it is expressly understood and agreed by and between Seller and Buyer that SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, OR CONSUMER PRODUCTS OR ANYTHING ELSE INSTALLED IN THE APARTMENT OR IN THE PROJECT, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS OF THE APARTMENT FOR A PARTICULAR PURPOSE.

ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Disbursements

<u>Utilities</u>	<u>Monthly x 12 months = Yearly</u>	
Electricity - Common	\$ 10,845	\$ 130,140
Television Cable	1,455	17,460
Water	4,500	54,000
Sewer	10,500	126,000
Telephone	150	1,800
Propane	6,000	72,000
Central Hot Water	1,540	18,480
	<u>\$ 34,990</u>	<u>\$ 419,880</u>

Building Maintenance

Cleaning Service	7,500	90,000
Cleaning Supplies	300	3,600
Communications	450	5,400
Electrical	150	1,800
Lighting	300	3,600
Elevators (5)	4,000	48,000
Landscaping	20,000	240,000
Pools	3,000	36,000
Waterscape (lily ponds, falls)	1,000	12,000
Plumbing	250	3,000
Misc. Repairs/Purchases	800	9,600
Painting	300	3,600
Pest Control	1,500	18,000
Pump & Ventilation	500	6,000
Refuse	600	7,200
Pool/Jacuzzi/Pool Deck	750	9,000
Golf Cart Maintenance	200	2,400
	<u>\$ 41,600</u>	<u>\$ 499,200</u>

Administration

Manager's Salary	\$ 2,500	\$ 30,000
Doorman	2,100	25,200
Concierge	2,100	25,200
Maintenance Engineer's Salary	2,500	30,000
Security	2,000	24,000
Management Fee	2,000	24,000
Taxes - Payroll	2,100	25,200
Insurance - Payroll	900	10,800
	<u>\$ 16,200</u>	<u>\$ 194,400</u>

EXHIBIT L

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<u>Others</u>	<u>Monthly</u> x 12 months = <u>Yearly</u>	
Insurance	\$ 62,500	\$ 750,000
Legal Audit	500	6,000
Miscellaneous	300	3,600
Office Supplies	450	5,400
Uninsured Expense	200	2,400
Taxes - Gross Income	50	600
Taxes - Other	<u>100</u>	<u>1,200</u>
	\$ 64,100	\$ 769,200
TOTAL DISBURSEMENTS	\$ 156,890	\$1,882,680
 <u>Reserve Transfers</u>		
Replacement Reserves	<u>\$ 10,000</u>	<u>\$ 120,000</u>
TOTAL DISBURSEMENTS & RESERVES	\$ 166,890	\$2,002,680

Assumptions

- 1) Does not reflect initial start-up expenses.
- 2) Does not reflect TVA services (i.e., maid services).

ESTIMATE OF INITIAL MAINTENANCE FEES

PER RESIDENTIAL APARTMENT

Monthly Fee x 12 months = Yearly Total

\$751.00 x 12 = \$9,012.00

FOR THE COMMERCIAL APARTMENT

Monthly Fee x 12 months = Yearly Total

\$2,421.00 x 12 = \$29,052.00

EXHIBIT L

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SUMMARY OF SALES CONTRACT

The specimen Condominium Purchase Agreement, Deposit Receipt and Contract ("Purchase Agreement") contains, among others, the following terms and provisions (which may be modified or otherwise limited by provisions not summarized):

1. The Purchase Price shall be paid by an initial deposit and four (4) additional payments, the last of which shall be paid to the escrow agent, subject to other terms, on the Date of Closing.
2. The Purchase Price does not include the Project start-up fee, the one (1) month maintenance fee, closing costs, prorations and additional costs payable by Buyer under the Purchase Agreement.
3. Until (1) a Final Public Report has been issued by the Real Estate Commission of the State of Hawaii, (2) Buyer has received for or is deemed to have received for the Final Public Report, and (3) Buyer has waived or is deemed to have waived Buyer's right to cancel under Section 514A-62 of the Hawaii Revised Statutes, the Purchase Agreement does not constitute a binding sales contract and may be terminated by either Buyer or Seller by written notice of such termination delivered to the other party.
4. Buyer has received a copy of the Declaration, the By-Laws, the public report(s) of the Real Estate Commission of the State of Hawaii, the form of Apartment Deed and Escrow Agreement, and Buyer acknowledges that Buyer has had adequate opportunity to read those documents and to examine the Project plans, and Buyer accepts such documents and plans with such changes and modifications as the Project architect may deem necessary.
5. Within thirty (30) days after the date Seller executes the Purchase Agreement, Buyer will submit to Seller evidence of Buyer's ability to pay the Purchase Price.
6. If Buyer will be paying the entire Purchase Price in cash, then within thirty (30) days after Buyer's receipt for the Final Public Report, Buyer will submit to Seller written evidence from Buyer's bankers or accountants or other persons reconfirming Buyer's ability to pay the Purchase Price in cash on the Date of Closing. If Buyer will be utilizing mortgage financing to pay a portion of the Purchase Price, then within forty-five (45) days from the date of Buyer's receipt for the Final Public Report (or within sixty (60) days if Buyer is not a resident of the State of Hawaii), Buyer will submit to Seller a firm written commitment for Buyer's Permanent Loan from Buyer's Permanent Lender.

EXHIBIT M

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7. If Buyer's application for mortgage financing is not approved within forty-five (45) days from the date of Buyer's receipt for the Final Public Report (or within sixty (60) days if Buyer is not a resident of the State of Hawaii), or if such application is denied or rejected by the Permanent Lender at any time, Seller may elect to sell the Apartment to Buyer, and Buyer shall thereupon be committed to purchase the Apartment from Seller under an Agreement of Sale in form and content satisfactory to Seller; if Seller does not elect to sell the Apartment to Buyer under an Agreement of Sale, either Buyer or Seller may terminate the Purchase Agreement, provided that Buyer's option to terminate must be exercised, if at all, within fifteen (15) days after Buyer's failure to obtain approval or other denial of Buyer's application for mortgage financing.

8. If Buyer fails to (a) remove any contingency from its loan commitment or approval by the Date of Closing, or (b) keep the loan commitment or approval in full force and effect, Seller may elect to sell the Apartment to Buyer, and Buyer shall thereupon be committed to purchase the Apartment from Seller under an Agreement of Sale in form and content satisfactory to Seller.

9. All payments made by Borrower under the Purchase Agreement will be deposited with Escrow under the terms of the Escrow Agreement.

10. Seller has reserved the right to make certain modifications to the Declaration, By-Laws, Apartment Deed and other documents as may be required by law, any title insurance company, any institutional mortgagee or governmental agency or as Seller otherwise deems appropriate.

11. Buyer acknowledges that construction may continue on the site after Buyer has occupied the Apartment, and sales activities will continue until the last unsold apartment in the Project has been sold.

12. Seller intends to convey the Preservation Area to the State of Hawaii and to establish a Hawaii nonprofit corporation to maintain the Preservation area and public access thereto.

13. The Purchase Agreement shall not be construed as a present transfer of any interest in the Apartment, but it is an agreement to transfer in the future.

14. Buyer waives, relinquishes and subordinates the priority or superiority of any lien or any other legal or equitable interest arising under the Purchase Agreement in favor of the lien or charge on the Project or the security interests of the Lender, including but not limited to any lien, mortgage, or other charge securing a loan made to finance the acquisition of the land and the costs of construction and other costs during such construction and any and all advances therefor, whether contractual or voluntary, until the final closing and delivery by Seller of an apartment deed to Buyer.

15. Buyer consents to Seller's assignment to Lender, as security, of Seller's interests in the Purchase Agreement and Buyer's deposits with Escrow. In the event Lender acquires Seller's interest in the Purchase Agreement pursuant to said assignment, Buyer will, at Lender's option, perform to, attorn to and recognize Lender as the Seller under the Purchase Agreement.

16. So long as Seller owns an interest in any apartment in the Project, and until the election of the Board of Directors and officers of the Association of Apartment Owners, Seller may exercise all of the powers of the Board and the officers.

17. In the event that the development and construction of the Project is delayed due to any governmental restrictions or regulations enacted after the date of acceptance of the Purchase Agreement Seller, or by the occurrence of a contingency, the nonoccurrence of which was a basic assumption on which the Purchase Agreement was made, Seller may increase the Purchase Price of the Apartment to the extent necessitated by said increases in development and construction costs, and thereupon Buyer shall have fifteen (15) days within which to cancel the Agreement.

18. After Buyer has receipted for or is deemed to have receipted for the Final Public Report, and Buyer has waived or is deemed to have waived Buyer's right to cancel under Section 514A-62 of the Hawaii Revised Statutes, Buyer may terminate the Purchase Agreement only if there is a material change in the Project (other than a change made pursuant to the Declaration) which directly, substantially and adversely affects the use or value of the Apartment or appurtenant limited common elements or the amenities of the Project available for Buyer's use. The foregoing rescission right may be waived as provided in Section 514A-63 of the Hawaii Revised Statutes.

19. Seller may terminate the Purchase Agreement if (a) Buyer's check for Payment A, Payment B or Payment C is returned for insufficient funds, or (b) Buyer fails to furnish Seller satisfactory evidence of Buyer's ability to pay the Purchase Price, or (c) if Buyer is paying the Purchase Price partially from the proceeds of a loan to Buyer, Buyer fails to furnish Seller a firm written commitment for such loan within the time period specified in the Purchase Agreement, or (d) if Buyer is not a natural person, Buyer fails to have its obligations under the Purchase Agreement guaranteed by a person acceptable to Seller, or (e) any Buyer under the Purchase Agreement dies prior to the performance of all of Buyer's obligations under the Purchase Agreement.

20. Neither Seller nor any of Seller's representatives has made any representations or references as to rental of the Apartment, or the income or any other economic benefit to be derived from the rental of the Apartment. Buyer will not enter into any rental pool or similar arrangement until Seller has closed the sale of all the apartments in the Project or until December 31, 19___, whichever shall first occur.

21. Seller makes only those warranties regarding construction and appliances which are set forth in the Purchase Agreement.

22. Seller may preclose on or about forty-five (45) days prior to the estimated Date of Closing by having all documents necessary for closing executed and deposited with Escrow.

23. Buyer will not take possession of the Apartment prior to the Date of Closing and full compliance by Buyer with the terms and conditions of the Purchase Agreement.

24. Buyer will inspect the Apartment and will sign an inspection sheet to be furnished by Seller or the contractor, or Buyer will appoint the inspecting architect or engineer for the Project or Seller or any agent of Seller to inspect the Apartment and execute the inspection sheet on behalf of Buyer.

25. Risk of loss to the Apartment shall be borne by Seller until the Date of Closing.

26. Time is of the essence of the obligations of Buyer under the Purchase Agreement.

Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings given them under the Purchase Agreement.

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THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE PURCHASE AGREEMENT. WHILE A BUYER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF BUYER'S RIGHTS AND OBLIGATIONS UNDER THE PURCHASE AGREEMENT, BUYER MUST REFER TO THE PURCHASE AGREEMENT TO DETERMINE BUYER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE PURCHASE AGREEMENT, THE PURCHASE AGREEMENT WILL CONTROL.

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement dated January 29, 1991, made by and between Title Guaranty Escrow Services, Inc. ("Escrow") and Poipu Suite Partners ("Seller"), as amended by First Amendment to Escrow Agreement dated May 9, 1991, and Second Amendment to Escrow Agreement dated September 25, 1991, both made by and between Escrow and Seller (collectively, the "Agreement") contains among other provisions the following (which may be modified or otherwise limited by provisions not summarized herein):

1. Whenever Seller enters into a sales contract for the sale of an apartment in The Pointe at Poipu condominium project (the "Project"), Seller will require that payments due under the sales contract be made to Escrow and will deliver an executed copy of the sales contract to Escrow.

2. Escrow will receive payments under the sales contracts and sums received from any other source with respect to the Project. Funds held by Escrow under the Agreement will initially be deposited in the "control" account for the Project and within a reasonable time thereafter will be deposited in an interest-bearing account designated "Title Guaranty Escrow Services, Inc., Agent for Poipu Suite Partners/The Point at Poipu" (the "Trust Fund") with one or more federally insured banks or savings and loan associations authorized to do business in Hawaii, selected by Seller and located in Honolulu, Hawaii. Interest earned on the funds prior to the issuance of the final public report (the "Final Public Report") on the Project will be credited to the account of Buyer and after the date of issuance of the Final Public Report all interest shall be credited to the account of Seller.

3. Escrow will release from the Trust Fund and disburse Buyer's funds for the payment of certified construction costs as permitted by Sections 514A-40(2)(6) and 514A-67, Hawaii Revised Statutes, as amended, and Seller's interim or construction loan mortgagee. No disbursements will be made from Buyer's funds until: (a) the Real Estate Commission has issued a Final Public Report on the Project and forty-eight (48) hours have elapsed since Buyer's receipt of a copy of the Final Public Report; (b) Buyer has waived its right to cancel the sales contract; and (c) Seller has notified Escrow that all other requirements of Sections 514A-39 and 514A-63, Hawaii Revised Statutes, have been met. Where sales contracts are entered into subsequent to the issuance of a Final Public Report, Escrow will disburse funds upon (i) presentation by Seller of Buyer's signed receipt for the Final Public Report and (ii) written notification by Seller's attorney to Escrow that all of the requirements of Sections 514A-39 and 514A-63, Hawaii Revised Statutes, have been met. Upon receipt of written certification from Seller that any payments are due under a sales contract, Escrow will call for payments by the buyer under such sales contract.

4. Escrow will return deposited sums, without interest, to the buyer under a sales contract if Seller gives Escrow written notice to return the funds to such buyer, or with respect to a buyer whose funds were obtained before the issuance of a Final Public Report, if Escrow receives from the buyer a written request to cancel the sales contract or if after issuance of the Final Public Report and the buyer's waiver of the right to cancel the sales contract in accordance with Section 514A-62, Hawaii Revised Statutes, there shall be any material change in the Project which directly, substantially and adversely affects the use or value of the buyer's apartment or appurtenant common elements or those amenities of the Project available for the buyer's use, of a nature entitling the buyer to cancel the sales contract pursuant to Section 514A-63, Hawaii Revised Statutes. These funds shall be returned to the buyer less Escrow's cancellation fee, if any, any mortgagee's cancellation fee, and all other costs up to a maximum amount of \$250.00 incurred in connection with the mortgage processing, closing or legal documentation.

5. Escrow will arrange for and supervise the signing of all documents which are to be signed subsequent to and contemplated by the sales contract.

6. As Escrow's compensation for its performance under the Agreement, Escrow will receive an amount of money equal to one-half of Escrow's then scheduled and published escrow fees for a comparable transaction, plus applicable general excise tax for each apartment for which an apartment deed is handled by Escrow and recorded in the Office of the Assistant Registrar of the State of Hawaii. Following the execution of closing documents, Escrow will deliver the recordable documents along with appropriate recording instructions to the title insurer and will record all applicable documents.

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THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE AGREEMENT. WHILE ONE CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE AGREEMENT, HE MUST REFER TO THE ACTUAL AGREEMENT TO DETERMINE THE RIGHTS AND OBLIGATIONS OF THE PARTIES. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE AGREEMENT, THE AGREEMENT WILL CONTROL AND NOT THIS SUMMARY.