

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer Poipu Resort Partners, L.P. Address 1613 Pe'e Road, Koloa, Kauai, HI 96756

Project Name(*): Poipu Point Address: 1613 Pe'e Road, Koloa, Kauai, HI 96756

Registration No. 2480

Effective date: June 9, 1995

Expiration date: July 9, 1996

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: (yellow) 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.
FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
[X] FIRST SUPPLEMENTARY: (pink) This report updates information contained in the: [] Preliminary Report dated: [X] Final Public Report dated: June 3, 1994 [] Supplementary Public Report dated:
And [X] 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, 2-C and 2-D

Summary of Changes from Earlier Public Reports

1. The Project was sold to Poipu Resort Partners, L.P., a Hawaii limited partnership. The new Developer has changed the name of the condominium project (the "Condominium") from "The Pointe at Poipu" to "Poipu Point." The Condominium documents have been revised accordingly.
 2. New persons are connected with the Condominium and they are identified on Pages 5 and 5A of this Supplementary Public Report.
 3. The Condominium Declaration and Bylaws have been amended as discussed below and the recording information relating to such amendments is identified on Page 6 of this Supplementary Declaration. The Condominium Map has been amended by the recordation of an "as-built" certificate which certifies that the Condominium Map fully and accurately depicts the layout, location, apartment numbers and dimensions of the apartments as-built.
 4. The floor plan descriptions in the Condominium Declaration for Building No. One, Building No. Eight, the Reception Building and the Commercial Apartment have been revised to more accurately reflect what appears on the Condominium Map. [See Sections 2, 3, 4 and 24 of the Second Amendment to the Condominium Declaration.]
 5. The description of what property shall be included within the apartments has been revised to clarify that lanai surface finishings, materials and/or coverings (e.g. tiling, carpeting, wood finishing, etc.) are included within each apartment with a lanai and are the sole responsibility of the apartment owner to maintain. [see Sections 5 and 12a of the Second Amendment to the Condominium Declaration.]
 6. The description of the Condominium common elements has been revised to include the housekeeping rooms as common elements, to clarify that the exercise room, mechanical/storage room, steam room, sauna room, men's and women's room located on the first floor of Building No. Eight are common elements and to clarify that the entry lobby which comprises a portion of the Commercial Apartment is not a part of the Condominium common elements. [See Section 6 of the Second Amendment to the Condominium Declaration and Section 1a of the Third Amendment to the Condominium Declaration.]
 7. The description of the limited common elements which are appurtenant to the Commercial Apartment has been revised to include the following additional areas or rooms located on the first floor of Building No. Eight:
 - a. Kitchen
 - b. Alcove
 - c. Lounge
- [See Section 1b of the Third Amendment to the Condominium Declaration.]
8. The Developer intends to create a vacation ownership (timeshare) program in the Condominium to be known as the Poipu Point Vacation Ownership Program (the "Program"). Accordingly, the Condominium Declaration and Bylaws have been amended to prominently and expressly permit timesharing. [See Section 11 of the Second Amendment to the Declaration and Section 9 of the First Amendment to the Bylaws.] Pages 10 and 11 of this Supplementary Public Report clearly identifies timeshare use as a permitted use of residential apartments. The Developer will not be charging apartment owners an additional impact fee for the use of common elements by renters of apartments for transient vacation accommodations or as a part of the Program, and the Condominium Declaration has been amended accordingly. [See Section 12.b of the Second Amendment to the Condominium Declaration.]
 9. The Developer has further amended the Condominium Declaration to reserve the following rights:
 - a. Reserved Right to Use Common Element Areas. This right is set forth in Section 6 and in new Section 10 of Paragraph F of the Condominium Declaration. Developer will have the right, to and until December 31, 2015, to designate, grant, convey, transfer, relocate and otherwise deal with any easements over, under, across or through, and to use, all of

the common element areas for any reasonable purpose, such as utility or public purposes. The Developer will also have a permanent easement to use the common elements, including recreational amenities of the Condominium. [See Sections 9 and 10 of the Second Amendment to Condominium Declaration.]

b. **Reserved Right to Convey Commercial Apartment To Association.** This right is set forth in a new Paragraph Y of the Condominium Declaration. Developer will have the reserved right, to and until December 31, 2015, without obtaining the approval of any party with an interest in the Condominium, including any other owner and/or mortgagee, to convey the Commercial Apartment in the Condominium, or any subdivided portion thereof, to the Association. In any such event, the Association shall accept any such conveyance, and shall not have any right to refuse or reject any such conveyance. [See Section 23 of the Second Amendment to the Condominium Declaration.]

c. **Reserved Right to Alter Condominium Project.** This right is set forth in Section 2 of Paragraph Q of the Condominium Declaration. Developer will have the right, to and until the earlier of the sale of all apartments in the Condominium or December 31, 2015, to alter the Condominium's or any apartment's floor plan and location (and the limited common elements appurtenant thereto), and to make minor alterations in the Condominium which do not affect the physical location, design or size of any apartment which has been sold. [See also Section 20 of the Second Amendment to the Condominium Declaration.]

d. **Reserved Right to Modify Project to Comply with Law.** This right is set forth in Section 3 of Paragraph S and in said new Paragraph Y of the Condominium Declaration. Developer will have the reserved right, to and until December 31, 2015, to accomplish all modifications to apartments and common elements in the Condominium to ensure full compliance by the Condominium, the Program, the Condominium Association, the Vacation Owners Association and any other association of vacation owners or time share owners or by the Developer, with laws which apply to the Condominium or the Program, including the Fair Housing Act, as amended, 42 U.S.C. §§3601 et seq., including all rules and regulations adopted under it, and the Americans With Disabilities Act, as amended, 42 U.S.C. §§12101 et seq., including all rules and regulations adopted under it. [See Sections 21 and 23 of the Second Amendment to the Condominium Declaration.]

e. **Reserved Right to Subdivide and Consolidate Apartments.** This right is set forth in new Section 11 of Paragraph F and in said new Paragraph Y of the Condominium Declaration. Developer will have the reserved right, to and until December 31, 2015, to amend the Condominium Declaration with respect to any apartment(s) it owns to alter such apartment's floor plan, cause such apartment to be subdivided, cause such apartment to be consolidated with another such apartment and/or convert certain portions of such apartment into common elements, and to execute, record and deliver any amendments to the Condominium Declaration and to the Condominium Map, as may be necessary or required to effectuate the same. [See Sections 10 and 23 of the Second Amendment to Condominium Declaration.]

f. **Reserved Right to Utilize Limited Common Element Areas.** This right is set forth in said new Paragraph Y of the Condominium Declaration. Developer will have the reserved right, but shall have no obligation, to operate, lease and/or utilize all or any part of the limited common element areas of the Condominium and which are appurtenant to any apartment owned by Developer for any purpose permitted by law, including, without limitation, providing services and amenities conducive to a first-class hotel and resort destination. The Developer may contract with various providers of goods and services, such as food and beverage operators, retail stores and other vendors, to provide goods and services at the Condominium, and may retain any compensation paid to the Developer in consideration of the Developer permitting any such vendor to utilize space at the Condominium. [See Section 23 of the Second Amendment to the Condominium Declaration.]

g. **Reserved Right to Redesignate Limited Common Elements As Appurtenant To Other Apartments.** This right is set forth in said new Paragraph Y of the Condominium Declaration. Developer will have the reserved right, to and until December 31, 2015, to amend the Condominium Declaration to designate all or a portion of certain limited common elements which are appurtenant to any apartment owned by Developer, to another apartment or apartments owned by Developer, and to execute, record and deliver any amendments to the Condominium Declaration and to the Condominium Map, as may be necessary or required to effectuate the same. [See Section 23 of the Second Amendment to the Condominium Declaration.]

h. **Reserved Right Regarding Special Management Area Permit.** This right is set forth in said new Paragraph Y of the Condominium Declaration. Developer will have the reserved right, to and until December 31, 2015, to amend the Condominium Declaration, to enter into any agreements and to do all things necessary and convenient to satisfy the

requirements of any Special Management Area Permit pertaining to the Condominium, and to execute, record and deliver any and all documents necessary to effect the same, including, but not limited to, any amendments to the Condominium Declaration and to the Condominium Map. [See Section 23 of the Second Amendment to the Condominium Declaration.]

i. **Reserved Right to Establish Special Use Program.** This right is set forth in said new Paragraph Y of the Condominium Declaration. Developer will have the reserved right to establish a program at the Condominium whereby non-owners of apartments (as well as any owners of timeshare interests in the Condominium who do not have current use rights) have the right to utilize the common element areas of the Condominium, including any recreational amenities thereof. [See Section 23 of the Second Amendment to the Condominium Declaration.]

j. **Historical Site Preservation Area.** This right is set forth in Paragraph T of the Condominium Declaration. Developer will have the reserved right to convey an interest (including any easement) in the historical site preservation area located on the grounds of the Condominium to the State of Hawaii. [This reserved right has not been amended in the Second Amendment to the Condominium Declaration, and is identified here for disclosure purposes.]

k. **Sales Activities.** This right is set forth in Section 4 of Paragraph F and in new Section 6 of Paragraph F of the Condominium Declaration. The Developer shall have the right to conduct extensive sales activity on and at the Project. No other person or entity shall conduct sales activity relating to ownership interests in an apartment, including any sale or resale of any timeshare interests, and such activity (other than by the Developer) on the common elements of the Project shall be strictly prohibited. This restriction is for the benefit of Developer and may be waived or modified by Developer in its discretion. [See also Section 2 of the Third Amendment to the Condominium Declaration.]

l. **Assignment of Reserved Rights.** This right is set forth in new Paragraph Y of the Condominium Declaration. No matter what is said elsewhere in the Condominium Declaration, the rights reserved by the Developer in the Condominium Declaration are fully assignable by the Developer, and every owner of an apartment in the Condominium or of an Ownership Interest in the Program and all holders of liens affecting any of the apartments and each and every other party acquiring an interest in the Condominium or the Program, in any vacation ownership or time share program, or any part of them, by acquiring the apartment, Ownership Interest, lien or other interest, agrees and consents to this assignment right of the Developer, and agrees to recognize the assignee as the "Developer" under the Condominium Declaration. [See Section 23 of the Second Amendment to the Condominium Declaration.]

10. The Developer has further amended the Declaration to update the insurance requirements for the Condominium to comport with the requirements of the Condominium's insurer. [See Sections 13 through 19, inclusive, of the Second Amendment to the Condominium Declaration and Section 5 of the Third Amendment to the Condominium Declaration.]
11. The Developer has amended the Bylaws to clarify the management duties of the Board of Directors of the Association. [See Sections 3, 4, 5, 6, 7 and 8 of the First Amendment to the Bylaws.]
12. The Developer has further amended the Bylaws to prohibit animals and pets in the Condominium, other than animals specifically trained to assist handicapped individuals. [See Section 10 of the First Amendment to the Bylaws.]
13. The Developer has revised the House Rules, Apartment Deed form and Sales Contract form to conform with the above-mentioned changes to the Condominium. The Developer has also revised the Sales Contract form to reflect the fact that construction of the Condominium has been completed and the general contractor's standard warranty has expired. Therefore, no warranties shall be given or assigned by Developer to purchasers. [See Exhibit M attached to this Supplementary Public Report].
14. The Developer has indicated appropriate changes from information contained in the Final Public Report as set forth in corresponding sections and/or exhibits of this Supplementary Public Report.

TABLE OF CONTENTS

	page
Preparation of this Report	1
Expiration Date of Reports	1
Type of Report	1
Disclosure of Abstract	2
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Operation of the Condominium Project	4
I. PERSONS CONNECTED WITH PROJECT	5
Developer Attorney for Developer General Contractor	
Real Estate Broker Escrow Company Condominium Managing Agent	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	6
B. Condominium Map (File Plan)	6
C. Bylaws	6
D. House Rules	7
E. Changes to Condominium Documents	7
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	8
B. Underlying Land	9
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	13
E. Encumbrances Against Title	14
F. Construction Warranties	15
G. Status of Construction	16
H. Project Phases	16
IV. CONDOMINIUM MANAGEMENT	
A. Management of the Common Elements	17
B. Estimate of Initial Maintenance Fees	17
C. Utility Charges for Apartments	17
V. MISCELLANEOUS	
A. Sales Documents Filed with the Real Estate Commission	18
B. Buyer's Right to Cancel Sales Contract	18
C. Additional Information Not Covered Above	20
D. Signature of Developer	21
EXHIBIT A: Exhibit A has been deleted.	
EXHIBIT B: Special Use Restrictions	
EXHIBIT C: Description of Apartments	
EXHIBIT D: Permitted Alterations to Apartments	
EXHIBIT E: Parking Information	
EXHIBIT F: Common Elements	
EXHIBIT G: Limited Common Elements	
EXHIBIT H: Common Interests	
EXHIBIT I: Encumbrances Against Title	
EXHIBIT J: Exhibit J has been deleted	
EXHIBIT K: Exhibit K has been deleted	
EXHIBIT L: AOA Poipu Point Estimate of Maintenance Fee Disbursements	
EXHIBIT M: Summary of Sales Contract (Condominium)	
EXHIBIT N: Summary of Escrow Agreement (Program)	
EXHIBIT O: Summary of Sales Contract (Program)	

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 expenses. 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 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 Resort Partners, L.P. Phone: (808) 742-1888
1613 Pe'e Road (Business)
Koloa, Kauai, HI 96756

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

See Page 5A

Real Estate Broker: Resort Marketing International - Hawaii, Inc. Phone: (808) 742-1888
1613 Pe'e Road (Business)
Koloa, Kauai, HI 96756

Escrow: Hawaii Escrow and Title, Inc. Phone: (808) 532-2977
700 Bishop Street, Suite 1020 (Business)
Honolulu, Hawaii 96813

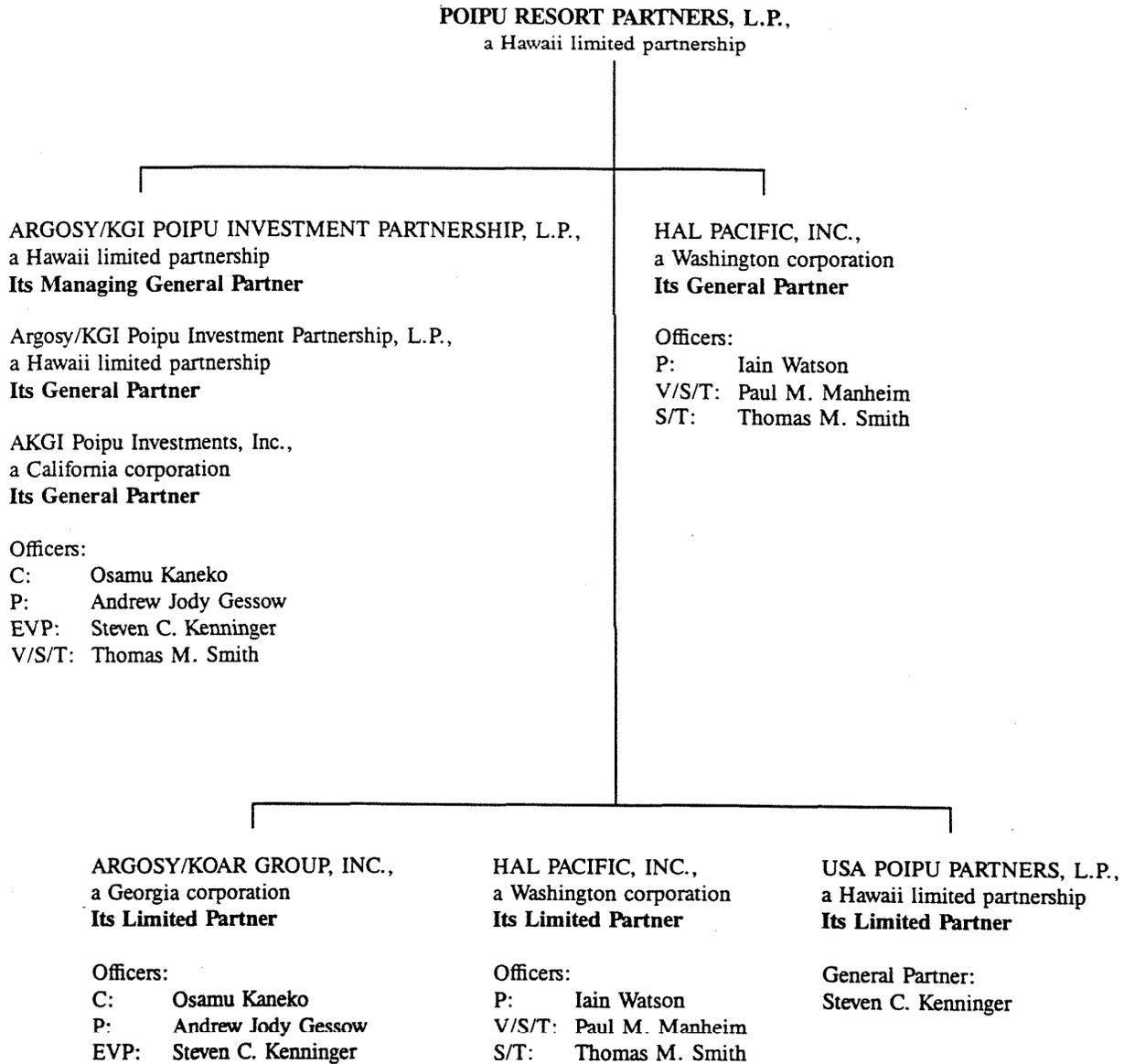
General Contractor: Pacific Construction Co., Ltd., Phone: (808) 521-7861
nka Fletcher Pacific Construction Co., Ltd. (Business)
707 Richards Street, Suite 400
Honolulu, Hawaii 96813

Condominium Managing Agent: Poipu Resort Management Company (Master Manager) Phone: (808) 742-1888
1613 Pe'e Road (Business)
Koloa, Kauai, Hawaii 96756

Hotel Corporation of the Pacific, Inc. d.b.a. Phone: (808) 931-1400
Aston Hotel & Resorts (Sub-Manager)
2255 Kuhio Avenue, 18th Floor
Honolulu, Hawaii 96815

Attorney for Developer: Dwyer Imanaka Schraff Kudo Meyer & Fujimoto Phone: (808) 524-8000
900 Fort Street Mall, Suite 1800 (Business)
Honolulu, Hawaii 96813
Attn: Mitchell A. Imanaka, Esq.

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



**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:

<input type="checkbox"/>	Proposed		
<input checked="" type="checkbox"/>	Recorded - Bureau of Conveyances:	Document No. <u>94-047021</u>	
		Book _____	Page _____
<input type="checkbox"/>	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 dated January 19, 1994, recorded as Document No. 94-090495

Second Amendment to Declaration dated May 5, 1995, recorded as Document No. 95-065205

Third Amendment to Declaration dated May 25, 1995 recorded as Document No. 95-071382

- 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:

<input type="checkbox"/>	Proposed		
<input checked="" type="checkbox"/>	Recorded - Bureau of Conveyances Condo Map No. <u>2009</u>		
<input type="checkbox"/>	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]:

Third Amendment to Declaration dated May 25, 1995, recorded as Document No. 95-071382

Verified Statement of Registered Architect dated May 10, 1995, recorded as Document No. 95-066491

- 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:

<input type="checkbox"/>	Proposed		
<input checked="" type="checkbox"/>	Recorded - Bureau of Conveyances:	Document No. <u>94-047022</u>	
		Book _____	Page _____
<input type="checkbox"/>	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]:

First Amendment to Bylaws dated May 3, 1995, recorded as Document No. 95-065206.

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 requirement 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>Board of Directors</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 Sections 9a-9l on Pages 2B, 2C and 2D of this Supplementary Public Report.

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 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 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

Fee Owner : Poipu Resort Partners, L.P.
 Name
1613 Pe'e Road
 Address
Koloa, Kauai, Hawaii 96756

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
2 Buildings Five and Seven
 Exhibit _____ contains further explanations. 3 Buildings One, Nine and Ten
4 Buildings Two, Three, Four, Six and Eight
3. Principal Construction Material:
 Concrete Hollow Tile Wood
 Other _____

4. Permitted Uses by Zoning:

	<u>No. of</u>	<u>Use Permitted</u>		<u>No. of</u>	<u>Use Determined</u>
	<u>Apts.</u>	<u>By Zoning</u>		<u>Apts.</u>	<u>By Zoning</u>
<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: No pets shall be allowed or permitted; provided, that certified guide dogs, service dogs and signal dogs and such other animals specially trained to assist handicapped individuals shall be permitted.

Number of Occupants: _____

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

There are no special restrictions. See Exhibit B to this Supplementary Public Report

6. Interior (fill in appropriate numbers):

Elevators: 5 Stairways: 20 Trash Chutes: 5

Apt.	Net			
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

See Exhibit C to this Supplementary Public Report

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, ceilings and lanais of the respective apartments as shown on the Condominium Map.

Permitted Alterations to Apartments:

See Exhibit D to this Supplementary Public Report

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	<u> X </u>	<u> </u>	<u> </u>
Structures	<u> X </u>	<u> </u>	<u> </u>
Lot	<u> X </u>	<u> </u>	<u> </u>

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 to this Supplementary Public Report.

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 to this Supplementary Public Report.

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 to this Supplementary Final Public Report.

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 to this Supplementary Public Report describes the encumbrances against the title contained in the title report dated April 12, 1995 and issued by Title Guaranty Of Hawaii, Incorporated.

See also Sections 9a-9l on Pages 2B, 2C and 2D of this Supplementary Public Report re: Developer's reserved rights.

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.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
---------------------	---

Mortgage	The Developer's interest is also subject to a certain mortgage lien in favor of HAL North America Inc., which will be released, as to the particular apartment being conveyed, prior to the transfer of title to apartment buyers. In the event of Developer's default, buyer's interests may be terminated by the lender; however, buyers will receive a refund of deposits.
----------	---

F. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows: **THERE ARE NO WARRANTIES.**

1. **Building and Other Improvements:**

2. **Appliances:**

G. Status of Construction and Estimated Completion Date:

Status of Construction: 100% complete
Completion Date: October 1, 1993

H. Project Phases:

The developer [] has [X] 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:

- [X] Notice to Owner Occupants
- [X] Specimen Sales Contract
Exhibit M to this Supplementary Public Report contains a summary of the pertinent provisions of the sales contract.
- [X] Escrow Agreement dated February 3, 1995
Exhibit N to this Supplementary Public Report contains a summary of the pertinent provisions of the escrow agreement.
- [X] Other Poipu Point Vacation Ownership Program Sales Contract. Exhibit O to this Supplementary Public Report contains a summary of pertinent provisions of this sales contract.

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 a 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, as amended.
 - D) House Rules.
 - E) Condominium Map, as amended.
 - 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 Poipu Point Vacation Ownership Program Declaration of Covenants, Conditions and Restrictions

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.

Reproduction of Report. When reproduced, this report must be on:

yellow paper stock white paper stock pink paper stock

C. Additional Information Not Covered Above

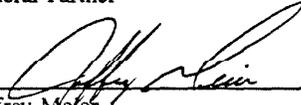
None.

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 RESORT PARTNERS, L.P.
Name of Developer

By ARGOSY/KGI POIPU INVESTMENT PARTNERSHIP, L.P.
Its Managing General Partner

By AKGI POIPU INVESTMENTS, INC.
Its General Partner

By: 
Jeffrey Mefer
Its Assistant Vice President

5-14-95
Date

Distribution:

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

EXHIBIT "A"

(This exhibit has been deleted)

EXHIBIT "B"

SPECIAL USE RESTRICTIONS

Article VI, Section 4(1) shall be amended in its entirety to read as follows:

1. Pets. No livestock, poultry, rabbits, dogs, cats or other animals or pets whatsoever shall be allowed or kept in any part of the Project, except as otherwise provided below. Notwithstanding any provision to the contrary contained herein, certified guide dogs, service 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 specifically trained animals shall not be kept, bred, or used at the Project for any commercial purpose; and

(ii) Such specially trained animals shall be permitted on the common elements (including but not limited to the recreation areas), provided such specially trained animals are kept on a leash by their respective owners.

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. The Directors may from time to time promulgate such rules and regulations regarding the continued keeping of such 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 a licensed 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 "service dog" shall mean "any dog individually trained and certified by a nationally recognized service dog organization to assist a person with a disability in performing essential activities of daily living," 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 individually trained and certified by a nationally recognized signal dog organization 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.

Nothing herein shall hinder full access to the apartments and the common elements of the Project by handicapped persons.

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 Bylaws.

3. Timesharing Use Permitted. To the extent permitted by applicable law, timesharing use is expressly permitted in the Project. Accordingly, the apartments may be used, leased or rented, or any undivided interest therein may be transferred, for timesharing purposes or under any timesharing plan, agreement or arrangement as the same is defined under Chapter 514E of the Hawaii Revised Statutes, as amended; provided, however, that no apartment owner (other than the Developer) shall be allowed to create, implement or maintain a timesharing program unless such apartment owner submits no less than twenty (20) apartments to any such program.

4. Restriction on Sales Activities. The Developer shall have the right to conduct such sales activity on the common elements of the Project as it deems appropriate in accordance with the provisions of this Declaration and applicable law. No other person or entity shall conduct sales activity (other than by the Developer) on the common elements of the Project shall be strictly prohibited. This restriction is for the benefit of Developer and may be waived or modified by Developer in its discretion."

5. Commercial Apartments. 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			

EXHIBIT "D"

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 the Condominium 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.

The Developer has reserved rights to alter apartments, common elements and limited common elements as described in Sections 9.c, 9.d, 9.e and 9.g on Page 2C of the Supplementary Public Report.

EXHIBIT "E"

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 stall(s) as designated in the Declaration of Condominium Property Regime and in Exhibit H of this Supplementary 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.

EXHIBIT "F"

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 (excluding the entry lobby comprising a portion of the commercial apartment), stairways, elevators, walkways, corridors, ramps, loading areas, elevator lobby areas, entrances, entry ways (excluding said commercial apartment entry lobby) and exits of said building(s), 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), all trash rooms, the exercise room, mechanical/storage room, steam room, sauna room, men's and women's room located on the first floor of Building No. Eight, all housekeeping rooms and all limited common elements which are not otherwise described herein.
- 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.

EXHIBIT "F"

EXHIBIT "G"

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 Supplementary 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 kitchen, alcove and lounge located on the first floor of Building No. Eight of the Project as shown on the Condominium Map, and the parking stalls assigned to it as set forth in Exhibit "H" to the Supplementary Public Report.

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	2LCXR	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

EXHIBIT "I"

ENCUMBRANCES AGAINST TITLE

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. 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.
4. Right-of-Entry in favor of Citizens Utilities Company, a Delaware corporation, dated March 18, 1992, recorded at said Bureau 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.
5. 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 referred to herein.
6. 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 at said Bureau 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, and thus bounded and described as follows:

All of that certain parcel of land (portion of the land describe din and covered by Royal Patent Grant Number 1416 to Eke Oponui) situate, lying and being at Weliweli, Koloa, Island and County of Kauai, State of Hawaii, being the Archeological Preservation Site "A," being also a portion of Parcel "A, and thus bounded and described as per survey of James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994, to-wit:

- | | | | |
|----|---------|-------|---|
| 1. | 9° 57' | 41.37 | feet along the remainder of R. P. Grant 1416 to Eke Oponui; |
| 2. | 25° 43' | 26.24 | feet along the remainder of R. P. Grant 1416 to Eke Oponui; |

3.	43° 28'	71.49	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
4.	30° 40'	74.06	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
5.	44° 45'	62.23	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
6.	50° 47'	67.05	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
7.	37° 36'	47.72	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
8.	58° 36'	23.30	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
9.	88° 05'	16.12	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
10.	142° 17'	50.16	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
11.	153° 02'	39.06	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
12.	211° 40'	30.19	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
13.	226° 09'	25.60	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
14.	240° 28'	87.46	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
15.	216° 31'	47.37	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
16.	181° 13'	32.07	feet along the remainder of R. P. Grant 1416 to Eke Opunui;
17.	154° 32'	33.26	feet along the remainder of R. P. Grant 1416 to Eke Opunui;

- | | | | | |
|-----|------|-----|-------|--|
| 18. | 194° | 37' | 24.60 | feet along the remainder of R. P. Grant 1416 to Eke Opunui; |
| 19. | 238° | 20' | 32.98 | feet along the remainder of R. P. Grant 1416 to Eke Opunui; |
| 20. | 259° | 50' | 86.08 | feet along the remainder of R. P. Grant 1416 to Eke Opunui; |
| 21. | 270° | 22' | 70.78 | feet along the remainder of R. P. Grant 1416 to Eke Opunui to the point of beginning and containing an area of 0.924 acre, more or less. |
7. Sidewalk from Olili Road crosses onto Lot 2 by 0.3 feet at the Northwest corner of Lot 2, as shown on survey map prepared by James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994.
 8. Easement "1" (area 0.800 acre) in favor of the public, for shoreline access purposes, and Kauai Electric and Department of Public Works, County of Kauai, for utility purposes, as shown on survey map prepared by James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994.
 9. Easement "2" (area 0.049 acre) in favor of the public, as shown on survey map prepared by James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994; for parking purposes, related to shoreline access.
 10. Easement "3" (6 feet wide, area 0.116 acre) in favor of the public, as shown on survey map prepared by James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994; for shoreline and lateral shoreline access purposes.
 11. Easement "4" (6 feet wide, area 0.007 acre) in favor of the public, as shown on survey map prepared by James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994; for shoreline access purposes.
 12. Easement "5" (area 0.105 acre) in favor of Department of Public Works, County of Kauai, as shown on survey map prepared by James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994; for flowage purposes.

13. Easement "6" (area 0.059 acre) in favor of Department of Public Works, County of Kauai, as shown on survey map prepared by James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994; for flowage purposes.
14. Easement "7" (area 0.030 acre) in favor of Department of Public Works, County of Kauai, as shown on survey map prepared by James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994; for flowage purposes.
15. Easement "8" (area 0.314 acre) in favor of Department of Public Works, County of Kauai, as shown on survey map prepared by James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994; for flowage purposes.
16. Easement "9" in favor of Department of Public Works, County of Kauai, as shown on survey map prepared by James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994; for fire access purposes.
17. Grant in favor of Citizens Utilities Company, a Delaware corporation, dated November 20, 1990, recorded at said Bureau as Document No. 92-164511; granting an easement over said Easement "10," being more particularly described as follows:

EASEMENT 10
(for Electrical Purposes)

Land situated at Weliweli, Koloa, Kauai, Hawaii
Being a Portion of Lot 2

Being also a portion of Grant 1416 to Eke Opunui
and portion of Makahuena Tract, File Plan 354

as per survey of Dennis M. Esaki
Registered Professional Surveyor
dated August 1992

Beginning at the Northwest corner of this parcel of land on the East side of Roadway Lot 3, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PAA" being 4,633.68 feet South and 780.54 feet West, thence running by azimuths measured clockwise from true South:

1. 284° 00' 72.86 feet along the remainder of R. P. Grant 1416 to Eke Opunui (Lot 2);

Thence along the remainder of Grant 1416 to Eke Opunui (Lot 2) on a curve to the right with a radius of 226.00 feet, the chord azimuth and distance being:

2. 19° 57' 27" 78.62 feet;

Thence along the remainder of Grant 1416 to Eke Opunui (Lot 2) on a curve to the left with a radius of 187.00 feet, the chord azimuth and distance being:

3. 21° 59' 14" 51.97 feet;
4. 14° 00' 8.98 feet along the remainder of R. P. Grant 1416 to Eke Opunui (Lot 2);
5. 284° 00' 74.00 feet along the remainder of R. P. Grant 1416 to Eke Opunui (Lot 2);
6. 14° 00' 31.00 feet along the remainder of R. P. Grant 1416 to Eke Opunui (Lot 2);
7. 104° 00' 100.00 feet along the remainder of R. P. Grant 1416 to Eke Opunui (Lot 2);
8. 194° 00' 39.98 feet along the remainder of R. P. Grant 1416 to Eke Opunui (Lot 2);

Thence along the remainder of Grant 1416 to Eke Opunui (Lot 2) on a curve to the right with a radius of 213.00 feet, the chord azimuth and distance being:

9. 201° 59' 14" 59.19 feet;

Thence along the remainder of Grant 1416 to Eke Opunui (Lot 2) on a curve to the left with a radius of 200.00 feet, the chord azimuth and distance being:

10. 204° 16' 53" 39.68 feet;
11. 104° 00' 48.00 feet along the remainder of R. P. Grant 1416 to Eke Opunui (Lot 2);

12. 196° 10' 32.02 feet along the remainder of R. P. Grant 1416 to Eke Opunui (Lot 3), to the point of beginning and containing an area of 0.190 acre, more or less.
18. Grant in favor of Department of Water, County of Kauai dated February 12, 1992, recorded at said Bureau 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.
19. The terms and provision, including the failure to comply with the covenants, conditions and reservations contained in Declaration of Condominium Property Regime for "Pointe of Poipu" dated January 19, 1994, recorded at said Bureau 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 at said Bureau.)
- Said Declaration was amended by instrument dated May 26, 1994, recorded at said Bureau as Document No. 94-090495.
20. The terms and provision, including the failure to comply with the covenants, conditions and reservations contained in the By-laws of the Association of Apartment Owners of said Condominium Project dated January 19, 1994, recorded at said Bureau as Document No. 94-047022, as the same may hereafter be amended.
21. The following encroachments as shown on survey map prepared by James R. Thompson, Registered Professional Land Surveyor, with Walter P. Thompson, Inc., dated October 25, 1994, to-wit:
- (A) Storm drain catch basin within Lot 3 (roadway) encroaches onto adjoining (Government) Land by 0.8 feet at South end of Lot 3;
 - (B) Asphalt driveway crosses over Lot 2 onto adjoining (Government) Land at Southwest end of Lot 2;
 - (C) Temporary service pole and overhead electrical line crosses over Lot 2 onto adjoining (Government) Land at Southwest end of Lot 2;
 - (D) Sidewalk encroaches from Lot 3 onto Lot 2 by 0.1 feet along common boundary;
 - (E) Sidewalk from Olili Road crosses onto Lot 2 by 0.3 feet at Northwest corner of Lot 2;
 - (F) Concrete sidewalk for public use does not fall within designated Easements 3 and 4;

- (G) Landscaping crosses from Lot 2 onto (Government) Land along Southerly boundary of Lot 2; and
 - (H) Corner of building encroaches into Easement 8 near Southwest boundary of Lot 2.
22. Terms and provisions as set forth in Warranty Deed dated November 1, 1994, made by and between Poipu Suite Partners, a Hawaii limited partnership, as Grantor, and Pointe Resort Partners, L.P., a Hawaii limited partnership (now known as Poipu Resort Partners, L.P.), as Tenant in Severalty, as Grantee, recorded on November 2, 1994 at said Bureau as Document No. 94-180609.
23. First Mortgage, Security Agreement and Financing Statement dated November 1, 1994, made by Pointe Resort Partners L.P., a Hawaii limited partnership, as Mortgagor, in favor of HAL North America Inc., a Washington corporation recorded at said Bureau as Document No. 94-180610.

THE LAND UPON WHICH SAID "POIPU POINT" CONDOMINIUM PROJECT IS SITUATE AND THE ENCUMBRANCES THEREON ARE MORE PARTICULARLY DESCRIBED IN THE AFORESAID DECLARATION OF HORIZONTAL PROPERTY REGIME, WHICH DESCRIPTION IS INCORPORATED HEREIN BY THIS REFERENCE.

EXHIBIT "J"

(This exhibit has been deleted)

EXHIBIT "K"

(This exhibit has been deleted)

EXHIBIT "L"

Estimated Budget of Project Expenses And Estimated Maintenance Fees (Fee Simple Units)

Each Buyer should understand that: COSTS TO MAINTAIN AND OPERATE ANY PROJECT ARE DIFFICULT TO ESTIMATE AT FIRST. EVEN IF THESE COSTS HAVE BEEN ACCURATELY ESTIMATED, THEY WILL TEND TO INCREASE OVER TIME. THEY MAY INCREASE BECAUSE OF THE AGING OF THE PROJECT AND INFLATION. THEY MAY ALSO INCREASE DUE TO FACTORS SUCH AS DELINQUENCIES IN PAYMENT, UNINSURED CASUALTIES, DAMAGES AND OTHER THINGS OVER WHICH THERE IS NO OR LIMITED CONTROL. THE DEVELOPER DOES NOT PROMISE THAT THIS ESTIMATED BUDGET AND FEES WILL BE ACCURATE.

FOR UNIT TYPE: 2 (TWO BEDROOM FEE SIMPLE)

	Per Unit Per Year	Per Every Year Interval Per Year
Condo Ass'n Common Expense Schedule A	\$10,504.47	\$205.87
Real Property Tax	1,385.16	27.16
Capital Reserve Schedule B	<u>3,200.76</u>	<u>62.76</u>
A. TOTAL UNIT CHARGES *Footnote	\$15,090.39	\$295.89
Utilities	\$2,159.85	\$42.35
Contract Clean, Repairs, Services	64.67	1.07
General Replacement	109.65	2.15
Auto/Car Expense	4.08	0.08
Maintenance Supplies	32.64	0.64
Laundry	181.03	3.53
Cleaning/Guest Supplies	125.97	2.47
Linen Replacement	109.65	2.15
Miscellaneous Supplies	24.48	0.48
Telephone	259.08	5.08
Professional Services	21.93	0.43
B. TOTAL OPERATIONAL COST	\$3,082.95	\$60.45
General Insurance	\$610.00	\$10.00
Administration	250.41	4.91
Management Fees	2,252.16	44.16
Postage/Printing	38.25	0.75
Office Costs	<u>57.12</u>	<u>1.12</u>
C. TOTAL ADMINISTRATION COST	\$3,107.91	\$60.81
Housekeeping/Maintenance	\$1,503.99	\$29.49
Guest Services	387.09	7.59
Administration/Reservation	502.35	9.85
Payroll Taxes/Benefits	<u>675.75</u>	<u>13.25</u>
D. TOTAL PAYROLL COSTS	\$3,069.18	\$60.18
E. OPERATING RESERVE	\$299.88	\$5.88
F. GENERAL EXCISE TAX	\$594.66	\$11.66
H. TOTAL (A+B+C+D+E+F+G) **Footnote	\$25,245.00	\$495.00 **

* At this time, because all Units in the Program are of the same Unit Type, Unit Charges are not segregated from other Program Expenses. At such time as different Unit Types are established for the Program, Unit Charges will be segregated and reported in the budget as separate line items for the particular Unit Types then in the Program, as required by the Program Declaration.
**This is the annual maintenance fee for Owners of Every Year Ownership Interests. For Owners of Every Other Year Ownership Interests, the annual maintenance fee will be \$495.00 if it is collected in such Owner's Use Year, or one-half (1/2) of that amount if the Association elects to collect maintenance fees from these Owners on an every year basis.

EXHIBIT "L"

SCHEDULE A

ASSOCIATION OF APARTMENT OWNERS OF POIPU POINT
MAINTENANCE FEE BUDGET 1995

DISBURSEMENT	ANNUAL AMOUNT
Electricity - common	\$261,600
Television Cable	20,640
Water	53,760
Sewer	147,444
Telephone	1,800
Propane	103,140
Cleaning supplies	8,400
Communications	1,200
Electrical	3,000
Lighting	6,000
Elevators (5)	18,720
Fire Equipment	10,200
Landscaping	225,000
Plumbing	3,000
Repairs & Purchases	14,400
Painting	3,600
Pest Control	11,640
Pump & Ventilation	6,000
Refuse	20,400
Pool/Hydrosipa/Pool deck	55,200
Auto/Golf Cart	3,600
Manager and Admin. Salaries	50,100
Cleaning Salaries	149,796
Maintenance Salaries	110,484
Management Fee	12,048
Payroll Taxes	33,456
Payroll Group Insurance	37,020
Workers Compensation Insurance	42,214
Travel	1,680
Security	53,040
Insurance	698,688
Legal & Audit	6,000
Office Supplies/Printing	\$5,400
Data Processing	6,000
Miscellaneous/Uniforms	\$6,000
Uninsured Expense	2,400
Taxes - Gross Income	600
Taxes - Federal & State	1,200
TOTAL DISBURSEMENTS	\$2,194,870
Reserve Expense Schedule A-1	139,458
TOTAL DISBURSEMENTS & RESERVE	\$2,334,328
Maintenance Fee Calculation: 220 Units	ANNUAL FEES
Residential .45% - Maintenance Fee 219 Units	\$823.08
Reserve Fee	\$52.30
	<u>\$875.38</u>
	\$10,504.56 *
Commercial 1.45% - Maintenance Fee 1 Unit	\$2,652.13
Reserve Fee	\$168.51
	<u>\$2,820.64</u>
MONTHLY - 220 Units	\$33,847.68
ANNUAL - 220 Units	\$194,528.86
	\$2,334,348.32

*Condominium Association Common Expense per year per unit difference is due to rounding.

SCHEDULE A-1
ASSOCIATION OF APARTMENT OWNERS OF POIPU POINT
RESERVE FUNDS WORKSHEET

DESCRIPTION	Useful Life	Remaining Life	Replacement Cost	Current Allocated Reserve	Annual Replacement Reserve
<u>PAINTING</u>					
Exterior Repaint (Plako/Denoglass)	7	5	\$471,833	\$0	\$47,193
Entry Doors	5	3	21,500	0	3,583
Metal & Misc Doors	4	1	5,000	0	2,500
Interior Surfaces (Club/Exercise)	8	6	4,000	0	333
<u>ASPHALT PAVING & CONCRETE SURFACES</u>					
Asphalt Overlay	20	18	213,859	0	5,943
Seal, Stripe, Repair	3	1	79,470	0	39,735
<u>COMMON INTERIOR</u>					
Carpeting (Club/Exercise Rms)	8	6	11,032	0	919
Ceramic Tile @ Club Rm.	20	18	3,000	0	83
Furnishing @ Club Kitchen	10	8	5,000	0	313
Refurbish Club Kitchen	12	10	10,000	0	500
Appliances @ Club Rm.	12	10	4,000	0	200
A/C @ Exercise Rm	7	5	1,500	0	150
Exercise Equipment	10	6	25,000	0	1,563
Sauna Refurbish	8	6	4,000	0	333
Steam System @ Exercise Rm.	8	6	3,000	0	250
<u>POOL, SPA, DECKING & EXTRAS</u>					
Pool Surface	12	10	30,000	0	1,500
Pool Filters	20	18	15,000	0	417
DE Pool Filter (Pumps/Motors)	20	18	25,000	0	894
Pool Heater	8	4	13,000	0	1,625
Upper Spa Replaster	7	5	10,000	0	1,000
Upper Spa Jet Pumpc	5	3	7,500	0	1,250
Upper Spa Filters	20	18	4,500	0	125
Upper Spa Heaters	8	4	5,000	0	625
Upper Spa Circulation Pump	5	3	500	0	83
Lower Spa Replaster	7	5	8,000	0	800
Lower Spa Jet Pumps	5	3	5,000	0	833
Lower Spa Filters	15	13	7,000	0	269
Lower Spa Heaters	5	4	5,000	0	625
Lower Spa Circulation Pumps	5	3	500	0	83
Booster Pumps	5	3	800	0	133
Ozone Mixing System	20	18	25,000	0	694
Chlorinators	5	3	800	0	150
Lily Pond Circulation Pumps	5	3	1,500	0	260
Pool Furnishing	6	4	35,000	0	4,375
<u>LANDSCAPING</u>					
12 Station Timer Clocks	10	8	4,800	0	300
Brass Control Valves	15	13	16,296	0	627
<u>LIGHTING</u>					
Walkway Ceiling Mounted Fixtures	20	18	24,375	0	677
Walkway & Door Entry Fixtures	25	23	129,350	0	2,812
Parking Post Mounted Fixtures	20	18	26,400	0	733
Ground Mounted Pagodas	10	8	24,400	0	1,525
<u>MECHANICAL EQUIPMENT</u>					
Teledyne Lava Heaters	10	8	18,000	0	1,000
Storage Tank (1,200 Gal.)	20	18	10,000	0	278
Intellometer Metering System	20	18	20,000	0	656
Fire Booster Pump	18	18	2,500	0	89
Exhaust Fans (Elevator Rm)	18	6	20,000	0	1,667
<u>FIRE SYSTEM</u>					
Fire cylinders (Simplax)	15	13	125,000	0	4,808
Fire Hoss	10	8	7,600	0	475
Fire Cabinets	10	8	9,500	0	594
<u>MISCELLANEOUS</u>					
Sewer Lift Station	10	8	30,000	0	1,875
Maintenance Cart	5	3	8,000	0	1,333
Picnic Tables/Barbecues	6	3	8,000	0	1,000
Totals			\$1,541,815	\$0	\$139,458

This schedule is calculated to provide statutory compliance with reserve requiring 50% funding by the year 2000 for Association.

SCHEDULE B

POIPU POINT VACATION OWNERSHIP ASSOCIATION
CAPITAL RESERVE WORKSHEET

DESCRIPTION	Useful Life	Remaining Life	Capital Cost	Current Allocated Reserve	Annual Capital Reserve
Case Goods	8	8	\$3,434	\$0	\$429
Seating	8	8	1,571	0	195
Window Coverings	8	8	2,405	0	301
Art & Accessories	8	8	1,343	0	168
Carpet	8	8	1,500	0	188
Lighting	8	8	541	0	68
Lanai Furniture	8	8	780	0	98
Audio/Visual equipment	8	8	1,086	0	136
Painting	8	8	1,800	0	225
Refrigerator	8	8	1,593	0	199
Stove/oven	8	8	691	0	86
Air conditioners (2 units)	5	5	2,500	0	500
Built-in microwave & hood	8	8	699	0	75
Compact Washer	8	8	580	0	73
Compact Dryer	8	8	425	0	53
Trash Compactor	8	8	459	0	57
Garbage Disposal	8	8	75	0	9
Dishwasher	8	8	540	0	68
Ceiling fans (3 units)	5	5	240	0	48
Beddings	8	8	541	0	68
Linens	8	8	776	0	97
Kitchen Package	8	8	474	0	59
TOTAL			\$23,953	\$0	\$3,201

The capital reserve for the vacation ownership association is based upon 100% straight line amortization.

EXHIBIT "M"

SUMMARY OF SALES CONTRACT (CONDOMINIUM)

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 (i) a Supplementary and Public Report has been issued by the Real Estate Commission of the State of Hawaii, (ii) Buyer has receipted for or is deemed to have receipted for the Supplementary and Final Public Report, and (iii) 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 and the Bylaws, as amended, 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.

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 (i) remove any contingency from its loan commitment or approval by the Date of Closing, or (ii) 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, Bylaws, 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 of 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 Supplementary and 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 (i) Buyer's check for Payment A, Payment B and Payment C is returned for insufficient funds, or (ii) Buyer fails to furnish Seller satisfactory evidence of Buyer's ability to pay the Purchase Price, or (iii) 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 (iv) 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 (v) 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 no warranties regarding the apartment, its construction and/or appliances.

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 or its duly appointed agent will inspect the Apartment and will sign an inspection sheet to be furnished by Seller accepting the Apartment **AS IS** and **WITH ALL FAULTS**.

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.

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.

EXHIBIT "N"

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement dated February 3, 1995 (the "Agreement"), made by and between **HAWAII ESCROW TITLE, INC.** ("Escrow") and **POIPU RESORT PARTNERS, L.P.**, ("Seller") 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 a vacation ownership interest ("Ownership Interest") in the Poipu Point Vacation Ownership Program (the "Program") to a purchaser ("Purchaser"), Seller will require that payments due under the sales contract be made to Escrow, and Seller will deliver an executed copy of the sales contract to Escrow; provided that Seller or Seller's agent may hold, until the expiration of the seven (7) day cancellation period provided by HRS Section 514E-8, or any longer cancellation period provided in the sales contract, any negotiable instrument or purchase money contract made by the Purchaser.

2. Escrow will receive payments under the sales contracts and hold such funds in separate escrow accounts. Funds held by Escrow under the Agreement will initially be deposited into an interest-bearing account (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 Hawaii. Interest earned on the funds shall be credited to the account of Seller.

3. If required by Seller, Escrow will receive evidence of Purchaser's ability to pay the purchase price stated in the sales contract from Purchaser's own funds, Purchaser's lender or both, and Escrow shall receive all financing documents such as mortgages. Upon receipt of written certification from Seller that any payments are due under a sales contract, Escrow will call for payments by the Purchaser under such sales contract.

4. Escrow shall make no disbursements of a Purchaser's funds until: (a) the seven (7) day cancellation period under HRS Section 514E-8 expires with no cancellation notice having been received by Escrow within five (5) days following expiration of said seven (7) day cancellation period; (b) Escrow receives a copy of the Condominium Receipt for Public Report and Notice of Right to Cancel form with a waiver of Purchaser's cancellation right or a sworn statement from Seller that no cancellation notice has been received by Seller within thirty (30) days following Purchaser's receipt of the Condominium Public Report; and (c) if Escrow has not received the above-mentioned waiver of Purchaser's cancellation right under HRS Section 514A-62, no notice of cancellation from Purchaser shall have been received by Escrow within the thirty (30) day period after the Condominium Public Report was received by Purchaser.

5. Escrow will return all deposited sums, without interest, to the Purchaser under a sales contract if (a) Purchaser or Seller delivers to Escrow a valid notice of cancellation of the sales contract pursuant to HRS Section 514E-8; (b) Purchaser delivers to Escrow a valid notice of cancellation of the sales contract pursuant to HRS Section 514A-62. If Purchaser and/or Seller do not cancel the sales contract in accordance with the cancellation procedures described in HRS Section 514E-8 or HRS 514A-62, but terminate the sales contract pursuant to its other terms or due to Purchaser's default, then Escrow shall treat all deposited funds as funds of Seller.

6. Upon the closing of a sales contract, Escrow shall deliver Purchaser's funds to Seller after the requirements of HRS Section 514E-19 for protecting Purchasers from blanket liens have been satisfied.

7. Escrow will arrange for and supervise the signing and recording of all documents which are to be signed and recorded in connection with and subsequent to the sales contract.

8. As Escrow's compensation for its performance under the Agreement, Escrow will receive an amount of money equal to that set forth in Schedule A to the Agreement, plus applicable general excise tax for each Ownership Interest for which a deed is handled by Escrow and recorded in the Office of the Registrar of the Land Court 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.

* * * * *

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 OR SHE 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.

EXHIBIT "O"

SUMMARY OF SALES CONTRACT (PROGRAM)

The specimen **POIPU POINT VACATION OWNERSHIP PROGRAM DBA EMBASSY VACATION RESORT AT POIPU POINT** ("Program") Purchase Agreement ("Purchase Agreement") contains, among others, the following terms and provisions (which may be modified or otherwise limited by provisions not summarized):

1. Buyer appoints the escrow agent to handle Buyer's funds and to close the Purchase Agreement in accordance with its terms.

2. The Purchase Price shall be paid by an initial deposit and two (2) or three (3) additional payments, all of which shall be paid to the escrow agent, subject to Seller's right to hold Buyer's check until Buyer's seven (7) day right to cancel the Purchase Agreement has expired, and subject to other terms. All interest earned on Buyer's funds shall be paid to Seller.

3. Buyer must complete all actions necessary to close the Purchase Agreement within ten (10) days after Seller or the escrow agent requests.

4. Closing shall not occur until (i) all cancellation rights under HRS Section 514E-8 and the Purchase Agreement have expired, (ii) there are no blanket liens affecting Buyer's vacation ownership interest(s) or protection against such liens have been provided pursuant to Hawaii law, (iii) there are no other encumbrances affecting Buyer's vacation ownership interest(s) other than those described in the disclosure statement to be provided to Buyer, and (iv) Buyer has receipted for or is deemed to have receipted for the Condominium Public Report and has waived or is deemed to have waived Buyer's right to cancel under Section 514A-62 of the Hawaii Revised Statutes. Seller shall possess sole ownership rights and privileges of ownership until closing.

5. The Purchase Price does not include closing costs such as recording fees, conveyance taxes, document preparation and notary fees, title insurance premiums, escrow fees and additional costs payable by Buyer under the Purchase Agreement.

6. Buyer promises to Seller that Buyer has the ability to pay the Purchase Price in accordance with the Purchase Agreement. Buyer may obtain a loan from Seller, but Seller will not arrange any financing from another lender. If Buyer desires to obtain a loan from another lender to pay the purchase price, Buyer must obtain the loan by him or herself.

7. Under Hawaii law, Buyer and Seller have the right to cancel the Purchase Agreement within seven (7) days after the Purchase Agreement is signed or Buyer has received a proper disclosure statement filed with the State of Hawaii Department of Commerce and Consumer Affairs ("DCCA"). If Buyer properly exercises his or her right to cancel the Purchase Agreement by sending notice of such cancellation to the escrow agent within the seven (7) day cancellation period, Buyer will be refunded his or her deposit funds. If the Purchase Agreement is terminated or cancelled because Buyer has defaulted, the Seller may keep all of Buyer's deposited funds as liquidated damages.

8. Buyer acknowledges receipt a copy of the Program Declaration, Bylaws and disclosure statement filed with the DCCA, and the Condominium Declaration, Bylaws, the public report(s) of the Real Estate Commission of the State of Hawaii, the form of Deed and the Escrow Agreement, and Buyer acknowledges that Buyer has had adequate opportunity to read and examine those documents, and Buyer accepts such documents with such changes and modifications as the Seller may deem necessary.

9. Seller has reserved the right to make certain modifications to the Condominium and Program Declarations, Bylaws 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.

10. All notices to the Seller and Escrow must be made in writing.

11. Buyer acknowledges that construction may continue on the site after Buyer purchased a vacation ownership interest, and sales activities will continue until the last unsold vacation ownership interest in the Program has been sold.

12. Buyer promises not to transfer his or her rights under the Purchase Agreement to another person.

13. If Buyer desires to sell his or her vacation ownership interest(s), and receives an offer to purchase such ownership interest(s), Seller shall have the right and option to purchase the vacation ownership interest(s) at the same price and on the same terms.

14. Hawaii law governs the Purchase Agreement.

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

* * * * *

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.