

CONDOMINIUM PUBLIC REPORT

Prepared & Issued By:

Developer M&H Lahaina LLC, a Hawaii Limited Liability Company
Address 2580 Kekaa Drive, Suite 118, Lahaina, Hawaii 96761

Project Name (*): M&H Lahaina Condominium
Address: 240 Punakea Loop, Lahaina, Hawaii 96761

Registration No. 5349 Effective Date: November 10, 2005
Expiration Date: December 10, 2006

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.
[] No prior reports have been issued
[] This report supersedes all prior public reports
[] This report must be read together with

X SUPPLEMENTARY: (pink) This report updates information contained in the:
[] Preliminary Public Report dated:
[X] Final Public Report dated: June 2, 2004
[] Supplementary Public Report dated:

And [] Supersedes all prior public reports.
[X] Must be read together with the Final Public report mentioned above
[] This report reactivates the public report(s) which expired on

(*) Exactly as named in the Declaration
This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report Not Required – disclosures covered in this report, and in the Final Public Report.

Summary of Changes from Earlier Public Report:

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:

Pages 1, 2, 6, 14, 15, 19 and 21 and Exhibits A and B and the Receipt for Public Report(s) and Notice of Right to Cancel of the Final Public Report are changed by this Supplementary Public Report. Also, an additional page 2-A has been added by this Supplementary Public Report. The Buyer should read this report together with the Final Public Report, with these enclosed pages.

The Declaration of Condominium Property Regime, Condominium Map and Final Public Report have been amended as follows:

1. The Access and Utilities Easement for Apartment A has been struck from the Declaration language, and is no longer applicable.
2. The lettering of the apartments and limited common elements have been reversed so that henceforth Apartment A and Limited Common Element A will be northernmost and Apartment B and Limited Common Element B shall be southernmost.
3. Apartment A, in its new relocation, retains its status as the apartment in the condominium to which the 1,000 square foot limitation under the Maui County agricultural zoning ordinance is allocated.
4. The foregoing changes are reflected on Exhibit "A (Revised)" to the Final Public Report which is attached hereto and made a part hereof and which is substituted for the original Exhibit "A" attached to the report.
5. Also, the first amendment to the Declaration is reflected on "Exhibit "B (Revised)" to the final Public Report which is attached hereto and made a part hereof and which is substituted for the original Exhibit "B" attached to the report.

SPECIAL ATTENTION

This is a CONDOMINIUM PROJECT, not a subdivision. The land area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and does not represent a legally subdivided lot. The lines on the Condominium Map dividing the land into limited common element land areas are for illustration purposes only and should not be construed to be formal subdivision lines.

This Public Report does not constitute an approval of the Project by the Real Estate Commission or any other government agency, nor does it ensure that all County codes, ordinances and subdivision have necessarily been complied with.

1. There are County restrictions on the number of residential dwelling units, or other structures, which may be built on the property. Therefore, unless the Purchaser is buying an existing residential dwelling, THERE IS NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO BUILD A RESIDENTIAL DWELLING UNIT ON THE PROPERTY. THERE IS ALSO NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO CONVERT AN EXISTING NON-RESIDENTIAL STRUCTURE TO A RESIDENTIAL USE. The Purchaser should consult with the appropriate County agencies to determine whether the Purchaser may build a residential dwelling unit, or any other type of structure, on the property. Apartment A is an existing agricultural storage shed, and Apartment B is an existing agricultural storage shed.
2. Facilities and improvements normally associated with County-approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owners and emergency traffic, drainage facilities, etc., may not be provided, and services such as County street maintenance and trash collection may not be available for interior roads and driveways.
3. Currently there is only one water meter to the Property, serving Apartment B exclusively. Apartment A will be responsible for obtaining, installing, maintaining and replacing any water service to its apartment and appurtenant Limited Common Element A. The condominium is served by a private water company, operating under permits issued by the State of Hawaii, Public Utilities Commission. Declarant makes no warranties or representations as to the quality or quantity of water service or as to the adequacy of fire protection. Also, irrigation water is available from a separate private water company.

4. Under the current zoning ordinance, only one full size farm dwelling and one farm dwelling with a living area of 1000 square feet or less are permitted. Apartment A was designated as the apartment which is subject to the 1000 square feet limitation. THE PROSPECTIVE PURCHASER IS CAUTIONED TO CONSULT WITH HIS OR HER LEGAL COUNSEL CONCERNING THE REQUIREMENTS OF A FARM DWELLING AND THE PERMITTED USES OF THE LAND AND DWELLING IN THE AGRICULTURAL ZONE.
5. The County of Maui Planning Department has recently adopted a strict enforcement policy requiring agriculture-zoned land to be used for only those agricultural uses permitted by HRS Section 205-4.5 and Maui County Code, Chapter 19.30A. Also, farm plans may be required. Dwellings may only be constructed and used as "farm dwellings".
BUYER SHOULD CONSULT WITH AN ATTORNEY OR THE MAUI COUNTY PLANNING DEPARTMENT FOR ADDITIONAL INFORMATION.
6. The land may be subject to rollback real property taxes. The failure of an owner to observe restrictions on the use of the land may cancel the County dedication and special real property tax assessment. Please refer to the Director of Finance, County of Maui, for further information.
7. In a condominium, all of the land included in the condominium remains a single, undivided parcel of land for purposes of zoning and land use regulation. If one unit owner violates a regulation, the violation is attributable to both that owner and the innocent owner of each other unit. For example, if one owner builds or adds to a structure in a manner which violates height limits, size limit, setbacks, building permit requirements, or flood zone rules, or uses the unit for an unauthorized additional dwelling or short term rental, the violation applies to the entire condominium and the innocent unit owner may be subject to fines or may be denied a building permit as long as the violation remains uncured. BUYER SHOULD CONSULT WITH AN ATTORNEY CONCERNING THESE IMPORTANT RISKS.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

**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.	2004-066165	
			Book		Page
<input type="checkbox"/>	Filed -	Land Court:	Document No.		

The Declaration referred to above has been amended by the following instrument [state name of document, date and recording/filing information]: First Amendment of Declaration of Condominium Property Regime of M&H Condominium, dated February 24, 2005, recorded as Document No. 2005-045102, and corrected by instrument dated August 2, 2005, recorded as Document No. 2005-172644.

B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment numbers, 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.	3734		
<input type="checkbox"/>	Filed -	Land Court: Condo Map No.			

The Condominium Map has been amended by the following instrument [state name of document, date and recording/filing information]: First Amendment of Declaration of Condominium Property Regime of M&H Condominium, dated February 24, 2005, recorded as Document No. 2005-045102, and corrected by instrument dated August 2, 2005, recorded as Document No. 2005-172644.

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.	2004-066166	
			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]:

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 A* .

as follows:

*Note: Land areas referenced herein are not legally subdivided lots

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 _____.

as follows: Apartment A shall have a 50% undivided interest and Apartment B shall have a 50% undivided interest (referred to as the "common interests") in all common elements of the Project and a said same respective share in all common profits and common expenses of the Project and for all other purposes, including voting.

Notwithstanding the allocation of common interests in the preceding paragraph, the common interests for the sole purpose of the ownership of fee simple title to the underlying land (and, therefore, for the allocation of proceeds from the sale or partition of the land upon termination of the condominium or the taking of the land by eminent domain) shall be allocated between the apartments in proportion to the relative value of the land area included within the limited common elements appurtenant to each apartment (determined as if each limited common element were a separate parcel of land), and not according to the common interests for financial and voting purposes as stated above.

- 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 B describes the encumbrances against the title contained in the title report dated August 29, 2005 and issued by Title Guaranty of Hawaii, Inc.

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 in favor of American Savings Bank, F.S.B., a federal savings bank, dated October 8, 2003, recorded in the State of Hawaii Bureau of Conveyances as Document No. 2003-222819; as amended by instrument dated July 30, 3004, recorded in said Bureau as Document No. 2004-162682; as amended by instrument dated October 5, 2004, recorded in said Bureau as Document No. 2004-210905; as amended by instrument dated January 12, 2005, recorded in said Bureau as Document No. 2005-013725.	Buyer may lose his or her unit but buyer's deposit to be refunded, less any escrow cancellation fee. All mortgage liens will be paid in full out of the proceeds of the sale of the first apartment and the apartments will be released from the liens at that time.

F. Construction Warranties:

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

1. Building and Other Improvements

The general contractor will provide a warranty against structural defects for one year from March 7, 2004.

2. Appliances:

There are no warranties.

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 issued 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, if any
 - 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 (i) Lease in favor of Maui Electric Company, Limited, and Hawaiian Telephone Company, now known as Verizon Hawaii, Inc., for electrical purposes, dated October 13, 1967, recorded in the State of Hawaii, Bureau of Conveyances in Liber 5893 at Page 226; (ii) Subdivision Agreement regarding Agricultural use, dated June 18, 1992, recorded in said Bureau as Document No. 92-103494; (iii) Private Water System Agreement, dated September 29, 1992, recorded in said Bureau as Document No. 92-164418; (iv) Declaration of Covenants, Conditions, Easements, Reservations and Restrictions, dated May 28, 1999, recorded in said Bureau as Document No. 99-087373; (v) Notice of Change of Agricultural Use to Dedication dated April 3, 2000, recorded in said Bureau as Document No. 2000-046048; (vi) Limited Warranty Deed and Reservation of Rights, dated January 16, 2001, recorded in said Bureau as Document No. 2001-006058; (vii) Kauaula Water System Agreement, effective as of January 16, 2001, recorded in said Bureau as Document No. 2001-006060; (viii) Grant of a non-exclusive perpetual easement for vehicular and pedestrian access and utility services, dated May 10, 2002, recorded in said Bureau as Document No. 2002-088747; (ix) Declaration of Non-Exclusive Perpetual Easements for roadway purposes within Makila Plantation Subdivision, dated May --, 2002, recorded as Document No. 2002-088748; (x) Makila Plantation Declaration of Covenants, Conditions and Restrictions, dated May 10, 2002, recorded in said Bureau as Document No. 2002-088749; (xi) The terms and provisions of that Warranty Deed, dated June 19, 2002, recorded in said Bureau as Document No. 2002-135439; (xii) Subdivision Agreement regarding Agricultural Use, dated December 3, 2002, recorded in said Bureau as Document No. 2002-226524; (xiii) Agreement for allocation of future subdivision potential, dated December 3, 2002, recorded in said Bureau as Document No. 2002-226525; (xiv) Subdivision Agreement, dated December 20, 2002, recorded in said Bureau as Document No. 2002-229575; (xv) Subdivision Agreement regarding agricultural use, dated April 30, 2003, recorded in said Bureau as Document No. 2003-090522; (xvi) Agreement for allocation of future subdivision potential, dated April 30, 2003, recorded in said Bureau as Document No. 2003-105796; (xvii) Unilateral Agreement and Declaration for Construction of a Farm Dwelling and Lands zoned county agricultural district or designated state agricultural district, dated December 17, 2003, recorded as Document No. 2003-286239;

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov
 Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs
 Website to access rules: www.hawaii.gov/dcca/har

This Public Report is a part of Registration No. 5349 filed with the Real Estate Commission on April 26, 2004.

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

YELLOW paper stock WHITE paper stock PINK paper stock

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report)
- E. 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.

M&H Lahaina LLC, a Hawaii Limited Liability Company

 Printed Name of Developer

By:  10/14/2005

 Duly Authorized Signatory* Date

Mark A. Marchello, as Member, Duly Authorized

 Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Maui

Planning Department, County of Maui

****Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.***

EXHIBIT "A (Revised)"

M&H LAHAINA CONDOMINIUM

DESCRIPTION OF BUILDINGS:

The condominium consists of two separate apartments, each of which is an agricultural storage shed. Each apartment is located on that portion of the land defined on the Condominium File Plan as a limited common element appurtenant to and for the exclusive use of said apartment. Each building is constructed primarily of wood and related materials. Upon expansion, relocation, construction or reconstruction of any apartment by any owner(s) thereof as provided in the Declaration, the modified or new building containing any apartment may be constructed of any other building material meeting applicable building codes, including but not limited to concrete, masonry, plaster, wood, glass or related materials.

DESCRIPTION OF APARTMENTS:

The condominium shall consist of two (2) apartments designated Apartment "A" and Apartment "B", with Apartment "A" the northern most and Apartment "B" the southern most. Each apartment is shown on the Condominium File Plan.

Apartment "A" is a one-story agricultural storage shed containing a total floor area of 66 square feet.

Apartment "B" is a one-story agricultural storage shed containing a total floor area of 66 square feet.

Apartment A has direct access to its appurtenant limited common element on which the apartment is located, which in turn provides access to a private roadway (Punakea Loop), which in turn provides access to a private roadway (Haniu Street), which in turn provides access to a private roadway (Kai Hele Ku Street), which provides access to a public road (Honoapiilani Highway).

Apartment B has direct access to its appurtenant limited common element on which the apartment is located, which in turn provides access to a private roadway (Punakea Loop), which in turn provides access to a private roadway (Haniu Street), which in turn provides access to a private roadway (Kai Hele Ku Street), which provides access to a public road (Honoapiilani Highway).

The boundaries of each apartment shall consist of the exterior finished surface of all exterior walls, roofs, doors, windows, and also include all foundations and underpinnings, and other appurtenant structures and facilities within said boundaries. The responsibility for maintenance, repair, replacement and reconstruction and insurance of each apartment is delegated to the owner(s) of said apartment, and all of the cost thereof shall be borne by the owner(s) of said apartment, at no cost to the owner(s) of any other apartment or the association.

LOCATION, RELOCATION, AND NUMBERING OF APARTMENTS:

Each apartment is located as shown on the condominium file plan. The apartments are lettered "A" and "B" consecutively from north to south. As provided in Section K.2. of the Declaration, at the option of the owner(s) of each apartment, said apartment may be relocated to any other location within the limited common element appurtenant to said apartment, and the boundaries of said apartment may be changed, by amendment to the Declaration as provided in Section K.2. of the Declaration; provided however, that (a) all construction in connection therewith shall comply with all applicable zoning and building codes; and (b) no portion of the structure comprising an apartment or other structure shall be constructed outside of the boundaries of the area designated for said unit as its limited common element as shown on the Condominium File Plan, or within any required setbacks.

APPROXIMATE FLOOR AREA OF APARTMENTS:

<u>Apartment</u>	<u>Floor Area</u>
A	66 total square feet
B	66 total square feet

NOTE: THE FLOOR AREAS ARE APPROXIMATE ONLY. THE DECLARANT MAKES NO REPRESENTATIONS OR WARRANTIES WHATSOEVER AS TO THE FLOOR AREA OF ANY PARTICULAR APARTMENT.

COMMON ELEMENTS:

The common elements include (a) the land in fee simple; (b) non-exclusive, perpetual easements for roadway and utility purposes over Makila Plantation Roadway Lots 20, 21 and 22; (c) non-exclusive, perpetual easements for roadway and utility purposes over Kai Hele Ku Street of the Mahanalua Nui subdivision; (d) any other easements and rights appurtenant to the Property; and (e) the limited common elements described below. The common elements shall also include any other utility installations serving more than one apartment.

LIMITED COMMON ELEMENTS:

Each apartment has appurtenant to it and for its exclusive use the land described in the condominium file plan as appurtenant thereto. The file plan describes these areas as "Limited Common Element A" appurtenant to Apartment A and "Limited Common Element B" appurtenant to Apartment B. Each area is appurtenant to and for the exclusive use of its apartment and which is physically located on said limited common element as shown on the condominium file plan. Each limited common element includes the land located underneath the apartment located thereon.

EXHIBIT "B (Revised)"
Encumbrances against Title

1. Real Property Taxes which may be due and owing. Reference is made to the Tax Assessor's Office, County of Maui.
2. Title to all mineral and metallic mines reserved to the State of Hawaii.
3. Lease in favor of Maui Electric Company, Limited and Hawaiian Telephone Company, dated October 13, 1967, recorded in Liber 5893 on Page 226; leasing and demising rights-of-way, each twenty-five (25) feet in width, over, across and under all lands owned and held by Pioneer Mill Company, Limited, situate in the District of Lahaina on the Island of Maui in the State of Hawaii, for a term of 35 years from the date thereof, and thereafter from year to year until terminated.
4. Ditches, reservoirs and flumes, as shown on Tax Map.
5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Subdivision Agreement (Agricultural Use), dated June 18, 1992, recorded as Document No. 92-103494, by and between Pioneer Mill Company, Limited and the County of Maui.

This requires all uses of the property to comply with state and county land use laws limiting the use of the property to specified agricultural uses.

6. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Private Water System Agreement, dated September 29, 1992, recorded as Document No. 92-164418, by and between Pioneer Mill Company, Limited and the Department Of Water Supply of the County of Maui.

This releases the County of Maui from any obligation to provide water services or fire protection.

7. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Declaration of Covenants, Conditions, Easements, Reservations and Restrictions, dated May 28, 1999, recorded as Document No. 99-087373, by and between Pioneer Mill Company, Limited, a Hawaii corporation, and Kauaula Land Company, LLC, a Hawaii limited liability company.

8. NOTICE OF CHANGE OF AGRICULTURAL USE TO DEDICATION dated April 3, 2000 (effective July 1, 2000), recorded as Document No. 2000-046048, by PIONEER MILL COMPANY, LIMITED; re: dedication of land for ranching purposes.

This is a Notice of Change of Agriculture Use to Dedication for approximately 623 acres of TMK (2) 4-7-001-002 into ranching.

9. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Limited Warranty Deed and Reservation of Rights, dated January 16, 2001, recorded as Document No. 2001-006058, by an between Pioneer Mill Company, Limited, a Hawaii corporation, and Makila Land Co., LLC, a Hawaii limited liability company.

The foregoing includes, but is not limited to, matters relating to:

- (a) Reservation of right to any and all compensation relating to condemnation or other conveyances of power transmission lines, poles and related facilities.
- (b) Reservation of drainage easement located within the property.

10. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Kauaulua Water System Agreement, effective as of January 16, 2001, recorded as Document No. 2001-006060, by an between Pioneer Mill Company, Limited, a Hawaii corporation, and Makila Land Co., LLC, a Hawaii limited liability company.

This agreement relates to the use, operation and maintenance of the Kauaulua water system, which provides potable and non-potable water to various properties owned by both parties in the agreement.

11. Grant, to Makila Land Co., a Hawaii limited liability company, and Makila Plantation Homeowners' Association, Inc., a Hawaii non-profit corporation, of a non-exclusive perpetual easement over Kai Hele Ku (Lot B-2), for vehicular and pedestrian access together with the right to construct, operate, maintain, repair and replace wires, lines, pipes and other appurtenances for utility services to the subdivision, dated May 10, 2002, recorded as Document No. 2002-088747.

The purpose of this easement is to establish and confirm the rights and obligations of, among others, the owners of all lots in the Makila Plantation subdivision in and to the easement area described in the document.

12. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Declaration of Non-Exclusive Perpetual Easements for Roadway Purposes (Roads within Makila Plantation Subdivision), dated May --, 2002, recorded as Document No. 2002-088748

13. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Makila Plantation Declaration of Covenants, Conditions and Restrictions, dated May 10, 2002, recorded as Document No. 2002-088749.

Said Declaration was amended and restated by instrument dated September 16, 2003, recorded as Document No. 2003-227086.

Said above amended and restated Declaration was amended by instruments dated --- (acknowledged November 6, 2003), recorded as Document No. 2003-246052 and dated November 18, 2003, recorded as Document No. 2003-272575.

14. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Warranty Deed, dated June 19, 2002, recorded as Document No. 2002-135439.

15. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Subdivision Agreement (Agricultural Use), dated December 3, 2002, recorded as Document No. 2002-226524, by and between Makila Land Co., LLC, a Hawaii limited liability company, and the County of Maui through its Department of Public Works and Waste Management.

This requires all uses of the property to comply with state and county land use laws limiting the use of the property to specified agricultural uses.

16. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Agreement for Allocation of Future Subdivision Potential, dated December 3, 2002, recorded as Document No. 2002-226525, by and between Makila Land Co., LLC, a Hawaii limited liability company, and the County of Maui through its Department of Public Works and Waste Management.

Said agreement was amended and restated by instrument dated August 29, 2003, recorded as Document No. 2003-227640.

This requires the determination of the maximum number of future lots that may be created from each new lot created by the Subject Subdivision, based on the sliding scale rule applicable to land zoned agriculture.

17. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Subdivision Agreement, dated December 20, 2002, recorded as Document No. 2002-229575.

This allows for the deferral of conformance to the county general plan, community plans, land use ordinances, the provisions of the Maui County Code and other laws relating to the use of land, in reference to a large lot subdivision, if the owner of the land agrees to certain conditions.

18. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Subdivision Agreement (Agricultural Use), dated April 30, 2003, recorded as Document No. 2003-090522, by and between Makila Land Co., LLC, a Hawaii limited liability company, and the County of Maui, through its Department of Public Works and Environmental Management.

This requires all uses of the property to comply with state and county land use laws limiting the use of the property to specified agricultural uses.

19. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Agreement for Allocation of Future Subdivision Potential, dated April 30, 2003, recorded as Document No. 2003-105796, by and between Makila Land Co., LLC, a Hawaii limited liability company, and the County of Maui, through its Department of Public Works and Environmental Management.

This requires the determination of the maximum number of future lots that may be created from each new lot created by the Subject Subdivision, based on the sliding scale rule applicable to land zoned agriculture.

20. Mortgage in favor of American Savings Bank, F.S.B., a federal savings bank, dated October 8, 2003, recorded as Document No. 2003-222819; said Mortgage was amended by instrument dated July 30, 2004, recorded as Document No. 2004-162682; and further amended by instrument dated October 5, 2004, recorded as Document No. 2004-210905; and further amended by instrument dated January 12, 2005, recorded as Document No. 2005-013725.

21. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Unilateral Agreement and Declaration For Construction of a Farm Dwelling on Lands Zoned County Agricultural District or Designated State Agricultural District, dated December 17, 2003, recorded as Document No. 2003-286239.

This agreement creates a conditional approval of a building permit for a farm dwelling on agricultural land, emphasizing the fact that a farm dwelling is accessory to agricultural use of the property, and that the farm plan as designated in the application for building permit will be monitored by the County of Maui through its Department of Planning.

22. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Declaration of Condominium Property Regime for "M&H Lahaina Condominium" Condominium Project, dated March 23, 2004, recorded as Document No. 2004-066165, covered by Map 3734 and any amendments thereto. Said Declaration and Condominium Map were amended by instrument, dated February 24, 2005, recorded as Document No. 2005-045102, and corrected by instrument dated August 2, 2005, recorded as Document No. 2005-172644.

23. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in By-Laws of the Association of Apartment Owners, dated March 23, 2004, recorded as Document No. 2004-066166.

24. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.

RECEIPT FOR PUBLIC REPORTS(S) AND NOTICE OF RIGHT TO CANCEL

I acknowledge receipt of the Developer's Final & Supplementary Public Report(s) and Disclosure Abstract
(Preliminary, Final &/or Supplementary)
contained in the public report, in connection with my purchase of apartment(s) _____
(Apt. No.)

in the M&H Lahaina Condominium
(Name of Condominium Project)

I understand that I have a legal right under Hawaii law to cancel my purchase, if I desire to do so, without any penalty or obligation within thirty (30) days from the date the above Public Reports(s) was delivered to me. If I cancel, I understand that I will be entitled to receive the refund of any down payment or deposit, less any escrow cancellation fees and other costs, up to \$250.

If I decide to cancel, I understand that I can do so by notifying Mark A. Marchello, 128-2 Pualei Dr., Lahaina, Hawaii 96761 by mail or telegram sent before: (1) the conveyance of my apartment(s) to me; or (2) midnight of the thirtieth day after delivery of the Public Reports(s) to me, whichever is earlier. If I send or deliver my written notice some other way, it must be delivered to the above address no later than that time. I understand that I can use any written statement that is signed and dated by me and states my intention to cancel, or I may use this notice by checking the appropriate box and by signing and dating below.

I understand that if I do not act within the above thirty-day period or if the apartment is conveyed to me within the above thirty-day period, I will be considered to have executed this receipt and to have waived my right to cancel my purchase. I also understand that I can waive my right to cancel by checking the appropriate box, by signing and dating below, and by returning this notice to Mark A. Marchello.

I HAVE RECEIVED A COPY OF:

- (1) THE DEVELOPER'S _____ PUBLIC REPORT(S) ON _____; AND
- (2) THE DISCLOSURE ABSTRACT CONTAINED IN THE PUBLIC REPORT.

Purchaser's Signature

Date

Purchaser's Signature

Date

I HAVE HAD AN OPPORTUNITY TO READ THE PUBLIC REPORT(S) AND

I WAIVE MY RIGHT TO CANCEL. I HEREBY EXERCISE MY RIGHT TO CANCEL

Purchaser's Signature

Date

Purchaser's Signature

Date