DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM

CONDOMINIUM PROJECT NAME	COCO PALMS RESORT
Address	4-241 Kuhio Highway Kapaa, Kauai, Hawaii 96746
Registration Number	6157
Effective Date of Report	December 7, 2006
Developer	Coco Palms Ventures LLC

Preparation of this Report

The Developer prepared this report to disclose relevant information, including "material facts", that are reasonably known to the Developer about the condominium project covered by this report. This report has been prepared pursuant to the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, as amended from time to time. The law defines "material facts" to mean "any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale."

This report has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts or all pertinent changes, or both, about the project have been fully or adequately disclosed; or (3) is not the Commission's judgment of the value or merits of the project.

This report may be used by the Developer for promotional purposes only if it is used in its entirety. No person shall advertise or represent that the Commission has approved or recommended the project, this report or any of the documents submitted with Developer's application for registration of this project.

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, together with such supporting information as may be required by the Commission. In addition, the Developer may choose at any time to change or update the information in this report. Annually, at least thirty days prior to the anniversary date of the Effective Date of this report, the Developer shall file an annual report to update the material contained in this report. If there are no changes, the Developer is required to state that there are no changes. The Developer's obligation to amend this report or to file annual reports ends when the initial sales of all units in the project have been completed.

Purchasers are encouraged to read this report carefully and to seek professional advice before signing a sales contract for the purchase of a unit in the project.

Signing a sales contract may legally bind a purchaser to purchase a unit in the project, though a purchaser may have rights to cancel or rescind a sales contract under particular circumstances that may arise.

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

SPECIAL ATTENTION

[Use this page for special or significant matters which should be brought to the purchaser's attention and that are not covered elsewhere in this report.]

Coco Palms Resort (the "Project") is a multi-use condominium project which will be constructed on the site of the former Coco Palms Hotel, which closed after incurring substantial damage from Hurricane Iniki in 1992.

Coco Palms Ventures LLC intends to redevelop the property as a multi-use condominium project consisting of 200 Residential Units, a separate hotel building and 11 hotel cottages, all located on 12.630 acres of fee simple land.

A pedestrian bridge will provide pedestrian access from the Project to the beach. The pedestrian bridge will span Kuhio Highway to connect the Project to the Seashell Restaurant, located makai (east) of Kuhio Highway, which will provide direct access to the beach. The Seashell Restaurant will not be part of the Project. However, parking for the Seashell Restaurant will be located within the Project, as required by the County of Kauai.

A large grove of coconut trees is located adjacent to the Project, and is situated on land owned by the State of Hawaii and presently leased to the Developer. Although Unit Owners of the Project and their guests will be able to use the Coconut Grove, the Grove itself is not a part of the Project.

The Developer has filed an application with the Planning Department of the County of Kauai for approval of a facility to be known as the Coco Palms Fitness Center ("Fitness Center"), which would be located on property outside the Project on a parcel of land owned in fee simple by Developer, designated as Tax Map Key (4) 4-1-3-4. Developer has applied for a Special Management Area Use Permit, Use Permit, Variance Permit and Class IV Zoning Permit, all in support of the proposed Fitness Center. The Fitness Center will be owned and operated separately from the Project. Present plans for the Fitness Center include the construction of an entry pavilion, reception area with offices and a shop, men's and women's locker rooms, each with steam rooms, outdoor showers, a plunge pool and lounge, treatment rooms, lap pool, gym and weight room and tennis courts. The terms and conditions under which Unit Owners in the Project would have access to the Fitness Center have not yet been determined, but the general public, as well as Unit Owners in the Project and their invitees, will be able to use the facilities of the Fitness Center upon payment of fees to be determined.

In summary, Coco Palms Resort will comprise only the land and improvements described in this Report, which includes but is not limited to the Residential Units and Hotel Units described above. Coco Palms Resort does not include the Seashell Restaurant, the Coconut Grove or the proposed Coco Palms Fitness Center.

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General Information On Condominiums

A condominium is a special form of ownership of real property. To create a condominium in Hawaii after July 1, 2006, the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, must be followed. 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 and/or the building(s) and other improvements are leased to the purchaser. The lease for the land usually requires that at the end of the lease term, the lessees (unit owners) deliver their interest in the land to the lessor (fee property owner).

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

You will be entitled to exclusive ownership and possession of your unit. Subject to the documents governing them, condominium units may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift or operation of law.

Your unit will, however, be part of the group of units that comprise the condominium project. Study the project's Declaration of Condominium Property Regime, Bylaws of the Association of Unit Owners, Condominium Map and House Rules, if any, which are attached as exhibits to this report. These documents contain important information on the use and occupancy of the units and the common elements of the project, as well as the rules and regulations of conduct for unit owners, tenants and guests.

Operation of the Condominium Project

The Association of Unit Owners is the entity through which unit owners may take action with regard to the administration, management and operation of the condominium project. Each unit 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 a unit owner. The Board and officers can take certain actions without the vote of the unit owners. For example, the Board may hire and fire employees, increase or decrease maintenance fees, adopt budgets for revenues, expenses and reserves and regulate the use, maintenance, repair and replacement of common elements. Some of these actions may significantly impact the unit owners.

Until there is a sufficient number of purchasers of units to elect a majority of the Board, it is likely at first 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 purchasers should understand that it is important to all unit owners that the transition of control from the Developer to the unit owners be accomplished in an orderly manner and in a spirit of cooperation.

1. THE CONDOMINIUM PROJECT

1.1 The Underlying Land

Fee Simple or Leasehold Project	☒ Fee Simple ☐ Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	☒ Yes ☐ No
Fee Owner's Name if Developer is not the Fee Owner	N/A
Fee Owner's Address	170 Jennifer Road, Suite 300 Annapolis, Maryland 21401
Address of Project	4-241 Kuhio Highway Kapaa, Kauai, Hawaii 96746
Address of Project is expected to change because	N/A
Tax Map Key (TMK)	(4) 4-1-003-007
Tax Map Key is expected to change because	Units will be assigned an additional CPR number
Land Area	12.630 acres
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	N/A

1.2 Buildings and Other Improvements

Number of Buildings	17 (See Exhibit A)
Floors Per Building	Between 1 – 5
Number of New Building(s)	17
Number of Converted Building(s)	0
Principal Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Concrete, hollow tile, stucco, stone cladding, wood and glass

1.3 Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc.)	Area
See Exhibit B.						

216	**Total Number of Units**

Note: Net Living Area is the floor area of the unit measured from the interior surface of the perimeter walls of the unit. Other documents and maps may give floor area figures that differ from those above because a different method of determining floor area may have been used.

1.4 Parking Stalls

Total Parking Stalls in the Project:	694
Number of Guest Stalls in the Project:	19
Number of Parking Stalls Assigned to Each Unit:	1 stall assigned to each Residential Unit
Attach Exhibit C specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact or tandem and indicate whether covered or open).	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights. See Exhibit C	

1.5 Boundaries of the Units

Boundaries of the unit: See Exhibit B

1.6 Permitted Alterations to the Units

Permitted alterations to the unit (if the unit is defined as a non-physical or spatial portion of the project, also describe what can be built within such portion of the project): See Exhibit D

1.7 Common Interest

Common Interest: Each unit will have a percentage interest in the common elements appurtenant to each unit. This interest is called the "common interest". It is used to determine each unit'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 unit owners. The common interest for each unit in this project, as described in Declaration, is:
Described in Exhibit E
As follows:

1.8 Recreational and Other Common Facilities (Check if applicable):

☒	Swimming pool
☐	Laundry Area
☐	Storage Area
☐	Tennis Court
☐	Recreation Area
☒	Trash Chute/Enclosure(s): *Buildings will contain trash rooms*
☐	Exercise Room
☐	Security Gate
☐	Playground
☐	Other (describe):

1.9 Common Elements

Common Elements: Common elements are those parts of the condominium project other than the individual units and any other real estate for the benefit of unit owners. Although the common elements are owned jointly by all unit owners, those portions of the common elements that are designated as limited common elements (see Section 1.10 below) may be used only by those units to which they are assigned. In addition to the common facilities described in Section 1.8 above, the common elements for this project, as described in the Declaration, are set forth below.
Described in Exhibit F.
Described as follows: Note: Common Element elevators and stairways noted below are located in the parking structure and in the pedestrian bridge, and are shown on the Condominium Map.

Common Element	**Number**
Elevators	4
Stairways	5
Trash Chutes	0

1.10 Limited Common Elements

Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.
Described in Exhibit F .
Described as follows:

1.11 Special Use Restrictions

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include, but are not limited to, those described below.	
☒	Pets: See Exhibit G
☐	Number of Occupants:
☒	Other: *See* Exhibit G
☐	There are no special use restrictions.

1.12 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 a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit (see Section 5.3 on Blanket Liens).
Exhibit H describes the encumbrances against title contained in the title report described below.
Date of the title report: October 3, 2006
Company that issued the title report: Title Guaranty of Hawaii, Inc.

1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning				
	Type of Use	No. of Units	Use Permitted by Zoning	Zoning
☒	Residential	200	☒ Yes ☐ No	RR-20
☒	Commercial		☒ Yes ☐ No	RR-20
☐	Mix Residential/Commercial		☐ Yes ☐ No	
☒	Hotel	16	☒ Yes ☐ No	RR-20
☒	Timeshare		☒ Yes ☐ No	RR-20
☐	Ohana		☐ Yes ☐ No	
☐	Industrial		☐ Yes ☐ No	
☐	Agricultural		☐ Yes ☐ No	
☐	Recreational		☐ Yes ☐ No	
☐	Other(specify)		☐ Yes ☐ No	
Is/Are this/these use(s) specifically permitted by the project's Declarations or Bylaws?			☒ Yes ☐ No	

Variances to zoning code have been granted.	☒ Yes ☐ No
Describe any variances that have been granted to zoning code.	The Special Management Area Use Permit ("SMA") approved by the County of Kauai on January 25, 2005, provides that, with respect to Lot Coverage requirements for the Project, improvements on TMK (4) 4-1-3-7 may not exceed a lot coverage of 285,530 square feet, which is 51.9% of the total land area of Parcel 7.

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots

In general, a non-conforming use, structure or lot is a use, structure or lot that was lawful at one time but that does not now conform to present zoning requirements. Under present zoning requirements, limitations may apply to extending, enlarging or continuing the non-conformity and to altering and repairing non-conforming structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

If a variance has been granted or if uses, structures or lots are either non-conforming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above.

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

	Conforming	Non-Conforming	Illegal
Uses	☒	☐	☐
Structures	☒	☐	☐
Lot	☒	☐	☐

If a non-conforming use, structure or lot exists in this project, this is what will happen under existing laws or codes if the structure is damaged or destroyed:

1.15 Conversions

Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.	☐ **Applicable** ☒ **Not Applicable**
Developer's statement, based upon a report prepared by a Hawaii-licensed architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units:	
Developer's statement of the expected useful life of each item reported above:	
List of any outstanding notices of uncured violations of any building code or other county regulations:	
Estimated cost of curing any violations described above:	

Verified Statement from a County Official
Regarding any converted structures in the project, attached as Exhibit ____ is a verified statement signed by an appropriate county official which states that either: (A) The structures are in compliance with all zoning and building ordinances and codes applicable to the project at the time it was built, and specifying, if applicable: (i) Any variances or other permits that have been granted to achieve compliance; (ii) Whether the project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes; and (iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the structure into compliance; or (B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.
Other disclosures and information: N/A

1.16 Project In Agricultural District

Is the project in an agricultural district as designated by the land use laws of the State of Hawaii? **If answer is "Yes", provide information below.**	☐ **Yes** ☒ **No**
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable state and county land use laws? ☐ Yes ☐ No If the answer is "No", provide explanation.	
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable county real property tax laws? ☐ Yes ☐ No If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.	
Other disclosures and information:	

1.17 Project with Assisted Living Facility

Does the project contain any assisted living facility units subject to Section 321-11(10), HRS? **If answer is "Yes", complete information below.**	☐ **Yes** ☒ **No**
Licensing requirements and the impact of the requirements on the costs, operations, management and governance of the project.	
The nature and the scope of services to be provided.	
Additional costs, directly attributable to the services, to be included in the association's common expenses.	
The duration of the provision of the services.	
Other possible impacts on the project resulting from the provision of the services.	
Other disclosures and information.	

2. PERSONS CONNECTED WITH THE PROJECT

2.1 Developer	Name: Coco Palms Ventures LLC Address: 170 Jennifer Road, Suite 300 Annapolis, Maryland 21401 Business Phone Number: (410) 573-3800 E-mail Address: N/A
Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).	The Developer is a manager-managed limited liability company (the "Company"). The Company has 2 Co-Managers and 2 members, as follows: 1. Coco Palms LLC, a Hawaii limited liability company, is a co-Manager and a member of the Company. Richard Weiser is authorized to execute documents on behalf of Coco Palms LLC. 2. Petrie Coco Palms, LLC, a Maryland limited liability company, is a co-Manager and member of the Company. Walt Petrie, Phillip Ross, Marilyn Coolidge and Terry L. Richardson are authorized to execute documents on behalf of Petrie Coco Palms, LLC.
2.2 Real Estate Broker	Name: Oceanfront Realty International, Inc. Address: P. O. Box 223190 Princeville, Hawaii 96722-3190 Business Phone Number: (808) 826-6585 E-mail Address: donna@oceanfrontrealty.com
2.3 Escrow Depository	Name: Title Guaranty Escrow Services, Inc. Address: 235 Queen Street Honolulu, Hawaii 96813 Business Phone Number: (808) 521-0211
2.4 General Contractor	Name: Pending Address: Business Phone Number:
2.5 Condominium Managing Agent	Name: Hawaii First, Inc. Address: 800 Bethel Street, Suite 501 Honolulu, Hawaii 96813 Business Phone Number: (808) 531-5566
2.6 Attorney for Developer	Name: Galen C. K. Leong, Esq. Address: Ashford & Wriston, LLP 1099 Alakea Street, Suite 1400 Honolulu, Hawaii 96813 Business Phone Number: (808) 539-0400

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.		
Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	September 28, 2006	3494488
Bureau of Conveyances	September 28, 2006	2006-184341

Amendments to Declaration of Condominium Property Regime		
Land Court or Bureau of Conveyances	Date of Document	Document Number
N/A		

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit 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 that affect how the condominium project will be governed.		
Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	September 28, 2006	3494489
Bureau of Conveyances	September 28, 2006	2006-184342

Amendments to Bylaws of the Association of Unit Owners		
Land Court or Bureau of Conveyances	Date of Document	Document Number
N/A		

3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.	
Land Court Map Number	1845
Bureau of Conveyances Map Number	4317
Dates of Recordation of Amendments to the Condominium Map: N/A	

3.4 House Rules

The Board of Directors may adopt rules and regulations (commonly called "House Rules") to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the Developer. Changes to House Rules do not need to be recorded to be effective.	
The House Rules for this project:	
Are Proposed	☒
Have Been Adopted and Date of Adoption	☐
Developer does not plan to adopt House Rules	☐

3.5 Changes to the Condominium Documents

Changes to Condominium Documents: Changes to the Declaration, Bylaws and Condominium Map are effective only if they are duly adopted and recorded. Where permitted, the minimum percentages of the common interest that must vote for or give written consent to changes to the Declaration, Bylaws and Condominium Map are set forth below. The percentages for any individual condominium project may be more than the minimum set by law if the Declaration or Bylaws for the project so provide.

Document	Minimum Set by Law	This Condominium
Declaration	67%	75%
Bylaws	67%	75%

3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents

☐	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
☒	Developer has reserved the right to change the Declaration, Bylaws, Condominium Map and House rules (if any) and to add to or merge the project or to develop the project in one or more phases, and such rights are summarized as follows: See Exhibit I

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

Management of the Common Elements: The Association of Unit Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

The Initial Condominium Managing Agent for this project is (check one):	
☒	Not affiliated with the Developer
☐	None (self-managed by the Association)
☐	The Developer or an affiliate of the Developer
☐	Other (explain)

4.2 Estimate of the Initial Maintenance Fees

Estimate of the Initial Maintenance Fees: The Association will make assessments against your unit to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your unit and the unit may be sold through a foreclosure proceeding. Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.
Exhibit J contains a breakdown of the estimated annual maintenance fees and the monthly estimated maintenance fee for each unit, certified to have been based on generally accepted accounting principles, with the Developer's statement as to when a unit owner shall become obligated to start paying the unit owner's share of the common expenses.

4.3 Utility Charges to be Included in the Maintenance Fee

If checked, the following utilities are included in the maintenance fee:	
☒	Electricity for the common elements
☒	Gas for the common elements
☒	Water
☒	Sewer
☒	TV cable
☐	Other (specify)

4.4 Utilities to be Separately Billed to Unit Owner

If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:	
☒	Electricity for the Unit only
☐	Gas for the Unit only
☐	Water
☐	Sewer
☐	TV cable
☐	Other (specify)

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

Sales Documents on file with the Commission include, but are not limited to, the following:	
☒	Specimen Sales Contract Exhibit K contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
☒	Escrow Agreement dated: October 1, 2006 Name of Escrow Company: Title Guaranty Escrow Services, Inc. Exhibit L contains a summary of the pertinent provisions of the escrow agreement.
☐	Other

5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants.

☒	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
☐	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit ____.
☒	Developer has or will designate the units for sale to Owner-Occupants by publication.

5.3 Blanket Liens

Blanket Liens: A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the developer conveys the unit to a purchaser. The purchaser's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.

☐	There are no blanket liens affecting title to the individual units.
☒	There are blanket liens that may affect title to the individual units.

Type of Lien	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage, Security Agreement and Assignment of Rents and Leases dated January 25, 2006, in favor of National City Bank, a national banking corporation, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2006-017592.	In the event of foreclosure, a purchaser will receive a full refund of all deposits (less a cancellation fee not to exceed $250.00).
Assignment of Leases, Rents, Contracts, Income and Proceeds dated January 25, 2006, in favor of National City Bank, recorded in said Bureau as Document No. 2006-017593.	In the event of foreclosure, a purchaser will receive a full refund of all deposits (less a cancellation fee not to exceed $250.00).

5.4 Construction Warranties

Construction Warranties: Warranties for individual units and the common elements, including the beginning and ending dates for each warranty (or the method of calculating them), are as set forth below: See Exhibit M
Building and Other Improvements:
Appliances:

5.5 Status of Construction, Date of Completion or Estimated Date of Completion

Status of Construction: Construction of the Units has not yet commenced.
Completion Deadline: If a sales contract for a unit is signed before the construction of the unit has been completed, or, in the case of a conversion, completion of any repairs, does not occur by the completion deadline set forth below, one of the remedies available to a purchaser is a cancellation of the purchaser's sales contract. The sales contract may include a right of the Developer to extend the completion deadline for force majeure as defined in the sales contract. The sales contract may also provide additional remedies for the purchaser.
Completion Deadline for any unit not yet constructed, as set forth in the sales contract: See Exhibit N
Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract: N/A

5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance

The Developer is required to deposit all moneys paid by purchasers in trust under a written escrow agreement with a Hawaii licensed escrow depository. Escrow shall not disburse purchaser deposits to the Developer or on behalf of the Developer prior to closing, except if a sales contract is canceled or if Developer has met certain requirements, which are described below.

5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance

☐	The Developer hereby declares by checking the box to the left that it shall use its own funds to complete the construction of the condominium project by the date indicated in Section 5.5 of this report, and the Developer, pursuant to its own analysis and calculations, certifies that it has sufficient funds to complete the construction of the condominium project. If the box to the left is checked, Sections 5.6.2 and 5.7, which follow below, will not be applicable to the project.

5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

Hawaii law provides that, if certain statutory requirements are met, purchaser deposits in escrow under a binding sales contract may be used before closing to pay for certain project costs. For this project, the Developer indicates that purchaser deposits may be used for the following purposes (check applicable box):	
☒	For new construction: to pay for project construction costs described in the Developer's budget and approved by the Developer's lender or an otherwise qualified, financially disinterested person; or
☐	For conversions: to pay for repairs necessary to cure violations of county zoning and building ordinances and codes, for architectural, engineering, finance and legal fees, and for other incidental expenses.

In connection with the use of purchaser deposits (check Box A or Box B):

Box A ☐	The Developer has submitted all information and documents required by law and the Commission prior to the disbursement of purchaser deposits before closing. This means that the Developer may use such deposits before closing. If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. If Box A is checked, you should read and carefully consider the following notice, which is required by law: **Important Notice Regarding Your Deposits: Deposits that you make under your sales contract for the purchase of the unit may be disbursed before closing of your purchase to pay for project costs, construction costs, project architectural, engineering, finance, and legal fees, and other incidental expenses of the project. While the developer has submitted satisfactory evidence that the project should be completed, it is possible that the project may not be completed. If your deposits are disbursed to pay project costs and the project is not completed, there is a risk that your deposits will not be refunded to you. You should carefully consider this risk in deciding whether to proceed with your purchase.**
Box B ☒	The Developer has **not** submitted all information and documents required by law and the Commission, and, until all such information and documents are submitted, thus, the Developer cannot use purchaser deposits. If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the **Important Notice Regarding Your Deposits** set forth immediately above will apply to all purchasers and will be restated in the amendment to this report or an amended developer's public report. When an effective date for such an amendment or an amended developer's public report is issued, **you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment**. (This, however, does not affect your right to rescind for material changes or any other right you may have to rescind or cancel the sales contract, as described in Section 5.8 below.) If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. You should understand that, although the **Important Notice Regarding Your Deposits** set forth above does not currently apply to you, it might apply to you in the future, and, therefore, you should read and carefully consider it now to ensure that you understand the risk involved in deciding whether to proceed with your purchase.

Material House Bond. If the Developer has submitted to the Commission a completion or performance bond issued by a material house instead of a surety as part of the information provided prior to the use of purchaser deposits prior to closing or conveyance of a unit, the Developer shall disclose the same below and disclose the impact of any restrictions on the Developer's use of purchaser deposits.

5.7 Rights Under the Sales Contract

Before signing the sales contract, prospective purchasers should carefully review all documents relating to the project. These include but are not limited to the documents listed below. Items 2, 3 and 4 are made a part of this public report, as well as Item 5, if any, and are being delivered to you with this report.	
1.	**Developer's Public Report**
2.	**Declaration of Condominium Property Regime (and any amendments)**
3.	**Bylaws of the Association of Unit Owners (and any amendments)**
4.	**Condominium Map (and any amendments)**
5.	House Rules, if any
6.	Escrow Agreement
7.	Hawaii's Condominium Property Act (Chapter 514B, HRS, as amended) and Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), provided that rules and regulations under Chapter 514B have not yet been adopted.
8.	Other:

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 514B, HRS) and the Administrative Rules (Chapter 107, HAR), are available online. Please refer to the following sites:

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

5.8 Purchaser's Right to Cancel or Rescind a Sales Contract

A purchaser's right to cancel a sales contract or to rescind a sales contract may arise under varying circumstances. In the sections below, some circumstances that will give rise to a purchaser's right to cancel or rescind are described, together with what a purchaser must do if the purchaser wishes to exercise any of the rights.

5.8.1 When a Sales Contract becomes Binding and Purchaser's 30-Day Right to Cancel a Sales Contract

A sales contract signed by a purchaser and the developer will not become binding on a purchaser or the Developer until the following events have taken place:

(1) The purchaser has signed the sales contract.

(2) The Developer has delivered to the purchaser a true copy of the developer's public report with an effective date issued by the Commission, together with all amendments to the report as of the date of delivery, and the project's recorded Declaration and Bylaws, House Rules (if any), the Condominium Map and any amendments to them to date (all of which are a part of the developer's public report). If it is impracticable to include a letter-sized Condominium Map, the Developer must provide written notice of an opportunity to examine the Condominium Map.

(3) The Developer has delivered to the purchaser a notice of the purchaser's 30-day cancellation right on a form prescribed by the Commission.

(4) The purchaser does at least one of the following:

(a) Waives the purchaser's right to cancel the sales contract within 30 days from receipt of the notice of the purchaser's 30-day cancellation right; or

(b) Allows the 30-day cancellation period to expire without exercising the right to cancel; or

(c) Closes the purchase of the unit before the 30-day cancellation period expires.

The purchaser or the Developer may cancel the sales contract at any time during the 30-day cancellation period, and the sales contract will be canceled and the purchaser's deposits returned to the purchaser, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.

5.8.2 Right to Cancel a Sales Contract if Completion Deadline Is Missed

In addition to the purchaser's 30-day cancellation right described in Section 5.8.1 above, when a sales contract is signed before completion of construction of a project, the purchaser will have the right to cancel if the unit is not completed by certain deadlines. In conversion projects, there must be a deadline for completion of any required repairs. Every sales contract shall contain an agreement of the Developer that the completion of construction shall occur on or before the completion deadline, and that completion deadline is set forth in this report in Section 5.5. The sales contract shall provide that the purchaser may cancel the sales contract at any time after the specified completion deadline, if completion of construction does not occur on or before the completion deadline, as the same may have been extended. Upon a cancellation, the purchaser's deposits shall be refunded, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.00.

5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change

If a "material change" in a project occurs after a purchaser has signed a sales contract that has become binding, the purchaser will have a 30-day right to rescind after notification and description of the material change. A material change is defined in the Condominium Property Act to be any change that "directly, substantially and adversely affects the use or value of (1) a purchaser's unit or appurtenant limited common elements; or (2) those amenities of the project available for the purchaser's use."

The purchaser will be informed of the material change by the developer on a form prescribed by the Commission containing a description of the material change.

After notice of the material change, the purchaser may waive the right to rescind by:

(1) Checking the waiver box on the rescission form; or

(2) Letting the 30-day rescission period expire, without taking any action to rescind; or

(3) Closing the purchase of the unit before the 30-day rescission period expires.

The rescission form must be signed by all purchasers of the affected unit and delivered to the developer no later than midnight of the 30th calendar day after the purchasers received the rescission form from the developer. Purchasers who validly exercise the right of rescission shall be entitled to a prompt and full refund of any moneys paid.

A rescission right shall not apply in the event of any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of a project, made pursuant to the terms of the project's Declaration.

These provisions shall not preclude a purchaser from exercising any rescission rights pursuant to a contract for the sale of a unit or any applicable common law remedies.

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

a. Sales Limited to Residential Units. The Developer is not selling any Hotel Units in the Project at this time. As such, the Broker Listing Agreement with the Real Estate Broker, Oceanfront Realty International, Inc., covers only the Residential Units of the Project. If the Developer decides to sell or offer to sell any Hotel Unit in the future, the Developer will use a real estate broker for the sale, and the Developer shall submit to the Real Estate Commission a duly executed copy of a broker listing agreement with a Hawaii-licensed real estate broker, together with a duly executed disclosure abstract identifying the designated broker; with respect to the Hotel Units to be sold.

b. Permits. On January 25, 2005, the County of Kauai approved a Special Management Area Use Permit (SMA(U)-2005-1), Project Development Use Permit (U-2005-4), Use Permit (U-2005-6), Variance Permit (V-2005-I), and Class IV Zoning Permit (Z-IV-2005-5) with respect to the Project (collectively, the "Permits"). The Permits authorized the reconstruction and development of a resort project at the Project site, consisting of 200 Multifamily Dwelling Units (Condominium Units), 104 Hotel Units, retail shops and spaces, restaurants, property offices, assembly rooms, off-street parking, driveways, roadways and associated improvements, subject to certain conditions. On March 29, 2005 the County amended Condition No. 6 of the Permits.

c. See Exhibit O.

The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

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 purchasers 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. The Developer hereby agrees promptly to amend this report to report any pertinent or material change or both in any information contained in this report and to file annually a report to update the material contained in this report at least 30 days prior to the anniversary date of the effective date of this report.

COCO PALMS VENTURES LLC
Printed Name of Developer

By: Petrie Coco Palms, LLC
Its Co-Manager

By: _____
Duly Authorized Signatory*

October 27, 2006
Date

WALTER H. PETRIE, Managing Member
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

EXHIBIT A

Building and Other Improvements

The Project consists of seventeen (17) separate buildings, and includes a lagoon, two swimming pools, a pedestrian bridge, roadways and landscaped areas. The Project includes two hundred sixteen (216) fee simple Units and six hundred ninety-four (694) parking stalls.

1. Residential Buildings. There are four residential buildings which contain all of the 200 Residential Units as well as four Hotel Amenity units. The buildings are identified as the Shell Villas, Alii Kai I Villas, Alii Kai II Villas and King's Lagoon Villas. Each building consists of a parking level and four additional levels above the parking level. The Shell Villas contain forty-eight (48) Residential Units and one (1) Hotel Amenity Unit. The Alii Kai I Villas contain forty-one (41) Residential Units and two (2) Hotel Amenity Units. The Alii Kai II Villas contain forty-three (43) Residential Units. The King's Lagoon Villas contain sixty-eight (68) Residential Units and one (1) Hotel Amenity Unit.

2. Main Hotel Building. The Main Hotel Building is a single condominium unit intended for hotel and commercial use and consists of one level located partially below grade, a second level at grade and two additional levels above grade. The levels are described as follows:

a. Lagoon Level: The Lagoon Level of the Main Hotel Building contains spaces for a restaurant, a banquet room, a plaza, kitchens, a dishwashing room, various storage rooms, restrooms and administrative offices.

b. Level 1: The grade level of the Main Hotel Building contains the porte cochere, entry lanai, the hotel lobby/lounge, front desk and administrative offices, spaces for a general store with a seating area, meeting rooms, restrooms, additional administrative offices, courtyards and four (4) hotel rooms, each consisting of a living area, a bathroom and a lanai containing the areas described in Exhibit "C" to the Declaration of Condominium Property Regime.

c. Level 2: Level 2 of the Main Hotel Building contains eight (8) hotel rooms and a lounge area. Each hotel room consists of a living area, a bathroom and a lanai containing the areas described in Exhibit "C" to the Declaration.

d. Level 3: Level 3 of the Main Hotel Building contains six (6) hotel rooms. Each hotel room consists of a living area, a bathroom and a lanai containing the areas described in Exhibit "C" to the Declaration.

3. Hotel Cottages. The Hotel Cottages are intended for hotel and commercial use and consist of eleven (11) separate buildings, each being a condominium unit designated as a "Hotel Cottage". The net interior living area and net lanai area of each unit type is described in Exhibit "C" to the Declaration. The Hotel Cottages are described as follows:

a. Each of Hotel Cottages 1, 2, 3 and 4 is a duplex cottage that contains two levels, with a Type C2-A unit and a Type C2-B unit on the second level of each cottage, except that Hotel Cottage 3 also contains a maid's storage room on the first level containing an interior area of 111 square feet. Each Type C2-A unit and Type C2-B unit consists of a living area and a bathroom, plus an outdoor shower.

b. Hotel Cottage 5, also referred to as the Presidential Cottage, has two levels, with a Type CP-A unit on the second level consisting of a living area, a second living area with a bathroom, a suite consisting of a bedroom and bathroom, and two outdoor showers.

c. Each of Hotel Cottages 6, 7 and 8 is a tri-plex cottage that contains three levels, with three unit plans: a Type C3-A unit and a Type C3-B unit on the second level and a Type C3-C on

the third level. A Type C3-A unit consists of a living area, a bedroom and a bathroom, plus an outdoor shower. A Type C3-B unit consists of a bedroom and a bathroom, plus an outdoor shower. A Type C3-C consists of a living area, a bedroom and a bathroom.

d. Each of Hotel Cottages 9, 10 and 11 is a four-plex cottage that contains three levels, with four units of three unit plans: two Type C4-A units on the second level and a Type C4-B unit and a Type C4-C unit on the third level, except that Hotel Cottage 9 also contains a maid's storage room on the first level containing an interior area of 111 square feet. A Type C4-A unit consists of a living area and a bathroom, plus an outdoor shower. A Type C4-B unit and Type C4-C unit consist of a living area and a bathroom.

4. Parking Structure. The parking structure is intended for parking, utility and engineering service use and contains a total of 445 parking stalls.

5. Pedestrian Bridge. The pedestrian bridge is a structure that will provide pedestrian access from the Project to the beach and will span Kuhio Highway to connect the Project to the site which is makai (east) of Kuhio Highway, on which a restaurant will be located. The pedestrian bridge includes an observation tower and will have stairs and elevators as part of the bridge.

6. Swimming Pools and Swimming Pool Facilities. There will be two (2) swimming pools, each with a pool house.

7. Lagoon. There will be a lagoon in the center of the Project and bridges over it.

End of Exhibit A

EXHIBIT B

Unit Types, Sizes of Units and Boundaries of Units

The Declaration of Property Regime creates three (3) types of Units: Residential Units, the Hotel Units and Hotel Amenity Units, each of which is described as follows:

A. Residential Units.

1. There shall be two hundred (200) Residential Units as shown in Schedule 1 attached hereto. The Residential Units are constructed according to nineteen (19) different floor plans. A description of each floor plan is set forth in Schedule 2 attached hereto.

2. Each Residential Unit is numbered and located as shown on the Condominium Map and will have the floor plan, number of rooms, approximate net living floor area in square feet as set forth in Schedule 1 attached hereto.

3. The approximate net living floor areas set forth in said Schedule 1 are based on measurements taken from the interior surface of all perimeter walls, except that no reduction has been made to account for interior walls, structural members, ducts, vents, shafts, and the like within the perimeter walls. All approximate net lanai floor areas set forth in said Schedule 1 are based on measurements taken from the interior surface of all perimeter walls which do not separate the interior of the Residential Unit from the lanai, the exterior surface of all perimeter walls which separate the interior of the Residential Unit from the lanai, and from the interior edge of the exterior railings or other boundaries of the lanai. The floor areas set forth in said Schedule 1 are not exact but are approximations based on the floor plans of each type of Residential Unit.

4. Limits of the Residential Units. The walls, floors and ceilings of a Residential Unit are designated as the boundaries of the Residential Unit and each Residential Unit shall be deemed to include: (i) all spaces within the boundaries of the Unit; (ii) all the walls and partitions which are not loadbearing within its perimeter walls, (iii) the interior decorated or finished surfaces of all walls, floors and ceilings, including plaster, paneling, tiles, wallpaper, paint, finished flooring or floor coverings and any other materials constituting any part of the decorated or finished surfaces; (iii) all fixtures originally installed inside the Unit and within the lanai(s), if any, appurtenant to the Unit, (iv) all air conditioning components within the Unit serving exclusively the Unit and (v) the decorated or finished surface of the floor, walls (if any) and ceiling of the lanai(s) appurtenant to the Unit. Each of the Residential Units shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior loadbearing walls, the floors and ceilings surrounding each Unit, or any pipes, wires, ducts, conduits, heating, cooling or other utility or service equipment or lines located within or running through a Unit which are utilized for or serve more than one Unit, the same being deemed Common Elements. If any pipes, wires, ducts, conduits, heating, cooling or other utility or service equipment or lines lie partially within and partially outside the boundaries of a Unit, any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements. All doors and door frames, windows and window frames or panels or railings along the perimeters of the Unit designed to serve a single Unit but which are located outside the Unit's boundaries are Limited Common Elements appurtenant exclusively to the Unit.

B. Hotel Units.

There are sixteen (16) Hotel Units in the Project. The Hotel Units consist of the Main Hotel Building, four (4) Hotel Amenity Units and eleven (11) Hotel Cottages, and are described as follows:

1. Main Hotel Building. There is one (1) main hotel building called the "Main Hotel Building" which will be a condominium unit or Hotel Unit comprising all of the hotel spaces and the hotel rooms located in the Main Hotel Building and described in Schedule 3, Exhibit "C" to the Declaration of

Condominium Property Regime and as shown on the Condominium Map. The Main Hotel Building shall have a cumulative net floor area of approximately 57,709 square feet. The approximate net floor areas set forth in said Exhibit "C" are based on measurements taken from the interior surface of all perimeter walls, except that no reduction has been made to account for interior walls, ducts, vents, shafts, and the like within the perimeter walls. All approximate net lanai floor areas set forth in said Exhibit "C" for each of the hotel spaces and hotel rooms are based on measurements taken from the interior surface of all perimeter walls which do not separate the interior of the hotel space or hotel room from the lanai, the exterior surface of all perimeter walls which separate the interior of the hotel space or the hotel room from the lanai, and from the interior edge of the exterior railings or other boundaries of the lanai.

a. Limits of the Main Hotel Building: The Main Hotel Building shall be deemed to include: (i) all the walls and partitions within its perimeter walls, (ii) the interior decorated or finished surfaces of all walls, floors and ceilings, including floor coverings, (iii) any doors and door frames, windows, window frames and panels along the perimeters, (iv) all fixtures originally installed inside the Main Hotel Building and within the lanai(s), if any, appurtenant thereto, (v) all air conditioning components within the Main Hotel Building serving exclusively the Main Hotel Building, and (vi) the decorated or finished surface of the floors, walls (if any) and ceilings of the lanai(s) appurtenant to the Main Hotel Building, and the railings (if any) of such lanai(s). The Main Hotel Building shall also be deemed to include all of the structural components of the Main Hotel Building, including the foundations, floor slabs, columns, guides, beams, supports, walls and partitions, floors, roofs, ceilings, exterior stairs, stairways, elevators, elevator lobbies, foyers, walkways, corridors, ramps, entrances, loading areas, entry ways and exits, and service and storage and utility rooms within such building. The Main Hotel Building shall be deemed to include any pipes, wires, ducts, conduits, heating, cooling or other utility or service equipment or lines located within or running through the Main Hotel Building which are utilized for or serve the Main Hotel Building.

2. Hotel Amenity Units. There are four (4) Hotel Amenity Units. The Hotel Amenity Units are described in Schedule 3. Each of the Hotel Amenity Units is numbered and located as shown on the Condominium Map. Each Hotel Amenity Unit has the approximate net floor area in square feet set forth in Schedule 3. The approximate net floor areas set forth in Schedule 3 are based on measurements taken from the interior surface of all perimeter walls, except that no reduction has been made to account for interior walls, ducts, vents, shafts, and the like within the perimeter walls.

a. Limits of the Hotel Amenity Units: The walls, floors and ceilings of a Hotel Amenity Unit are designated as the boundaries of the Hotel Amenity Unit and each such Unit shall be deemed to include: (i) all spaces within the boundaries of the Unit; (ii) all the walls and partitions which are not loadbearing within its perimeter walls, (iii) the interior decorated or finished surfaces of all walls, floors and ceilings, including plaster, paneling, tiles, wallpaper, paint, finished flooring or floor coverings and any other materials constituting any part of the decorated or finished surfaces; (iii) all fixtures originally installed inside the Unit and within the lanai(s), if any, appurtenant to the Unit, (iv) all air conditioning components within the Unit serving exclusively the Unit and (v) the decorated or finished surface of the floor, walls (if any) and ceiling of the lanai(s) appurtenant to the Unit. Each of Hotel Amenity Units shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior loadbearing walls, the floors and ceilings surrounding each Unit, or any pipes, wires, ducts, conduits, heating, cooling or other utility or service equipment or lines located within or running through a Unit which are utilized for or serve more than one Unit, the same being deemed Common Elements. If any pipes, wires, ducts, conduits, heating, cooling or other utility or service equipment or lines lie partially within and partially outside the boundaries of a Unit, any portion thereof serving more than one Unit or any portion of the Common Elements is a part of the Common Elements. All doors and door frames, windows and window frames or panels or railings along the perimeters of the Unit designed to serve a single Unit but which are located outside the Unit's boundaries are Limited Common Elements appurtenant exclusively to the Unit.

3. Hotel Cottages. There are eleven (11) Hotel Cottages, each of which shall constitute a Unit and is also a Hotel Unit. Each of the Hotel Cottages is numbered and located as shown on the Condominium Map. Each Hotel Cottage, except for Hotel Cottage 5, is further divided into separate units.

The approximate net floor area in square feet and net lanai floor area of each unit is set forth in Schedule 3. The approximate net floor areas set forth in Schedule 3 are based on measurements taken from the interior surface of all perimeter walls, except that no reduction has been made to account for interior walls, ducts, vents, shafts, and the like within the perimeter walls. All approximate net lanai floor areas set forth in Schedule 3 are based on measurements taken from the interior surface of all perimeter walls which do not separate the interior of the Hotel Cottage room from the lanai, the exterior surface of all perimeter walls which separate the interior of the Hotel Cottage room from the lanai, and from the interior edge of the exterior railings or other boundaries of the lanai. The aggregate of the net floor areas of all units within a Hotel Cottage is the net floor area of that particular Hotel Cottage.

a. Limits of the Hotel Cottages: Each Hotel Cottage shall be deemed to include: (i) all the walls and partitions within its perimeter walls, (ii) the interior decorated or finished surfaces of all walls, floors and ceilings, including floor coverings, (iii) any doors and door frames, windows, window frames and or panels along the perimeters, (iv) all fixtures originally installed inside the Hotel Cottage and within the lanai(s), if any, appurtenant thereto, (v) all air conditioning components within the Hotel Cottage serving exclusively the Hotel Cottage, and (vi) the decorated or finished surface of the floors, walls (if any) and ceilings of the lanai(s) appurtenant to the Hotel Cottage, and the railings (if any) of such lanai(s). The Hotel Cottage shall also be deemed to include all of the structural components of the of the Hotel Cottage, including the foundations, floor slabs, columns, guides, beams, supports, walls and partitions, floors, roofs, ceilings, exterior stairs, stairways, foyers, walkways, corridors, ramps, entrances, entry ways and exits, and service, storage and utility rooms within such building (if any). The Hotel Cottage shall be deemed to include any pipes, wires, ducts, conduits, heating, cooling or other utility or service equipment or lines located within or running through the Hotel Cottage which are utilized for or serve the Hotel Cottage.

SCHEDULE 1

Description of Residential Units

BUILDING	UNIT NO.	UNIT FLOOR	UNIT TYPE	BEDROOM(S)/ BATHROOM(S)	APPROXIMATE NET LIVING FLOOR AREA IN SQ. FT.	APPROXIMATE LANAI FLOOR AREA IN SQ. FT.
Shell Villas	101	1	2-R	2/2	1,345	17
	102	1	1-R	1/1	903	17
	103	1	2-1	2/2	1,345	17
	104	1	2-R	2/2	1,345	17
	105	1	1	1/1	903	17
	106	1	2	2/2	1,345	17
	109	1	2	2/2	1,345	17
	110	1	3H	3/3	1,787	17
	111	1	1-R	1/1	903	17
	112	1	3E	3/3	1,977	17
	114	1	1E	1/1	1,242	17
	201	2	2-R	2/2	1,345	17
	202	2	1-R	1/1	903	17
	203	2	2-1	2/2	1,345	17
	204	2	2-R	2/2	1,345	17
	205	2	1	1/1	903	17
	206	2	2	2/2	1,345	17
	207	2	1E-R	1/1	1,242	17
	208	2	3E-R	3/3	1,977	17
	209	2	2	2/2	1,345	17
	210	2	3	3/3	1,787	17
	211	2	1-R	1/1	903	17
	212	2	3E	3/3	1,977	17
	214	2	1E	1/1	1,242	17
	301	3	2-R	2/2	1,345	17
	302	3	1-R	1/1	903	17
	303	3	2-1	2/2	1,345	17
	304	3	2-R	2/2	1,345	17
	305	3	1	1/1	903	17
	306	3	2	2/2	1,345	17
	307	3	1E-R	1/1	1,242	17
	308	3	3E-R	3/3	1,977	17
	309	3	2	2/2	1,345	17

BUILDING	UNIT NO.	UNIT FLOOR	UNIT TYPE	BEDROOM(S)/ BATHROOM(S)	APPROXIMATE NET LIVING FLOOR AREA IN SQ. FT.	APPROXIMATE LANAI FLOOR AREA IN SQ. FT.
Shell Villas	310	3	3	3/3	1,787	17
	311	3	1-R	1/1	903	17
	312	3	3E	3/3	1,977	17
	314	3	1E	1/1	1,242	17
	401	4	2-R	2/2	1,345	17
	402	4	1-R	1/1	903	17
	403	4	2-1	2/2	1,345	17
	404	4	2-R	2/2	1,345	17
	405	4	1	1/1	903	17
	406	4	2	2/2	1,345	17
	408	4	3T-R	3/3.5	2,697	514
	409	4	2	2/2	1,345	17
	410	4	3	3/3	1,787	17
	411	4	1-R	1/1	903	17
	412	4	3T	3/3.5	2,697	514
Ali'i Kai I Villas	121	1	2-R	2/2	1,345	17
	122	1	1-R	1/1	903	17
	123	1	1-R	1/1	903	17
	124	1	3-1	3/3	1,787	17
	125	1	3-1R	3/3	1,787	17
	126	1	1	1/1	903	17
	127	1	2	2/2	1,345	17
	128	1	2	2/2	1,345	17
	129	1	1	1/1	903	17
	221	2	2-R	2/2	1,345	17
	222	2	1-R	1/1	903	17
	223	2	1-R	1/1	903	17
	224	2	3-1	3/3	1,787	17
	225	2	3-1R	3/3	1,787	17
	226	2	1H	1/1	903	17
	227	2	2	2/2	1,345	17
	228	2	2	2/2	1,345	17
	229	2	1	1/1	903	17
	230	2	3E	3/3	1,977	17

BUILDING	UNIT NO.	UNIT FLOOR	UNIT TYPE	BEDROOM(S)/ BATHROOM(S)	APPROXIMATE NET LIVING FLOOR AREA IN SQ. FT.	APPROXIMATE LANAI FLOOR AREA IN SQ. FT.
Ali'i Kai I Villas	231	2	1E	1/1	1,242	17
	321	3	2-R	2/2	1,345	17
	322	3	1-R	1/1	903	17
	323	3	1-R	1/1	903	17
	324	3	3-1	3/3	1,787	17
	325	3	3-1R	3/3	1,787	17
	326	3	1	1/1	903	17
	327	3	2	2/2	1,345	17
	328	3	2	2/2	1,345	17
	329	3	1	1/1	903	17
	330	3	3E	3/3	1,977	17
	331	3	1E	1/1	1,242	17
	421	4	2-R	2/2	1,345	17
	422	4	1-R	1/1	903	17
	423	4	1-R	1/1	903	17
	424	4	3-1	3/3	1,787	17
	425	4	3-1R	3/3	1,787	17
	426	4	1	1/1	903	17
	427	4	2	2/2	1,345	17
	428	4	2	2/2	1,345	17
	429	4	1	1/1	903	17
	430	4	3T	3/3.5	2,697	514
Ali'i Kai II Villas	141	1	2-R	2/2	1,345	17
	142	1	2-R	2/2	1,345	17
	143	1	1-R	1/1	903	17
	144	1	1E-R	1/1	1,242	17
	145	1	3E-R	3/3	1,977	17
	146	1	1	1/1	903	17
	147	1	2	2/2	1,345	17
	148	1	2	2/2	1,345	17
	149	1	1H	1/1	903	17
	150	1	3-1	3/3	1,787	17
	151	1	2-R	2/2	1,345	17
	241	2	2-R	2/2	1,345	17

BUILDING	UNIT NO.	UNIT FLOOR	UNIT TYPE	BEDROOM(S)/ BATHROOM(S)	APPROXIMATE NET LIVING FLOOR AREA IN SQ. FT.	APPROXIMATE LANAI FLOOR AREA IN SQ. FT.
Ali'i Kai II Villas	242	2	2-R	2/2	1,345	17
	243	2	1-R	1/1	903	17
	244	2	1E-R	1/1	1,242	17
	245	2	3E-R	3/3	1,977	17
	246	2	1	1/1	903	17
	247	2	2	2/2	1,345	17
	248	2	2H	2/2	1,345	17
	249	2	1	1/1	903	17
	250	2	3-1	3/3	1,787	17
	251	2	2-R	2/2	1,345	17
	341	3	2-R	2/2	1,345	17
	342	3	2-R	2/2	1,345	17
	343	3	1-R	1/1	903	17
	344	3	1E-R	1/1	1,242	17
	345	3	3E-R	3/3	1,977	17
	346	3	1	1/1	903	17
	347	3	2	2/2	1,345	17
	348	3	2	2/2	1,345	17
	349	3	1	1/1	903	17
	350	3	3-1	3/3	1,787	17
	351	3	2-R	2/2	1,345	17
	441	4	2-R	2/2	1,345	17
	442	4	2-R	2/2	1,345	17
	443	4	1-R	1/1	903	17
	444	4	3T-R	3/3.5	2,697	514
	446	4	1	1/1	903	17
	447	4	2	2/2	1,345	17
	448	4	2	2/2	1,345	17
	449	4	1	1/1	903	17
	450	4	3-1	3/3	1,787	17
	451	4	2-R	2/2	1,345	17
King's Lagoon Villas	161	1	2L	2/2	1,345	614
	162	1	2L-R	2/2	1,345	614
	163	1	2LH	2/2	1,345	614
	164	1	2L-R	2/2	1,345	614

BUILDING	UNIT NO.	UNIT FLOOR	UNIT TYPE	BEDROOM(S)/ BATHROOM(S)	APPROXIMATE NET LIVING FLOOR AREA IN SQ. FT.	APPROXIMATE LANAI FLOOR AREA IN SQ. FT.
King's Lagoon Villas	165	1	1C	1/1	1,278	17
	166	1	2	2/2	1,345	17
	167	1	3	3/3	1,787	17
	168	1	1-1	1/1	903	17
	169	1	2-R	2/2	1,345	17
	170	1	1-1	1/1	903	17
	171	1	1-1R	1/1	903	17
	172	1	2	2/2	1,345	17
	173	1	1B	1/1	942	0
	174	1	1A	1/1.5	1,116	0
	175	1	2H-R	2/2	1,345	17
	176	1	2	2/2	1,345	17
	177	1	3-2	3/3	1,793	17
	261	2	2	2/2	1,345	17
	262	2	2-R	2/2	1,345	17
	263	2	2	2/2	1,345	17
	264	2	2-R	2/2	1,345	17
	265	2	1C	1/1	1,278	17
	266	2	2	2/2	1,345	17
	267	2	3	3/3	1,787	17
	268	2	1-1	1/1	903	17
	269	2	2-R	2/2	1,345	17
	270	2	1-1	1/1	903	17
	271	2	1-1R	1/1	903	17
	272	2	2	2/2	1,345	17
	273	2	1B	1/1	942	0
	274	2	1A	1/1.5	1,116	0
	275	2	2-R	2/2	1,345	17
	276	2	2	2/2	1,345	17
	277	2	3-2	3/3	1,793	17
	361	3	2	2/2	1,345	17
	362	3	2-R	2/2	1,345	17
	363	3	2	2/2	1,345	17
	364	3	2-R	2/2	1,345	17
	365	3	1C	1/1	1,278	17

BUILDING	UNIT NO.	UNIT FLOOR	UNIT TYPE	BEDROOM(S)/ BATHROOM(S)	APPROXIMATE NET LIVING FLOOR AREA IN SQ. FT.	APPROXIMATE LANAI FLOOR AREA IN SQ. FT.
King's Lagoon Villas	366	3	2	2/2	1,345	17
	367	3	3	3/3	1,787	17
	368	3	1-1	1/1	903	17
	369	3	2-R	2/2	1,345	17
	370	3	1-1	1/1	903	17
	371	3	1-1R	1/1	903	17
	372	3	2	2/2	1,345	17
	373	3	1B	1/1	942	0
	374	3	1A	1/1.5	1,116	0
	375	3	2-R	2/2	1,345	17
	376	3	2	2/2	1,345	17
	377	3	3-2	3/3	1,793	17
	461	4	2	2/2	1,345	17
	462	4	2-R	2/2	1,345	17
	463	4	2	2/2	1,345	17
	464	4	2-R	2/2	1,345	17
	465	4	1C	1/1	1,278	17
	466	4	2	2/2	1,345	17
	467	4	3	3/3	1,787	17
	468	4	1-1	1/1	903	17
	469	4	1U	1/1	989	338
	470	4	1-1	1/1	903	17
	471	4	1-1R	1/1	903	17
	472	4	1U-R	1/1	989	338
	473	4	1B	1/1	942	0
	474	4	1A	1/1.5	1,116	0
	475	4	2-R	2/2	1,345	17
	476	4	2	2/2	1,345	17
	477	4	3-2	3/3	1,793	17

SCHEDULE 2

Description of Residential Unit Floor Plans

UNIT TYPE	DESCRIPTION
1, 1H and 1-R	There are a total of forty (40) Type 1, 1H and 1-R units consisting of five (5) rooms, including a living/dining room, a kitchen, a master suite consisting of a bedroom, a dressing room and a bathroom, and containing a net living area of 903 square feet, with a lanai of 17 square feet. The Type 1H unit is an ADA accessible unit.
1-1 and 1-1R	There are a total of twelve (12) Type 1-1 and 1-1R units consisting of five (5) rooms, including a living/dining room, a kitchen, a master suite consisting of a bedroom, a dressing room and a bathroom, and containing a net living area of 903 square feet, with a lanai of 17 square feet.
1A	There are a total of four (4) Type 1A units consisting of eight (8) rooms, including a living/dining room, a kitchen, a master suite consisting of a bedroom, a walk-in closet and a bathroom, a powder room, laundry room and a storage room, and containing a net living area of 1,116 square feet.
1B	There are a total of four (4) Type 1B units consisting of five (5) rooms, including a living/dining room, a kitchen, a master suite consisting of a bedroom, a dressing room and a bathroom, and containing a net living area of 942 square feet.
1C	There are a total of four (4) Type 1C units consisting of six (6) rooms, including a living/dining room, a kitchen, a master suite consisting of a bedroom, a walk-in closet, a dressing room and a bathroom, and containing a net living area of 1,278 square feet, with a lanai of 17 square feet.
1E and 1E-R	There are a total of ten (10) Type 1E and 1E-R units consisting of five (5) rooms, including a living/dining room, a kitchen, a master suite consisting of a bedroom, a dressing room and a bathroom, and containing a net living area of 1,242 square feet, with a lanai of 17 square feet.
1U and 1U-R	There are a total of two (2) Type 1U and 1U-R units consisting of five (5) rooms, including a living/dining room, a kitchen, a master suite consisting of a bedroom, a dressing room and a bathroom, and containing a net living area of 989 square feet, with a lanai of 338 square feet.
2, 2H, 2-R and 2H-R	There are a total of seventy-eight (78) Type 2, 2H, 2-R and 2H-R units consisting of seven (7) rooms, including a living/dining room, a kitchen, a master suite consisting of a bedroom, a walk-in closet and a bathroom, a second bedroom and bathroom, and containing a net living area of 1,345 square feet, with a lanai of 17 square feet. The Type 2H and 2H-R units are ADA accessible units.
2-1	There are a total of four (4) Type 2-1 units consisting of seven (7) rooms, including a living/dining room, a kitchen, a master suite consisting of a bedroom, a walk-in closet and a bathroom, a second bedroom and bathroom, and containing a net living area of 1,345 square feet, with a lanai of 17 square feet.
2L, 2LH and 2L-R	There are a total of four (4) Type 2L, 2LH and 2L-R units consisting of seven (7) rooms, including a living/dining room, a kitchen, a master suite consisting of a bedroom and bathroom, a second suite consisting of a bedroom, a walk-in closet and a bathroom, and containing a net living area of 1,345 square feet, with a lanai of 614 square feet. The Type 2LH unit is an ADA accessible unit.

UNIT TYPE	DESCRIPTION
3 and 3H	There are a total of eight (8) Type 3 and 3H units consisting of ten (10) rooms, including a living/dining room, a kitchen, two master suites, each consisting of a bedroom, a walk-in closet and a bathroom, a den and a third bathroom, and containing a net living area of 1,787 square feet, with a lanai of 17 square feet. The Type 3H unit is an ADA accessible unit.
3-1 and 3-1-R	There are a total of twelve (12) Type 3-1 and Type 3-1R units consisting of ten (10) rooms, including a living/dining room, a kitchen, two master suites, each consisting of a bedroom, a walk-in closet and a bathroom, a den and a third bathroom, and containing a net living area of 1,787 square feet, with a lanai of 17 square feet.
3E and 3E-R	There are a total of ten (10) Type 3E and 3E-R units consisting of ten (10) rooms, a living/dining room, a kitchen, one master suite and one suite, each consisting of a bedroom, a walk-in closet and a bathroom, a third bedroom and a third bathroom, and containing a net living area of 1,977 square feet, together with a lanai of 17 square feet.
3T and 3T-R	There are a total of four (4) Type 3T and 3T-R units consisting of twelve (12) rooms, including a living/dining room, a kitchen, one master suite containing a bedroom, a walk-in closet and bathroom, two (2) suites, one containing a bedroom and a bathroom, and another suite containing a bedroom, a bathroom and a walk-in closet, a powder room, a laundry room, and containing a net living area of 2,697 square feet, with two (2) lanais having a combined total of 514 square feet.
3-2	There are a total of four (4) Type 3-2 units consisting of nine (9) rooms, including a living/dining room, a kitchen, two (2) master suites each consisting of a bedroom and a bathroom, a den, walk-in closet, and a third bathroom, and containing a net living area of 1,793 square feet, together with a lanai of 17 square feet.

SCHEDULE 3

Description of the Main Hotel Building, the Hotel Cottages and the Hotel Amenity Units

LEVEL	SPACE USE	Room Number	Room Type	Net Floor Area	Lanai Floor Area
Lagoon	Restaurant	NA	NA	5693	0
Lagoon	Banquet Room and Storage	NA	NA	4095	0
Lagoon	Guest & Employee Restrooms	NA	NA	1165	0
Lagoon	Main Kitchen & Banquet Kitchen	NA	NA	4028	0
Lagoon	Food & Beverage Storage	NA	NA	834	0
Lagoon	Administrative Offices	NA	NA	2132	0
Lagoon	Dishwashing Space	NA	NA	745	0
1	Lobby/Lounge, Entry Lanai, Porte Cochere & Courtyards	NA	NA	15700	0
1	Front Desk/Offices	NA	NA	2499	0
1	General Store/Seating Area	NA	NA	3097	0
1	Meeting Rooms	NA	NA	948	0
1	Restrooms	NA	NA	345	0
1	Administrative Offices	NA	NA	1680	0
1	Hotel Room	101	C	494	697
1	Hotel Room	102	B2-R	494	94
1	Hotel Room	103	B2	494	94
1	Hotel Room	104	B2-1-R	494	138
2	Lounge Area	NA	NA	3097	0
2	Hotel Room	201	A-R	422	81
2	Hotel Room	202	AH	422	81
2	Hotel Room	203	B-R	494	52
2	Hotel Room	204	B	494	52
2	Hotel Room	205	B-R	494	52
2	Hotel Room	206	B	494	52
2	Hotel Room	207	A-R	422	81
2	Hotel Room	208	A	422	81
3	Hotel Room	301	D	422	376
3	Hotel Room	302	B3-R	494	30
3	Hotel Room	303	B3	494	30
3	Hotel Room	304	B3-R	494	30

LEVEL	SPACE USE	Room Number	Room Type	Net Floor Area	Lanai Floor Area
3	Hotel Room	305	B3	494	30
3	Hotel Room	306	E	422	376

Description of the Hotel Cottages

Hotel Cottage Number	Cottage Unit Number	Level	Unit Type	Net Living Floor Area	Lanai Floor Area
1	1	1	C2-A	535	172
1	2	1	C2-B	540	172
2	3	1	C2-A	535	172
2	4	1	C2-B	540	172
3	5	1	C2-A	535	172
3	6	1	C2-B	540	172
4	7	1	C2-A	535	172
4	8	1	C2-B	540	172
5	Presidential	1	CP-A	1,544	781
6	9	1	C3-A	742	226
6	10	1	C3-B	444	146
6	11	2	C3-C	424	293
7	12	1	C3-A	742	226
7	13	1	C3-B	444	146
7	14	2	C3-C	424	293
8	15	1	C3-A	742	226
8	16	1	C3-B	444	146
8	17	2	C3-C	424	293
9	18	1	C4-A	540	172
9	19	1	C4-A	540	172
9	20	2	C4-B	509	139
9	21	2	C4-C	514	139
10	22	1	C4-A	540	172
10	23	1	C4-A	540	172
10	24	2	C4-B	509	139
10	25	2	C4-C	514	139
11	26	1	C4-A	540	172
11	27	1	C4-A	540	172
11	28	2	C4-B	509	139
11	29	2	C4-C	514	139

Description of Hotel Amenity Units

Hotel Amenity Unit Location	Unit Number	Level	Unit Type	Net Floor Area	Lanai Floor Area
Ali'i Kai I Villas	A-5	1	A-5	949	-0-
Ali'i Kai I Villas	A-9	1	A-9	2052	-0-
Shell Villas	A-12	1	A-12	3124	-0-
King's Lagoon Villas	B-001	Parking	B-001	5074	-0-
Hotel Amenity Unit A-5 consists of two rooms. Hotel Amenity Unit A-9 consists of 9 rooms. Hotel Amenity Unit A-12 consists of one room. Hotel Amenity Unit B-001 consists of 5 rooms. The Owner of each Hotel Amenity Unit shall have the right to reconfigure the rooms of the Hotel Amenity Unit at any time, subject to the provisions of Section T of the Declaration.					

End of Exhibit B

EXHIBIT C

Parking Stalls

A. Parking Stall Assignments. The Project has a total of six hundred ninety-four (694) parking stalls. Each Residential Unit shall have appurtenant thereto and reserved for its exclusive use one (1) parking stall which is numbered as shown on the Condominium Map and on Schedule 4 attached hereto. Nineteen (19) parking stalls are allocated for guest parking; of which 18 guest stalls are situate in the eastern portion of the Project, where Kuhio Highway borders the project, and one (1) guest stall, being a handicapped stall, is located near the porte cochere of the Main Hotel Building, all as shown on the Condominium Map.

NOTE CONCERNING ASSIGNMENT OF STALLS: Hawaii Revised Statutes provides owners of Units with the right to change the designation of parking stalls, as follows:

§514A-14 Parking Stalls. Notwithstanding any provision of the declaration, Unit owners shall have the right to change the designation of parking stalls which are appurtenant to their respective Units by amendment of the declaration and respective Unit leases or deeds involved. The amendment need only be signed and approved by the lessor (in the case of a leasehold project) and the owners (and their respective mortgagees if any) of the Units whose parking stalls are being changed. The amendment shall be effective only upon recording or filing of the same of record with the bureau of conveyances.

Accordingly, the Declaration may be subsequently amended by the Developer or individual Unit owners in order to reallocate parking stalls.

B. Developer's Reservation With Respect to Parking Stalls.

As noted in Exhibit O, the Developer is required to provide a grant of easement to the owner of the proposed "Seashell Restaurant" to be located on Tax Map Key Parcel 4-1-05:14 (located across Kuhio Highway from the Project) to allow the Seashell Restaurant to use a required number of parking stalls within the Project's parking structure. The Developer has reserved the right to grant such an easement in the Declaration of Condominium Property Regime. A total of twenty-seven (27) parking stalls have been allocated for the Seashell Restaurant. Of those 27 stalls, 26 parking stalls located in the Project and assigned to the Main Hotel Building have been set aside for use by the Seashell Restaurant, and the remaining one (1) parking stall will be located outside the Project at the Seashell Restaurant.

C. Developer's Reserved Right to Amend Declaration to Clarify Parking Stalls. The Declaration of Condominium Property Regime recites that there are 695 parking stalls in the Project. However, the Condominium Map presently shows only 694 parking stalls. The Developer may, during the course of development, either increase or decrease the actual number of parking stalls in the Project and, therefore, reserves the right to record an amendment to the Declaration and, if appropriate, the Condominium Map to clarify the exact number of parking stalls in the Project and the assignment of parking stalls.

SCHEDULE 4
Parking Stall Assignments

Unit Number	Assigned Parking Stall Number	Assigned Storage Closet Number	Handicapped Stall	Compact Stall	Uncovered Stall
SHELL VILLAS					
101	18	207			
102	21	210			
103	52	416			
104	3	103			
105	28	304			
106	22	211			
109	34	310			
110	11	114			
111	27	303			
112	45	409			
114	19	208			
201	16	205			
202	20	209			
203	48	412			
204	37	314			
205	29	305			
206	25	301			
207	26	302			
208	4	104			
209	32	308			
210	40	403			
211	53	417			
212	42	405			
214	17	206			
301	10	112			
302	2	102			
303	13	202			
304	36	312			
305	30	306			
306	50	414			
307	14	203			
308	41	404			
309	38	401			
310	46	410			
311	33	309			
312	5	105			
314	31	307			
401	44	408			
402	51	109			
403	47	411			
404	35	311			
405	12	201			
406	39	402			
408	7	109			
409	49	413			
410	43	406			
411	15	204			
412	6	106			
Main Hotel Bldg.	1	101			
Main Hotel Bldg.	8	110	X		
Main Hotel Bldg.	9	111			
Main Hotel Bldg.	23	212			
Main Hotel Bldg.	24	214			
Main Hotel Bldg.	54	418			

SCHEDULE 4
Parking Stall Assignments

Unit Number	Assigned Parking Stall Number	Assigned Storage Closet Number	Handicapped Stall	Compact Stall	Uncovered Stall
Ali'I Kai I					
121	50	428			
122	54	432			
123	55	433			
124	40	329			
125	36	325			
126	1	121			
127	7	127			
128	6	126			
129	2	122			
221	31	231			
222	3	123			
223	52	430			
224	18	229			
225	39	328			
226	49	427			
227	8	128			
228	41	330			
229	47	425			
230	13	224			
231	45	423			
321	46	424			
322	30	230			
323	9	129			
324	15	226			
325	16	227			
326	51	429			
327	35	324			
328	42	331			
329	53	431			
330	14	225			
331	44	422			
421	38	327			
422	5	125			
423	48	426			
424	17	228			
425	37	326			
426	43	421			
427	33	322			
428	34	323			
429	32	321			
430	12	223			
Main Hotel Bldg.	4	124	X		
Main Hotel Bldg.	10	221			
Main Hotel Bldg.	11	222			
Main Hotel Bldg.	19				
Main Hotel Bldg.	20				
Main Hotel Bldg.	21				
Main Hotel Bldg.	22				
Main Hotel Bldg.	23C			X	
Main Hotel Bldg.	24				
Main Hotel Bldg.	25				
Main Hotel Bldg.	26				
Main Hotel Bldg.	27				
Main Hotel Bldg.	28				
Main Hotel Bldg.	29C			X	

SCHEDULE 4
Parking Stall Assignments

Unit Number	Assigned Parking Stall Number	Assigned Storage Closet Number	Handicapped Stall	Compact Stall	Uncovered Stall
Ali'I Kai II					
141	42	451			
142	39	448			
143	1	141			
144	5	145			
145	26	345			
146	44	453			
147	2	142			
148	36	444			
149	14	244	X		
150	31	350			
151	13	242	X		
241	11	151			
242	23	342			
243	37	446			
244	10	150			
245	32	351			
246	40	449			
247	7	147			
248	8	148			
249	4	144			
250	17	247			
251	22	341			
341	35	443			
342	21	251			
343	3	143			
344	9	149			
345	27	346			
346	41	450			
347	18	248			
348	24	343			
349	43	452			
350	30	349			
351	16	246			
441	33	441			
442	25	344			
443	38	447			
444	15	245			
446	19	249			
447	20	250			
448	34	442			
449	6	146			
450	28	347			
451	29	348			
Main Hotel Bldg.	12	241			
Main Hotel Bldg	12	243			

SCHEDULE 4
Parking Stall Assignments

Unit Number	Assigned Parking Stall Number	Assigned Storage Closet Number	Handicapped Stall	Compact Stall	Uncovered Stall
Kings Lagoon					
161	57	466			
162	75C	467		X	
163	71	374			
164	361C	177		X	X (Parking Structure)
165	46	361			
166	35	166			
167	76	468			
168	42	270	X		
169	417C	267		X	X (Parking Structure)
170	360C	261		X	X (Parking Structure)
171	362C	175		X	X (Parking Structure)
172	356C	266		X	X (Parking Structure)
173	52	372			
174	69C	371		X	
175	41	269	X		
176	34	167			
177	40	161			
261	422C	474		X	X (Parking Structure)
262	51	373			
263	421C	475		X	X (Parking Structure)
264	420C	476		X	X (Parking Structure)
265	66C	277		X	
266	16	169			
267	53C	376		X	
268	47C	368		X	
269	419C	477		X	X (Parking Structure)
270	415C	174		X	X (Parking Structure)
271	414C	263		X	X (Parking Structure)
272	359C	262		X	X (Parking Structure)
273	68	367			
274	63C	365		X	
275	62	271			
276	33C	276		X	
277	17	170			
361	72C	377		X	
362	50C	469		X	
363	60C	470		X	
364	54	463			
365	67	366			
366	37	164			
367	70	375			
368	61	274			
369	56C	465		X	

SCHEDULE 4
Parking Stall Assignments

Unit Number	Assigned Parking Stall Number	Assigned Storage Closet Number	Handicapped Stall	Compact Stall	Uncovered Stall
370	357C	265		X	X (Parking Structure)
371	358C	264		X	X (Parking Structure)
372	49	370			
373	48	369			
374	65	363			
375	39C	162		X	
376	43	272			
377	19	172			
461	418C	268		X	X (Parking Structure)
462	73	461			
463	74	462			
464	55	464			
465	20	173			
466	15	168			
467	44C	273		X	
468	64	364			
469	424C	472		X	X (Parking Structure)
470	416C	176		X	X (Parking Structure)
471	425C	471		X	X (Parking Structure)
472	423C	473		X	X (Parking Structure)
473	59	275			
474	45	362			
475	38	163			
476	36C	165		X	
477	18	171			
Main Hotel Bldg.	58C			X	
Main Hotel Bldg.	1C*			X	
Main Hotel Bldg.	2C*			X	
Main Hotel Bldg.	3C*			X	
Main Hotel Bldg.	4C*			X	
Main Hotel Bldg.	5C*			X	
Main Hotel Bldg.	6C*			X	
Main Hotel Bldg.	7C*			X	
Main Hotel Bldg.	8C*			X	
Main Hotel Bldg.	9C*			X	
Main Hotel Bldg.	10C*			X	
Main Hotel Bldg.	11C*			X	
Main Hotel Bldg.	12C*			X	
Main Hotel Bldg.	13C*			X	
Main Hotel Bldg.	14C*			X	
Main Hotel Bldg.	21C*			X	
Main Hotel Bldg.	22C*			X	
Main Hotel Bldg.	23C*			X	
Main Hotel Bldg.	24C*			X	
Main Hotel Bldg.	25C*			X	
Main Hotel Bldg.	26C*			X	
Main Hotel Bldg.	27C*			X	
Main Hotel Bldg.	28C*			X	
Main Hotel Bldg.	29C*			X	
Main Hotel Bldg.	30C*			X	

SCHEDULE 4
Parking Stall Assignments

Main Hotel Bldg.	31C*			X	
Main Hotel Bldg.	32C*			X	

* Indicates Tandem Stall

End of Exhibit C

EXHIBIT D

Permitted Alterations to the Units

Paragraph T of the Declaration of Condominium Property Regime provides as follows:

"T. Alteration of Project. Except as may be otherwise provided in this Declaration, restoration or replacement of the Project or of any building or Common Elements, or the construction of any additional building, or the alteration of or addition to any structure which differs in any material respect from said Condominium Map of the Project, shall be undertaken by the Association or any Unit Owners only pursuant to an amendment of this Declaration, approved by not less than eighty percent (80%) of the Owners of the Common Interests and accompanied by the written consent of the holders of first mortgages on Units to which at least fifty-one percent (51%) of the votes of Units subject to such mortgages are allocated (if the lienholders require such consent) affecting any of the Units, in accordance with complete plans and specifications therefore prepared by a licensed architect or engineer if so required by the Board, first approved by the Board. Promptly upon completion of any such restoration, replacement or construction, the Association shall duly file such amendment together with a complete set of floor plans of the Project as so altered, certified as built by a licensed architect or engineer.

No Unit Owner shall do any work that may jeopardize the soundness or safety of the Project, reduces the value thereof, or impairs any easement, as reasonably determined by the Board.

No Unit Owner of a Residential Unit may make or allow any material addition or alteration to such Unit Owner's Unit without first obtaining (i) the written consent of sixty-seven percent (67%) of the Unit Owners, (ii) the consent of all Unit Owners of Residential Units whose Units or appurtenant limited common elements are directly affected, and (iii) the approval of the Board, which shall not unreasonably withhold such approval, but which approval may be withheld if the Board reasonably determines that the proposed addition or alteration could jeopardize the soundness or safety of the property, impair any easement, or interfere with or deprive any nonconsenting Owner of the use or enjoyment of any part of the property. Nonmaterial additions to or alterations of the Common Elements or Units including, without limitation, additions to or alterations of a Unit made within the Unit or within a Limited Common Element appurtenant to and for the exclusive use of the Unit, shall require approval only by the Board, which shall not unreasonably withhold the approval.

"Nonmaterial additions and alterations", means an addition to or alteration of the Common Elements or a Unit that does not jeopardize the soundness or safety of the property, reduce the value thereof, impair any easement, detract from the appearance of the Project, interfere with or deprive any nonconsenting Owner of the use or enjoyment of any part of property, or directly affect any nonconsenting Owner.

The Owner of any Hotel Unit may make any material addition or alteration to any Hotel Unit without obtaining the consent of the Board or any other Unit Owner.

Upon completion of any addition or alteration which changes the floor plan of a Unit or Limited Common Element, the Board shall cause a copy of the revised floor plan of the Unit or Limited Common Element affected to be filed, at the expense of the Owner of such Unit, as an amendment of this Declaration and said Condominium Map. "Non-material structural additions to the Common Elements", as used herein, shall mean a structural addition to the Common Elements which does not jeopardize the soundness or safety of the property, reduce the value thereof, impair any easement or hereditament, detract from the appearance of the Project, interfere with or deprive any non-consenting Owner of the use or enjoyment of any part of property or directly affect any non-consenting Owner.

Prior to commencing any improvements or alterations permitted to be made pursuant to this Section T, and as a condition to the Unit Owner's right to undertake such improvements and alterations, the Unit Owner shall provide to the Board: (a) a certification in form and content reasonably satisfactory to the Board signed by an architect or engineer duly licensed in the State of Hawaii, that such improvement or alteration will not affect the structural integrity of the Common Elements, Limited

Common Elements, or of any other Unit in the Project; (b) satisfactory evidence that all governmental approvals for such alteration have been duly obtained; and (c) if the cost of the improvement or alteration, as reasonably determined by the Board, shall exceed the sum of $25,000.00, the Board may require that the Owner provide evidence satisfactory to the Board of sufficient financing to complete such alteration, or in lieu thereof, require that the Owner obtain a performance and lien payment bond, naming as obligees the Developer, the Board and the Association and collectively all Unit 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 alteration.

All alterations or additions to the Project, the Common Elements, a Unit, or a Limited Common Element shall be done in accordance with all applicable laws, ordinances, rules, regulations and codes ("Laws"). Any Unit Owner who makes an alteration or addition to such Unit Owner's Unit or the Limited Common Element appurtenant thereto shall indemnify, defend and hold harmless the Association against any and all claims, liability, loss, cost, expense, injury or damages ("Claims") arising from such alteration or addition including without limitation Claims arising from failure to observe applicable Laws."

End of Exhibit D

EXHIBIT E

Description of the Common Interest and Limited Common Interest

1. Percentage Interest in Common Elements. Each Unit shall have appurtenant thereto an undivided interest in all Common Elements of the Project, called the "Common Interest", and, except as otherwise provided in the Declaration of Condominium Property Regime or the Bylaws, the same proportionate share in the common profits and expenses of the Project and for all other purposes, including voting, as set forth in Schedules 5 and 6 attached hereto.

2. Class Limited Common Interests.

a. In addition to the Common Interest described in Paragraph 1 above, each Unit located in a residential building shall have assigned to it a Residential Class Limited Common Interest. Each Unit's Residential Class Limited Common Interest shall be determined by dividing the net interior square footage of each Unit in a residential building by the aggregate net interior square footage of all Units in the residential buildings of the Project, with minor differences, if any, to account for all one hundred percent (100%) of the Residential Class Limited Common Interests. Based on the foregoing formula, the initial Residential Class Limited Common Interest assigned to each Residential Class Unit is set forth in Schedule 6.

b. In addition to the Common Interest described in Paragraph 1 above, each Hotel Unit shall have assigned to it a Hotel Class Limited Common Interest. Each Hotel Unit's Hotel Class Limited Common Interest shall be determined by dividing the net interior square footage of each Hotel Unit by the aggregate net interior square footage of all Hotel Units in the Project, with minor differences, if any, to account for all one hundred percent (100%) of the Hotel Class Limited Common Interests. Based on the foregoing formula, the initial Hotel Class Limited Common Interest assigned to each Hotel Unit is set forth in Schedule 5.

SCHEDULE 5

Hotel Class Common Interest and Limited Common Interest

UNIT	Percentage Common Interest	Percentage Hotel Class Limited Common Interest
Main Hotel Building	33.7795%	76.4990%
Hotel Cottage 1	0.6569%	1.4876%
Hotel Cottage 2	0.6569%	1.4876%
Hotel Cottage 3	0.6569%	1.4876%
Hotel Cottage 4	0.6569%	1.4876%
Hotel Cottage 5	0.9434%	2.1366%
Hotel Cottage 6	0.9838%	2.2279%
Hotel Cottage 7	0.9838%	2.2279%
Hotel Cottage 8	0.9838%	2.2279%
Hotel Cottage 9	1.2850%	2.9101%
Hotel Cottage 10	1.2850%	2.9101%
Hotel Cottage 11	1.2850%	2.9101%

SCHEDULE 6

Residential Class Limited Common Interest

BUILDING	UNIT NO.	UNIT TYPE	PERCENTAGE COMMON INTEREST	RESIDENTIAL CLASS LIMITED COMMON INTEREST
Shell Villas	101	2-R	0.2498%	0.4890%
	102	1-R	0.1677%	0.3283%
	103	2-1	0.2498%	0.4890%
	104	2-R	0.2498%	0.4890%
	105	1	0.1677%	0.3283%
	106	2	0.2498%	0.4890%
	109	2	0.2498%	0.4890%
	110	3H	0.3319%	0.6497%
	111	1-R	0.1677%	0.3283%
	112	3E	0.3672%	0.7188%
	114	1E	0.2307%	0.4516%
	201	2-R	0.2498%	0.4890%
	202	1-R	0.1677%	0.3283%
	203	2-1	0.2498%	0.4890%
	204	2-R	0.2498%	0.4890%
	205	1	0.1677%	0.3283%
	206	2	0.2498%	0.4890%
	207	1E-R	0.2307%	0.4516%
	208	3E-R	0.3672%	0.7188%
	209	2	0.2498%	0.4890%
	210	3	0.3319%	0.6497%
	211	1-R	0.1677%	0.3283%
	212	3E	0.3672%	0.7188%
	214	1E	0.2307%	0.4516%
	301	2-R	0.2498%	0.4890%
	302	1-R	0.1677%	0.3283%
	303	2-1	0.2498%	0.4890%
	304	2-R	0.2498%	0.4890%
	305	1	0.1677%	0.3283%
	306	2	0.2498%	0.4890%
	307	1E-R	0.2307%	0.4516%
	308	3E-R	0.3672%	0.7188%
	309	2	0.2498%	0.4890%
	310	3	0.3319%	0.6497%
	311	1-R	0.1677%	0.3283%
	312	3E	0.3672%	0.7188%
	314	1E	0.2307%	0.4516%
	401	2-R	0.2498%	0.4890%
	402	1-R	0.1677%	0.3283%
	403	2-1	0.2498%	0.4890%
	404	2-R	0.2498%	0.4890%
	405	1	0.1677%	0.3283%
	406	2	0.2498%	0.4890%
	408	3T-R	0.5006%	0.9806%
	409	2	0.2498%	0.4890%
	410	3	0.3319%	0.6497%
	411	1-R	0.1677%	0.3283%
	412	3T	0.5006%	0.9806%
Ali'i Kai I Villas	121	2-R	0.2498%	0.4890%
	122	1-R	0.1677%	0.3283%
	123	1-R	0.1677%	0.3283%

BUILDING	UNIT NO.	UNIT TYPE	PERCENTAGE COMMON INTEREST	RESIDENTIAL CLASS LIMITED COMMON INTEREST
Ali'i Kai I Villas	124	3-1	0.3319%	0.6497%
	125	3-1R	0.3319%	0.6497%
	126	1	0.1677%	0.3283%
	127	2	0.2498%	0.4890%
	128	2	0.2498%	0.4890%
	129	1	0.1677%	0.3283%
	221	2-R	0.2498%	0.4890%
	222	1-R	0.1677%	0.3283%
	223	1-R	0.1677%	0.3283%
	224	3-1	0.3319%	0.6497%
	225	3-1R	0.3319%	0.6497%
	226	1H	0.1677%	0.3283%
	227	2	0.2498%	0.4890%
	228	2	0.2498%	0.4890%
	229	1	0.1677%	0.3283%
	230	3E	0.3672%	0.7188%
	231	1E	0.2307%	0.4516%
	321	2-R	0.2498%	0.4890%
	322	1-R	0.1677%	0.3283%
	323	1-R	0.1677%	0.3283%
	324	3-1	0.3319%	0.6497%
	325	3-1R	0.3319%	0.6497%
	326	1	0.1677%	0.3283%
	327	2	0.2498%	0.4890%
	328	2	0.2498%	0.4890%
	329	1	0.1677%	0.3283%
	330	3E	0.3672%	0.7188%
	331	1E	0.2307%	0.4516%
	421	2-R	0.2498%	0.4890%
	422	1-R	0.1677%	0.3283%
	423	1-R	0.1677%	0.3283%
	424	3-1	0.3319%	0.6497%
	425	3-1R	0.3319%	0.6497%
	426	1	0.1677%	0.3283%
	427	2	0.2498%	0.4890%
	428	2	0.2498%	0.4890%
	429	1	0.1677%	0.3283%
	430	3T	0.5006%	0.9806%
Ali'i Kai II Villas	141	2-R	0.2498%	0.4890%
	142	2-R	0.2498%	0.4890%
	143	1-R	0.1677%	0.3283%
	144	1E-R	0.2307%	0.4516%
	145	3E-R	0.3672%	0.7188%
	146	1	0.1677%	0.3283%
	147	2	0.2498%	0.4890%
	148	2	0.2498%	0.4890%
	149	1H	0.1677%	0.3283%
	150	3-1	0.3319%	0.6497%
	151	2-R	0.2498%	0.4890%
	241	2-R	0.2498%	0.4890%
	242	2-R	0.2498%	0.4890%
	243	1-R	0.1677%	0.3283%
	244	1E-R	0.2307%	0.4516%
	245	3E-R	0.3672%	0.7188%
	246	1	0.1677%	0.3283%

BUILDING	UNIT NO.	UNIT TYPE	PERCENTAGE COMMON INTEREST	RESIDENTIAL CLASS LIMITED COMMON INTEREST
Ali'i Kai II Villas	247	2	0.2498%	0.4890%
	248	2H	0.2498%	0.4890%
	249	1	0.1677%	0.3283%
	250	3-1	0.3319%	0.6497%
	251	2-R	0.2498%	0.4890%
	341	2-R	0.2498%	0.4890%
	342	2-R	0.2498%	0.4890%
	343	1-R	0.1677%	0.3283%
	344	1E-R	0.2307%	0.4516%
	345	3E-R	0.3672%	0.7188%
	346	1	0.1677%	0.3283%
	347	2	0.2498%	0.4890%
	348	2	0.2498%	0.4890%
	349	1	0.1677%	0.3283%
	350	3-1	0.3319%	0.6497%
	351	2-R	0.2498%	0.4890%
	441	2-R	0.2498%	0.4890%
	442	2-R	0.2498%	0.4890%
	443	1-R	0.1677%	0.3283%
	444	3T-R	0.5006%	0.9806%
	446	1	0.1677%	0.3283%
	447	2	0.2498%	0.4890%
	448	2	0.2498%	0.4890%
	449	1	0.1677%	0.3283%
	450	3-1	0.3319%	0.6497%
	451	2-R	0.2498%	0.4890%
King's Lagoon Villas	161	2L	0.2498%	0.4890%
	162	2L-R	0.2498%	0.4890%
	163	2LH	0.2498%	0.4890%
	164	2L-R	0.2498%	0.4890%
	165	1C	0.2374%	0.4647%
	166	2	0.2498%	0.4890%
	167	3	0.3319%	0.6497%
	168	1-1	0.1677%	0.3283%
	169	2-R	0.2498%	0.4890%
	170	1-1	0.1677%	0.3283%
	171	1-1R	0.1677%	0.3283%
	172	2	0.2498%	0.4890%
	173	1B	0.1749%	0.3425%
	174	1A	0.2073%	0.4058%
	175	2H-R	0.2498%	0.4890%
	176	2	0.2498%	0.4890%
	177	3-2	0.3329%	0.6519%
	261	2	0.2498%	0.4890%
	262	2-R	0.2498%	0.4890%
	263	2	0.2498%	0.4890%
	264	2-R	0.2498%	0.4890%
	265	1C	0.2374%	0.4647%
	266	2	0.2498%	0.4890%
	267	3	0.3319%	0.6497%
	268	1-1	0.1677%	0.3283%
	269	2-R	0.2498%	0.4890%
	270	1-1	0.1677%	0.3283%
	271	1-1R	0.1677%	0.3283%
	272	2	0.2498%	0.4890%

BUILDING	UNIT NO.	UNIT TYPE	PERCENTAGE COMMON INTEREST	RESIDENTIAL CLASS LIMITED COMMON INTEREST
King's Lagoon	273	1B	0.1749%	0.3425%
Villas	274	1A	0.2073%	0.4058%
	275	2-R	0.2498%	0.4890%
	276	2	0.2498%	0.4890%
	277	3-2	0.3329%	0.6519%
	361	2	0.2498%	0.4890%
	362	2-R	0.2498%	0.4890%
	363	2	0.2498%	0.4890%
	364	2-R	0.2498%	0.4890%
	365	1C	0.2374%	0.4647%
	366	2	0.2498%	0.4890%
	367	3	0.3319%	0.6497%
	368	1-1	0.1677%	0.3283%
	369	2-R	0.2498%	0.4890%
	370	1-1	0.1677%	0.3283%
	371	1-1R	0.1677%	0.3283%
	372	2	0.2498%	0.4890%
	373	1B	0.1749%	0.3425%
	374	1A	0.2073%	0.4058%
	375	2-R	0.2498%	0.4890%
	376	2	0.2498%	0.4890%
	377	3-2	0.3329%	0.6519%
	461	2	0.2498%	0.4890%
	462	2-R	0.2498%	0.4890%
	463	2	0.2498%	0.4890%
	464	2-R	0.2498%	0.4890%
	465	1C	0.2374%	0.4647%
	466	2	0.2498%	0.4890%
	467	3	0.3319%	0.6497%
	468	1-1	0.1677%	0.3283%
	469	1U	0.1837%	0.3596%
	470	1-1	0.1677%	0.3283%
	471	1-1R	0.1677%	0.3283%
	472	1U-R	0.1837%	0.3596%
	473	1B	0.1749%	0.3425%
	474	1A	0.2073%	0.4058%
	475	2-R	0.2498%	0.4890%
	476	2	0.2498%	0.4890%
	477	3-2	0.3329%	0.6519%
Hotel Amenity	A-5	---	0.5799%	0.3455%
Units	A-9	---	1.2539%	0.7467%
	A-12	---	1.9089%	1.1366%
	B-001	---	3.1004%	1.8464%

End of Exhibit E

EXHIBIT F

Description of the Common Elements and Limited Common Elements

A. **Common Elements**. Section D.3 of the Declaration of Condominium Property Regime describes the Common Elements of the Project as follows:

1. The Land in fee simple and any easements appurtenant thereto;

2. All roadways;

3. Except as may otherwise be specifically provided herein, all grounds, landscaping, paths, sidewalks, walkways, courtyards, fences, gates, retaining walls, curbs, loading areas, trash enclosures, lamp posts, landscaping features and like facilities;

4. Except as may otherwise be specifically provided herein, all heating, cooling, other utility equipment, pumps, ducts, pipes, wires, conduits or service lines located outside of the Units and which are utilized for or serve more than one Unit, and generally all equipment, apparatus, installations, utility meters and personal property existing for common use in the Project;

5. Except as may otherwise be specifically provided herein, all pipes, wires, ducts, conduits, heating, cooling or other utility or service equipment or lines located within or running through a Unit that are utilized by or serve more than one Unit;

6. The Parking Structure as shown on the Condominium Map, including its foundation, floor slabs, columns, guides, beams, supports, walls and partitions, floors, ceilings and roofs, exterior stairs, stairways, elevators, elevator lobbies, walkways, corridors, ramps, entrances, loading areas, entry ways and exits, and the mechanical equipment enclosure, except as may otherwise be specifically provided herein;

7. The swimming pools and surrounding swimming pool areas, pool houses and water features as shown on the Condominium Map;

8. The pedestrian bridge and appurtenant elevators and stairs and observation tower as shown on the Condominium Map;

9. Nineteen (19) parking stalls, eighteen (18) of which are situate in the eastern portion of the Project, where Kuhio Highway borders the project and one (1) of which, being a handicapped stall, is located near the porte cochere of the Main Hotel Building, all as shown on the Condominium Map; and

10. All other parts and improvements of the Project which are not a part of any Unit.

B. **Limited Common Elements**. Section D.4 of the Declaration of Condominium Property Regime describes the Limited Common Elements of the Project as follows:

Certain parts of the Common Elements, herein called the "Limited Common Elements", are hereby designated and set aside for (a) the exclusive use of certain Units (such Limited Common Elements being herein sometimes referred to as "Individual Limited Common Elements"); and (b) the exclusive use of a Unit Class (such Limited Common Elements being herein sometimes referred to as "Class Limited Common Elements"). No amendment of this Declaration affecting any limited common elements shall be effective without the consent of the Owner or Owners of the Unit or Units to whom the limited common elements are appurtenant. Such Units or classes, as the case may be, shall have appurtenant thereto exclusive easements for the use of such Limited Common Elements as follows:

1. **Individual Limited Common Elements**.

a. Each Residential Unit shall have appurtenant thereto and reserved for its exclusive use the parking stall which is numbered as shown on the Condominium Map and assigned to such Residential Unit as set forth in Schedule 4 attached hereto.

b. Each Residential Unit shall have appurtenant thereto and reserved for its exclusive use the storage closet which is numbered as shown on the Condominium Map and assigned to such Residential Unit as set forth in Schedule 4.

c. Each Residential Unit shall have appurtenant thereto and reserved for its exclusive use one (1) mailbox identified by the same number as the Residential Unit to which it is appurtenant.

d. The Main Hotel Building shall have appurtenant thereto and reserved for its exclusive use the parking stalls assigned to it as set forth Schedule 4, which parking stalls are as shown on the Condominium Map.

e. The Main Hotel Building and each of the Hotel Amenity Units shall have appurtenant thereto and reserved for its exclusive use any mailboxes identified by the same number of the Units to which they are appurtenant.

f. The Main Hotel Building shall have appurtenant thereto and reserved for its exclusive use the lagoon and lagoon bridges as shown on the Condominium Map.

g. Each Unit shall have appurtenant thereto and reserved for its exclusive use all pipes, wires, ducts, conduits, heating, cooling or other utility or service equipment or lines located within or running through the Unit that are utilized by or serve only that Unit.

2. **Class Limited Common Elements**.

a. **Residential Class Limited Common Elements**. The Residential Unit Class shall have appurtenant thereto and reserved for its exclusive use all of the structural components of the Shell Villas building, the Alii Kai I Villas building, the Alii Kai II Villas building, and the King's Lagoon Villas building that are not located within a Unit, including the foundations, floor slabs, columns, beams, supports, walls and partitions (excluding the decorated or finished interior surfaces of any wall or partition which is a part of a Unit), floors, roofs, ceilings (excluding the decorated or finished interior surfaces of any ceiling with is a part of a Unit), exterior stairs, stairways, elevators with their appurtenant equipment and housings, lobbies, walkways, halls, corridors, ramps, entrances, loading areas, entry ways and exits, service, storage and utility rooms, driveways and ramps leading to the underground parking areas and all central installations for services such as power, light, gas, hot and cold water, refrigeration, air conditioning and trash disposal, tanks, pumps, motors, fans, ducts and chases.

Expenses which are incurred in connection therewith shall be borne by each Unit in the aforesaid buildings according to Its Residential Class Limited Common Interest set forth in Schedule 6 attached hereto.

b. **Main Hotel Building**. The Main Hotel Building shall have appurtenant thereto all of the structural components of the building, including the foundations, floor slabs, columns, beams, supports, walls and partitions, floors, roofs, ceilings, exterior stairs, stairways, elevators with their appurtenant equipment and housings, lobbies, walkways, halls, corridors, ramps, entrances, loading areas, entry ways and exits, service, storage and utility rooms, and all central installations for services such as power, light, gas, hot and cold water, refrigeration, air conditioning and trash disposal, tanks, pumps, motors, fans, ducts and chases.

Expenses that are incurred in connection therewith shall be borne solely by the Main Hotel Building.

c. **Hotel Cottages Limited Common Elements**. Each Hotel Cottage shall have appurtenant thereto and reserved for its exclusive use all foundations, floor slabs, columns, beams, supports, unfinished perimeter and loadbearing walls, floors, ceilings, roofs, stairs, stairways, rails, walkways, storage rooms and utility rooms of each Hotel Cottage.

Expenses which are incurred in connection with each Hotel Cottage shall be borne solely by such Hotel Cottage.

d. **Parking Structure**.

1. All of the areas identified on Level B, Level 1, Level 2, Level 3 and Level 4 for hotel use on the Condominium Map, including all parking stalls or any of said levels, are assigned to the Main Hotel Building and shall be appurtenant to and for the exclusive use of such Unit. Expenses which are incurred in connection therewith shall be borne solely by the Main Hotel Building.

2. All of the areas identified on Level 4 for the use of the Residential Units are assigned to all of the Residential Units and shall be appurtenant to and for the exclusive use of such Units in a manner to be determined and managed by the Association; provided, however, that to the extent that such parking stalls are not used by or needed to accommodate the parking needs of the Residential Units as determined by the Board, the Board shall have the authority to allow such parking stalls to be used by the owner of the Main Hotel Building, in which case the expenses which would otherwise be borne by the Residential Units on account of such parking stalls shall be instead borne by the owner of the Main Hotel Building.

Except as otherwise provided for herein, expenses which are incurred in connection the parking stalls covered by this section shall be borne by each Residential Unit according to its Residential Class Limited Common Interest as set forth in Schedule 6 attached hereto and made a part hereof.

3. Unless allocated in a different manner by the Board based on a fair and equitable apportionment, the expenses of the limited common elements of the Parking Structure shall be apportioned as follows: Seventy-five percent (75%) to the Main Hotel Building and twenty-five percent (25%) to the Residential Unit Class.

End of Exhibit F

EXHIBIT G

Special Use Restrictions

I. The following provisions in the Declaration of Condominium Property Regime contain restrictions on the use of the Units:

1. Residential Units.

a. The Residential Units may be used only for residential and transient occupancy and accessory purposes, subject to all applicable zoning and other laws or regulations.

b. The Owner of a Residential Unit may rent or lease such Owner's Residential Unit to a third party for any period permitted by applicable zoning and other laws or regulations, provided that the rental or lease is expressly made subject to the covenants and restrictions contained in the Declaration, the Bylaws and the House Rules; and provided, however, that the Residential Units, or any undivided interest therein, shall not be used, leased, rented or transferred for time-sharing purposes or under any time sharing plan, agreement or arrangement as the same is defined in Chapter 514E, Hawaii Revised Statutes, as amended.

c. Owners of Residential Units that are designated as ADA accessible units on Exhibit "B" to the Declaration may not modify such units without the written approval of the Developer.

2. Main Hotel Building. The Main Hotel Building may be used for hotel, transient occupancy, management, commercial, restaurant, retail, office and accessory purposes and for all other purposes as permitted by all applicable zoning and other laws and regulations.

3. Hotel Amenity Units. The Hotel Amenity Units may be used for hotel, management, commercial, restaurant, retail, office and accessory purposes and for all other purposes as permitted by applicable zoning and other laws and regulations.

4. Hotel Cottages. The Hotel Cottages may be used for hotel, transient occupancy and accessory purposes and for all other purposes as permitted by all applicable zoning and other laws and regulations.

II. Pet Restrictions. The Bylaws and proposed House Rules prohibit persons from keeping, breeding or using animals in any part of the Project. However, occupants with disabilities may keep a guide dog, signal dog, or other service animal, subject to the restrictions set forth in the Bylaws and House Rules.

End of Exhibit G

EXHIBIT H

Encumbrances Against Title

1. As to Parcel First, only:

   (A) Reservation in favor of the State of Hawaii of all mineral and metallic mines.

   (B) An easement for road and utility purposes over and across the strip of land 15 feet wide within Lot 2, as shown on Map 1 of Land Court Application No. 1667 parallel to and adjacent to the Southerly boundary of Lot 2, as granted in Deed dated January 26, 1954, recorded in said Office as Land Court Document No. 176424.

2. As to Parcel Second, only: Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. As to Parcel Third, only:

   (A) An easement, 10 feet wide for drainage purposes, along its Southwest boundary and is more fully described as follows:

   Beginning at the Southwest corner of this Easement, the same being the West corner of Lot 1-C-2-A, the coordinates of said point of beginning referred to Government Survey Triangulation Station "Nonou" being 3,766.52 feet South and 6,629.14 feet East and running by azimuths measured clockwise from true South:

1.	208°	39'	30"	10.04	feet along Lot 1-C-1, Rice and Kula lots;
2.	303°	46'		93.29	feet along the remainder of Lot 1-C-2-A;
3.	13°	12'		10.68	feet along the Wailua Coconut Grove Ditch Right-of-Way;
4.	123°	46'		96.15	feet along Lot 2, Land Court Application 1667 (Map 1) to the point of beginning and containing an area of 947 square feet.

   (B) The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Land Patent Grant S-15,564, dated December 30, 1981. The foregoing includes, but is not limited to the following:

   "RESERVING TO THE STATE OF HAWAII, ITS SUCCESSORS AND ASSIGNS, THE FOLLOWING:

   (1) All minerals as hereinafter defined, in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine and remove such minerals and to occupy

and use so much of the surface of the ground as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, including strip mining. 'Minerals', as used herein, shall mean any or all oil, gas, coal, phosphate, sodium, sulphur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, including all geothermal resources, in, on, or under the land, fast or submerged; provided, that 'minerals' shall not include sand, gravel, rock or other material suitable for use and used in general construction in furtherance of the Patentee's permitted activities on the land not for sale to others.

(2) All surface and ground waters appurtenant to the said land and the right on its own behalf or through persons authorized by it, to capture, divert or impound the same and to occupy and use so much of the said land as may be required in the exercise of this right reserved.

(3) All prehistoric and historic remains found in, on or under said land.

Provided, however, that as a condition precedent to the exercise of the rights reserved in Paragraphs 1 and 2, just compensation shall be paid to the Patentee for any of Patentee's improvements taken.

This patent is subject to the following conditions:

The use of the foregoing remnant, whether in combination, consolidation or otherwise with other lands, shall be in accordance with the appropriate zoning and subdivision ordinances of the County of Kauai.

The use and enjoyment of the lands herein granted shall not be used in support of any policy which discriminates against anyone based upon race, creed, sex, color, national origin, or a physical handicap.

The Patentee shall consolidate this remnant ditch right-of-way with abutting Lot 53 to the satisfaction of the Kauai Planning Commission."

(C) Waiver and Indemnity Agreement dated October 31, 1975, recorded in said Bureau in Liber 11079, at Page 439, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

(D) Waiver and Indemnity Agreement dated February 8, 1977, recorded in said Bureau in Liber 12176, at Page 443, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which

may hereafter accrue by reason of any flooding of surface waters upon said parcel.

(E) Waiver and Indemnity Agreement dated October 9, 1980, recorded in said Bureau in Liber 15070, at Page 674, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

(F) Waiver and Indemnity Agreement dated September 14, 1981, recorded in said Bureau in Liber 15931, at Page 44, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

4. As to Parcel Fourth, only:

(A) Waiver and Indemnity Agreement dated October 31, 1975, recorded in said Bureau in Liber 11079, at Page 439, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

(B) Waiver and Indemnity Agreement dated October 9, 1980, recorded in said Bureau in Liber 15070, at Page 674, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

(C) Waiver and Indemnity Agreement dated September 14, 1981, recorded in said Bureau in Liber 15931, at Page 44, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

5. As to Parcel Fifth, only:

(A) Reservation in favor of the State of Hawaii of all mineral and metallic mines.

(B) Waiver and Indemnity Agreement dated October 31, 1975, recorded in said Bureau in Liber 11079, at Page 439, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which

may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

(C) Waiver and Indemnity Agreement dated October 9, 1980, recorded in said Bureau in Liber 15070, at Page 674, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

(D) Waiver and Indemnity Agreement dated September 14, 1981, recorded in said Bureau in Liber 15931, at Page 44, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

6. As to Parcel Sixth, only:

(A) The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Land Patent Grant Number S-15,564 dated December 30, 1981, which includes the following:

"RESERVING TO THE STATE OF HAWAII, ITS SUCCESSORS AND ASSIGNS, THE FOLLOWING:

(1) All minerals as hereinafter defined, in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine and remove such minerals and to occupy and use so much of the surface of the ground as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, including strip mining. 'Minerals', as used herein, shall mean any or all oil, gas, coal, phosphate, sodium, sulphur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, including all geothermal resources, in, on, or under the land, fast or submerged; provided that 'minerals' shall not include sand, gravel, rock or other material suitable for use and used in general construction in furtherance of the Patentee's permitted activities on the land not for sale to others.

(2) All surface and ground waters appurtenant to the said land and the right on its own behalf or through persons authorized by it, to capture, divert or impound the same and to occupy and use so much of the said land as may be required in the exercise of this right reserved.

(3) All prehistoric and historic remains found in, on or under said land.

Provided, however, that as a condition precedent to the exercise of the rights reserved in Paragraphs 1 and 2, just compensation shall be paid to the Patentee for any of Patentee's improvements taken.

This patent is subject to the following conditions:

The use of the foregoing remnant, whether in combination, consolidation or otherwise with other lands, shall be in accordance with the appropriate zoning and subdivision ordinances of the County of Kauai.

The use and enjoyment of the lands herein granted shall not be in support of any policy which discriminates against anyone based upon race, creed, sex, color, national origin, or a physical handicap.

The Patentee shall consolidate this remnant ditch right-of-way with abutting Lot 53 to the satisfaction of the Kauai Planning Commission."

(B) Waiver and Indemnity Agreement dated October 31, 1975, recorded in said Bureau in Liber 11079, at Page 439, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

(C) Waiver and Indemnity Agreement dated October 9, 1980, recorded in said Bureau in Liber 15070, at Page 674, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

(D) Waiver and Indemnity Agreement dated September 14, 1981, recorded in said Bureau in Liber 15931, at Page 44, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

7. As to Parcel Seventh, only:

(A) Waiver and Indemnity Agreement dated October 31, 1975, recorded in said Bureau in Liber 11079, at Page 439, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

(B) Waiver and Indemnity Agreement dated October 9, 1980, recorded in said Bureau in Liber 15070, at Page 674, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai

from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

(C) Waiver and Indemnity Agreement dated September 14, 1981, recorded in said Bureau in Liber 15931, at Page 44, by and between Island Holidays, Ltd., a Hawaii corporation, as applicant, and the County of Kauai; re: Applicant does hereby waive and release the County of Kauai from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of any flooding of surface waters upon said parcel, besides other land.

8. For Real Property taxes that may be due and owing, reference is made to Department of Taxation, County of Kauai.

End of Exhibit H

EXHIBIT I

Rights Reserved by the Developer

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

A. At any time before a sales contract becomes binding, the Developer shall have the right for any reason to change the Project and to modify the Condominium Documents in any way, including, without limitation, the right to change the Purchase Price or to cancel or terminate the Project, in which case Buyer will be entitled to a refund of all sums paid by Buyer as provided in the sales contract.

B. At any time after a sales contract becomes binding, the Developer shall have the right to change the Declaration, Bylaws, Condominium Map, House Rules, the form of Unit Deed and other documents. The sales contract provides that the Buyer accepts and approves all changes that are required by law, any title insurance company, any lender, or any governmental agency as a condition to selling Units in the Project and that the Buyer also accepts and approves all changes that the Developer determines to be necessary, made at any time before the filing of an Unit Deed to Buyer, but only if the changes do not: (i) substantially change any of the Developer's obligations under the sales contract; (ii) require a substantial change in the design, location or size of the Unit or of the building in which the Unit is located; (iii) increase the Buyer's undivided percentage common interest in the common elements of the Project; or (iv) reduce the Developer's obligation for common expenses on any unsold Units in the Project.

C. The Developer may make changes to the other Units in the Project or the common elements (including, for example, changes in the location of walkways, stairways, corridors, driveways, and rooms for lobby, laundry, mail, storage, utilities, equipment) for any purpose.

D. Developer's Reservations. The Developer has reserved certain rights in the Declaration of Condominium Property Regime, which rights are assignable, including, without limitation, the following:

1. Granting of Easements. The Developer reserves the right to designate, grant, convey, transfer, cancel, relocate, and otherwise deal with any easements over, under, across or through the Common Elements of the Project for any reasonable purpose which may include, but shall not be limited to, those purposes which are necessary to the operation, care, upkeep, maintenance or repair of any Unit, the Common Elements or any easements for utilities or for any public purpose including, without limitation, for providing access to and from the parking structure to third parties, providing use of the required number of parking stalls in the Project for the restaurant to be located across Kuhio Highway from the Project, and for providing access to the public to the lagoon and any significant cultural areas within the Project through a grant of easement to the County of Kauai; provided, however, that such rights of the Developer are subject to, and may not be exercised in any manner which is inconsistent with, or which would limit or interfere with, the exclusive use of any Limited Common Element or any rights or easements reserved in favor of any Owner.

2. Easements Over Adjacent Lands. The Developer reserves the right to receive, transfer, cancel, relocate and otherwise deal with any easement over, under, across or through any lands adjacent to and/or across the street from the Project, for any reasonable purpose, which may include, but shall not be limited to, any of the purposes set forth in Section F.5 of the Declaration and for gaining access for the Project to, from and across Kuhio Highway through a pedestrian bridge over the highway and through a grant of limited vehicle access rights from the County of Kauai or the State of Hawaii. Developer shall assign any such access rights relating to Kuhio Highway to the Association.

3. Completion of the Project. The Developer reserves for itself, its agents, employees, consultants, contractors, and licensees the right and an easement over and upon any portion of the Project, including the Common Elements and any Unit, as may be reasonably necessary for the

development and completion of the Project, including without limitation construction of any improvements and correction of defects and other punch-list items in the Common Elements, Limited Common Elements or any Unit.

4. Historic Designation of the Lagoon. The Developer reserves the right to petition the State Historic Preservation Office to include the lagoon (otherwise known as the "Kapule fishponds") in the Hawaii Register of Historic Places.

5. Noise and Dust. The Developer reserves for itself, its agents, employees, consultants, contractors, and licensees the right and an easement over, under and upon any portion of the Project to create and cause noise, dust and other nuisances created by and resulting from any work connected with or incidental to the development and completion of the Project, including without limitation, construction of any improvements and correction of defects and other punch-list items in the Common Elements or any Unit.

6. Sales Activities. The Developer reserves for itself, its agents, employees, consultants and licensees the right and easement to conduct activities on or from the Project, including the Common Elements, in connection with the sale or leasing of the Units, including without limitation, the use of model Units, sales, leasing and management offices, parking stalls and extensive sale and leasing displays and activities.

7. Shared Tenant Services. The Developer reserves the non-exclusive right to provide Shared Tenant Services subject to the terms and conditions hereinafter set forth. For purposes hereof, "Shared Tenant Services" shall mean providing telecommunication and/or electronic services where such service is provided jointly to two or more Unit Owners or to the Association. Prior to entering into any agreement for a Shared Tenant Service to be provided from any person other than the Developer, the Association or the Unit Owners seeking such Shared Tenant Service ("STS Solicitor") shall give written notice to the Developer setting forth in reasonable detail (a) the Shared Tenant Service being sought or (b) if a third party has offered to provide a Shared Tenant Service, the name of such offeror and the terms and conditions of such offer. Within sixty (60) days of receipt of such notice, the Developer shall have the right to make a written offer to provide such service to the STS Solicitor. If the Developer fails to make such offer within such sixty (60) day period or if the STS Solicitor and the Developer have not entered into an agreement within thirty (30) days after Developer's offer for the Developer to provide such Shared Tenant Service, then in either event, the STS Solicitor shall be free to enter into an agreement with any other provider for such Shared Tenant Service. In connection with providing such Shared Tenant Service, the provider shall have the non-exclusive right and easement (a) to construct, install, operate, repair, maintain, and/or relocate electronic and telecommunications equipment and facilities on, within or from the Project, (b) to connect such equipment and facilities with or to any transmission or reception facilities, equipment or other point(s) within or outside of the Project and, with the consent of a Unit Owner, through any Unit owned by such Owner and/or Common Elements of the Project, (c) to install lines and wires through any and all common element pipes, shafts and conduits running through any of the Units with the consent of the Owners thereof and/or the Common Elements of the Project and through the Limited Common Elements, and (d) to transmit and receive electronic or other communication signals at or from the Project.

Further, the following conditions shall be met before any person shall provide a Shared Tenant Service: (a) the provider shall have agreed to abide by this Declaration, the Bylaws and any House Rules for the Project; (b) the provider shall have agreed to indemnify and hold harmless the Developer, the Association and the Unit Owners against any loss, liability, damage or expense suffered or incurred by the Association and the Unit Owners (other than the fee charged by the person for providing such service) arising out of or in connection with providing the Shared Tenant Service; (c) the provider shall have agreed to remove, at the request of the Association, all lines, wires and other equipment and facilities utilized by the provider of the Shared Tenant Service upon the expiration or termination of the Shared Tenant Service; and (d) any provider shall have obtained any license (or exemption therefrom) required in order to legally provide the Shared Tenant Service.

8. Alteration of Units. The Developer has the reserved right, but not the obligation, in the Developer's sole discretion, to (i) alter and/or expand the floor plan of any Units owned by the Developer; (ii) cause the subdivision of any Unit owned by the Developer to create two or more Units; and (iii) consolidate any Units owned by the Developer that are separated by a party wall, floor or ceiling and, by way of amendment of this Declaration and the Condominium Map, to adjust Common Interests and add or delete Limited Common Elements in connection with such alteration, subdivision or consolidation, without the approval, joinder or consent of the Association, the Board, or any other person or entity (except mortgagees as provided below), provided, however, that no such alteration, subdivision or consolidation shall: (a) change the Common Interest or common expense obligations appurtenant to any Unit owned by any person other than the Developer; (b) convert Common Elements (other than Limited Common Elements) to Limited Common Elements or Units; (c) materially impair the right of any other Unit Owner to use and enjoy such Owner's Unit or the Limited Common Elements appurtenant thereto; or (d) materially decrease the value of the Project or of any Unit owned by any person other than the Developer.

The amendment(s) required to accomplish such subdivision or consolidation need only be signed by the Developer and recorded in said Office and Bureau; provided, however, that no such amendment(s) shall be effective unless first approved in writing by the holders of all mortgages (if any) then affecting the Units being subdivided or consolidated.

Each and every party acquiring an interest in the Project consents by such acquisition to such alteration by the Developer and to the execution and recording of any and all documents necessary to effect the same in said Office and said Bureau, including any amendment or amendments of this Declaration or to the Condominium Map; agrees to execute, deliver and record such documents and instruments and do such other things as may be necessary or convenient to effect the same; and appoints the Developer and its assigns such party's attorney-in-fact with full power of substitution to execute, deliver and record such documents and instruments and to do such things on such party's behalf, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be affected by the disability of such party and shall be binding upon any assignee of, or successor-in-interest to, any such party and shall be deemed to be automatically granted anew by any assignee or successor-in-interest upon any transfer of any Unit or any interest therein, whether by deed, mortgage, or any other instrument of conveyance.

9. Right to Reconfigure or Recharacterize Limited Common Elements. The Developer shall have the reserved right, but not the obligation, in the Developer's sole discretion to amend the Declaration to reconfigure any Limited Common Elements that are appurtenant to any Unit(s) owned by the Developer or to recharacterize and redesignate any Limited Common Elements that are appurtenant to any Unit(s) owned by the Developer as being Common Elements of the Project.

The Developer may, without being required to obtain the consent or joinder of any owner, lienholder or other persons, execute, deliver and record any deed and/or amendments to the Declaration or to the Condominium Map, and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the foregoing right, powers or privileges.

Each and every party acquiring an interest in the Project, by such acquisition, consents to such reconfiguration or recharacterization of the Limited Common Elements, and to the execution and recording of any and all documents necessary to effect the same in said Office and said Bureau, including any amendment or amendments of this Declaration or to the Condominium Map; agrees to execute, deliver and record such documents and instruments and do such other things as may be necessary or convenient to effect the same; and appoints the Developer and its assigns his attorney-in-fact with full power of substitution to execute, deliver and record such documents and instruments and to do such things on his behalf, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be affected by the disability of such party or parties and shall be binding upon any assign of, or successor-in-interest to, any such party and shall be deemed to be automatically granted anew by any assign or successor-in-interest upon any transfer of any Unit or any interest therein, whether by deed, mortgage or any other instrument of conveyance.

10. Right to Modify Project. The Developer shall have the reserved right to effect such modifications to Units and Common Elements in the Project and/or to execute, record and deliver any amendments to this Declaration, the Condominium Map as well as the Bylaws, and/or House Rules as may be necessary or required by Developer in its sole discretion, or to effect compliance by the Project, the Association, or by the Developer, with laws and requirements which apply to the Project, including, without limitation, the requirements of the County of Kauai, including any agency or department thereof and the Planning Commission of the County of Kauai, the Act, and the Fair Housing Act, as amended, 42 U.S.C. §§3601 et seq., including any and all rules and regulations promulgated thereunder.

The Developer shall have the further reserved right to modify any Hotel Unit and any Limited Common Elements appurtenant thereto in any way; provided, however, that no such modification shall: (a) change the Common Interest or Common Expense obligations appurtenant to any Unit owned by any person other than the Developer; (b) convert Common Elements (other than Limited Common Elements) to Limited Common Elements or Units; (c) materially impair the right of any other Unit Owner to use and enjoy such Owner's Unit or the Limited Common Elements appurtenant thereto; or (d) materially decrease the value of the Project or of any Unit owned by any person other than the Developer. Developer may, without being required to obtain the consent or joinder of any owner, lienholder or other persons, execute, deliver and record any deed and/or amendments to this Declaration or to the Condominium Map, and any and all other instruments necessary or appropriate for the purpose of carrying out the provisions or exercising the foregoing rights, powers or privileges.

Each and every party acquiring an interest in the Project consents by such acquisition to such modifications and to the recording of any and all documents necessary to effect the same in said Office and said Bureau, including any amendment or amendments of this Declaration, the Condominium Map, Bylaws and/or House Rules, and to deliver and record such documents and instruments and do such other things as may be necessary or convenient to effect the same; and appoints the Developer and its assigns as such party's attorney-in-fact with full power of substitution to execute, deliver and record such documents and instruments and to do such things on such party's behalf, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be affected by the disability of such party; which grant of such power shall be binding upon any assignee of, or successor-in-interest to, any such party and shall be deemed to be automatically granted anew by any assignee or successor-in-interest upon any transfer of any Unit or any interest therein, whether by deed, mortgage, or any other instrument of conveyance.

11. Right to Construct a Pavilion. The Developer reserves for itself, its agents, employees, consultants, contractors, and licensees the right, but not the obligation, to construct a pavilion on the land underlying the Project (the "Pavilion"), for assembly purposes, including but not limited to wedding services and other hotel purposes as may be determined from time to time by the Developer. The Pavilion may be designated as a Hotel Unit or may be incorporated into an existing Hotel Unit and shall consist of not more than two (2) levels. The Developer further reserves for itself, its agents, employees, consultants, contractors, and licensees (i) the right to withdraw from the Common Elements the land underlying the Pavilion, and to convert such land to a Hotel Limited Common Element; (ii) the right and an easement over and upon any portion of the Project, including the Common Elements and Limited Common Elements and any Unit as may be reasonably necessary to do all things necessary and proper to construct the Pavilion; and (iii) the right to grant easements, rights of way over, across and under and upon the Project for access, service and utility purposes and such other purposes related to the construction, operation or use of the Pavilion. The Pavilion may be constructed in the general area indicated on the Condominium Map as "Future Pavilion".

12. Right to Develop and Construct a Building Containing Restrooms. The Developer reserves for itself, its agents, employees, consultants, contractors, and licensees the right, but not the obligation, to construct a building containing restrooms on the land underlying the Project (the "Pavilion"), if required or desired by the Developer, as may be determined from time to time by the Developer. The building may be designated as a Hotel Unit or may be incorporated into an existing Hotel Unit or may be designated a common element. The Developer further reserves for itself, its agents, employees, consultants, contractors, and licensees (i) the right to withdraw from the Common Elements

the land underlying the building, and to convert such land to a Hotel Limited Common Element; (ii) the right and an easement over and upon any portion of the Project, including the Common Elements and Limited Common Elements and any Unit as may be reasonably necessary to do all things necessary and proper to construct the building; and (iii) the right to grant easements, rights of way over, across and under and upon the Project for access, service and utility purposes and such other purposes related to the construction, operation or use of the building. The building may be constructed in the general area indicated on the Condominium Map as "Future Restroom".

13. Right to Acquire Fee Simple Interest in Drainage Easement. The land comprising the Project has appurtenant to it a Grant of Non-exclusive Easement dated February 5, 1997, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 97-017437, made by and between the State of Hawaii, by its Board of Land and Natural Resources, as grantor, and Wailua Associates, a California limited partnership, as grantee, granting a non-exclusive easement fifteen (15) feet wide for drainage ditch, pedestrian walkway, lagoon and culvert purposes. This easement is shown on the Condominium Map to which reference is hereby made. The State of Hawaii owns the fee simple interest in the underlying portions of land in which this easement is located. Developer will attempt to purchase said parcels of land from the State of Hawaii and, if Developer is able to do so, it will submit said parcels of land to the condominium property regime of Coco Palms Resort by an amendment of the Declaration, and Developer reserves the right to do this without the consent of any other party.

14. Right to Reassign Parking Stalls and Storage Closets. The Developer reserves the right to reassign any parking stall prior to the first conveyance of such parking stall by an amendment to the Declaration recorded in said Bureau and in said Office and also the right to reassign any storage closet prior to the first conveyance of such storage closet by an amendment to this Declaration recorded in said Bureau and in said Office.

15. Assignment of Reserved Rights. The rights reserved to the Developer in the Declaration are fully and freely assignable by the Developer in whole or in part, and every Unit Owner and all holders of liens affecting any of the Units and each and every other party acquiring an interest in the Project or the Land, or any part thereof, by acquiring such Unit, lien or other interest, consents to any such assignment by the Developer, and to the extent designated by the Developer, agrees to recognize any assignee as the "Declarant" under the Declaration.

End of Exhibit I

EXHIBIT J

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS
FOR
COCO PALMS RESORT

Estimate of Initial Residential Class Maintenance Fees*:

Unit Type	Common Interest PCI %	Monthly Fee	Residential Reserve PCI%	Monthly Residential Reserve	Residential Insurance	Month Total	X 12 Months	= Yearly Total
1, 1H, 1-R	0.1677%	$293.12	0.3283%	$33.54	$122.56	$449.22		$5,390.59
1-1, 1-1R	0.1677%	$293.12	0.3283%	$33.54	$122.56	$449.22		$5,390.59
1A	0.2073%	$362.26	0.4058%	$41.45	$151.47	$555.18		$6,662.13
1B	0.1749%	$305.77	0.3425%	$34.99	$127.86	$468.62		$5,623.49
1C	0.2374%	$414.84	0.4647%	$47.47	$173.46	$635.77		$7,629.25
1E, 1E-R	0.2307%	$403.15	0.4516%	$46.13	$168.57	$617.86		$7,414.29
1U, 1U-R	0.1837%	$321.03	0.3596%	$36.74	$134.23	$492.00		$5,903.95
2, 2H, 2-R, 2H-R	0.2498%	$436.59	0.4890%	$49.96	$182.55	$669.10		$8,029.17
2-1	0.2498%	$436.59	0.4890%	$49.96	$182.55	$669.10		$8,029.17
2L,2LH, 2L-R	0.2498%	$436.59	0.4890%	$49.96	$182.55	$669.10		$8,029.17
3, 3H	0.3319%	$580.06	0.6497%	$66.38	$242.54	$888.98		$10,667.75
3-1, 3-1-R	0.3319%	$580.06	0.6497%	$66.38	$242.54	$888.98		$10,667.75
3E, 3E-R	0.3672%	$641.74	0.7188%	$73.43	$268.33	$983.50		$11,802.01
3T, 3T-R	0.5006%	$874.95	0.9806%	$100.12	$366.06	$1,341.13		$16,093.54
3-2	0.3329%	$581.84	0.6519%	$66.58	$243.36	$891.78		$10,701.39
A-5*	0.5799%	$1,013.55	0.3455%	$115.98	$128.98	$1,258.51		$15,102.11
A-9*	1.2539%	$2,191.57	0.7467%	$250.78	$278.74	$2,721.09		$32,653.04
A-12*	1.9089%	$3,336.38	1.1366%	$381.78	$424.29	$4,142.45		$49,709.35
B-001*	3.1004%	$5,418.88	1.8464%	$620.08	$689.26	$6,728.22		$80,738.63

* denotes a hotel unit in a residential class building.

A unit owner shall become obligated for the payment of the share of the common expenses allocated to his/her unit at the time the certificate of occupancy relating to such unit is issued by the appropriate county agency.

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

End of Exhibit J

EXHIBIT K

Summary of Sales Contract

There are two forms of Deposit Receipt, Reservation Agreement or Sales Contract and Addendum "A" (the "Sales Contract") applicable to the sales of the Units in the Project. One form of Sales Contract will be used for the first ninety-nine (99) Units of the Project for which Sales Contracts are executed ("99 Unit Contract"), and the second form of Sales Contract will be used for the remaining 101 Units of the Project for which Sales Contracts are executed ("100-200 Unit Contract"). The 99 Unit Contract and the 100-200 Unit Contract are identical, except for Section 4.05 with respect to the Developer's cancellation rights, Section 4.10(e) with respect to the completion deadline and Section 4.14(c) with respect to Seller's default.

Specimen Sales Contracts have been submitted to the Real Estate Commission. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ THE SALES CONTRACT IN FULL, SINCE THIS SUMMARY IS NOT A COMPLETE DESCRIPTION of its provisions. The Sales Contract, among other things, covers in more detail the following items:

1. Developer ("Seller"), in its sole discretion, and in addition to any other rights of cancellation or termination reserved to Seller, may elect to cancel the Sales Contract if Buyer defaults under the Sales Contract. Buyer may lose all of its deposits with Escrow and Seller. Seller may, at its option, pursue other legal remedies. If Seller defaults under the 99 Unit Contract, Buyer shall have the right to cancel and terminate the Sales Contract. If Seller defaults under the 100-200 Unit Contract, Buyer shall be entitled to specific performance of the Sales Contract, or shall have the right to cancel and terminate the Sales Contract.

2. Buyer is required to prepay Additional Sums, closing costs and prorations as more particularly described in the Sales Contract.

3. The Sales Contract confirms that Buyer has had the opportunity to read and approve the Project documents, including the Declaration, Bylaws, Condominium Map, House Rules, the form of Unit Deed, Escrow Agreement, this Public Report and all amendments and supplements to all such documents.

4. The rights of any of Seller's construction lenders with a security interest the Project will be superior to the rights of Buyer under the Sales Contract.

5. Buyer specifically acknowledges and accepts certain enumerated conditions regarding on-going development and marketing of the project stated in the Sales Contract as well as any inconvenience or annoyance which Buyer may experience as a result of such conditions, and expressly waives any rights, claims or action which Buyer might otherwise have against Seller or third parties as a result of such circumstances.

6. If Buyer cancels the Sales Contract because of Seller's default, Seller will repay to Buyer all sums paid by Buyer to the Seller or to Escrow under the Sales Contract.

7. Seller shall have certain rights and remedies against Buyer in the event Buyer fails to perform any of the terms and conditions of the Sales Contract, including failure to comply with the pre-closing and closing requirements, as more particularly described in the Sales Contract, including the right to retain Buyer's deposit, the right to other damages, and the right to specifically enforce the Sales Contract.

8. The Sales Contract prohibits Buyer from assigning the Sales Contract.

9. BUYER AGREES THAT NEITHER SELLER NOR ANY SALESPERSON OR OTHER PERSON AFFILIATED WITH OR IN ANY WAY RELATED TO SELLER HAS TALKED TO BUYER AT ALL ABOUT ANY OF THE FOLLOWING MATTERS:

(1) Any rental income to be derived from the Property.

(2) Any sales services for Buyer's Property after Buyer acquires it.

(3) Any economic benefit which Buyer may derive from the purchase of ownership of the Property.

(4) Any tax advantages or tax effects from Buyer buying the Property.

IF BUYER WANTS TO RENT OR SELL THE PROPERTY, HOW BUYER DOES IT WILL BE UP TO BUYER.

10. Seller's Right to Cancel the Sales Contract.

a. 99 Unit Contract. Paragraph 4.05 of the 99 Unit Contract provides as follows: "NOTWITHSTANDING ANY OTHER PROVISIONS IN THIS AGREEMENT, SELLER HEREBY RESERVES THE RIGHT TO CANCEL THIS AGREEMENT AT ANY TIME, FOR ANY REASON, IN ITS SOLE DISCRETION, PRIOR TO CLOSING BY GIVING AT LEAST TEN (10) DAYS WRITTEN NOTICE TO BUYER. IF SELLER EXERCISES ITS RIGHT TO CANCEL THIS AGREEMENT, BUYER SHALL BE ENTITLED TO AN IMMEDIATE REFUND OF ALL OF BUYER'S DEPOSITS, TOGETHER WITH INTEREST IF BUYER HAS ELECTED TO HAVE BUYER'S DEPOSITS EARN INTEREST, ANY ADDITIONAL SUMS PAID, AND ALL OTHER PAYMENTS BUYER HAS MADE PURSUANT TO THIS AGREEMENT, LESS ANY ESCROW FEE (NOT TO EXCEED $250.00) (SAID DEPOSITS, ADDITIONAL SUMS AND OTHER PAYMENTS, MINUS THE ESCROW FEE, COLLECTIVELY REFERRED TO HEREINAFTER AS "BUYER PAYMENTS"). BUYER UNDERSTANDS AND AGREES THAT IF SELLER CANCELS THIS AGREEMENT, BUYER'S SOLE AND EXCLUSIVE REMEDY SHALL BE THE REFUND OF THE BUYER PAYMENTS, AND BUYER SHALL HAVE NO OTHER REMEDIES AGAINST SELLER INCLUDING, WITHOUT LIMITATION, REMEDIES FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE, OR OTHER ECONOMIC LOSS ARISING FROM OR RELATING TO THIS AGREEMENT OR THE SUBJECT MATTER HEREOF. UPON SELLER'S CANCELLATION, THIS AGREEMENT SHALL BE OF NO FURTHER FORCE OR EFFECT, AND SELLER SHALL BE DISCHARGED FROM ALL FURTHER LIABILITY HEREUNDER."

b. 100-200 Unit Contract. Paragraph 4.05 of the 100-200 Unit Sales Contract provides as follows: "BUYER IS HEREBY NOTIFIED THAT SELLER HEREBY RESERVES THE RIGHT TO CANCEL THIS AGREEMENT IF SELLER IS NOT ABLE TO OBTAIN AGREEMENTS COVERING ONE HUNDRED PERCENT (100%) OF THE RESIDENTIAL UNITS OF THE PROJECT ON OR BEFORE [a date to be inserted that is not later than 180 days from the date the first sales contract is signed] IF SELLER DOES NOT OBTAIN BINDING AGREEMENTS COVERING ONE HUNDRED PERCENT (100%) OF THE RESIDENTIAL UNITS OF THE PROJECT ON SUCH DATE, SELLER MAY, UPON TEN (10) DAYS WRITTEN NOTICE TO BUYER, CANCEL THIS AGREEMENT, AND BUYER SHALL BE ENTITLED TO AN IMMEDIATE REFUND OF ALL OF BUYER'S DEPOSITS, TOGETHER WITH INTEREST IF BUYER HAS ELECTED TO HAVE BUYER'S DEPOSITS EARN INTEREST, ANY ADDITIONAL SUMS PAID, AND ALL OTHER PAYMENTS BUYER HAS MADE PURSUANT TO THIS AGREEMENT, LESS ANY ESCROW FEE (NOT TO EXCEED $250.00) (SAID DEPOSITS, ADDITIONAL SUMS AND OTHER PAYMENTS, MINUS THE ESCROW FEE, COLLECTIVELY REFERRED TO HEREINAFTER AS "BUYER PAYMENTS"). BUYER UNDERSTANDS AND AGREES THAT IF SELLER CANCELS THIS AGREEMENT, BUYER'S SOLE AND EXCLUSIVE REMEDY SHALL BE THE REFUND OF BUYER'S DEPOSITS, TOGETHER WITH INTEREST ON SUCH DEPOSITS, IF PROVIDED FOR HEREIN, AND OTHER PAYMENTS MADE PURSUANT TO THIS AGREEMENT, AND BUYER SHALL HAVE NO OTHER REMEDIES AGAINST SELLER INCLUDING, WITHOUT LIMITATION, REMEDIES FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE, OR OTHER ECONOMIC LOSS ARISING FROM OR RELATING TO THIS AGREEMENT OR THE SUBJECT MATTER HEREOF. UPON SELLER'S CANCELLATION, THIS AGREEMENT SHALL

BE OF NO FURTHER FORCE OR EFFECT, AND SELLER SHALL BE DISCHARGED FROM ALL FURTHER LIABILITY HEREUNDER."

11. Cancellation Before Agreement Becomes Binding. THE SALES CONTRACT MAY BE CANCELLED AT ANY TIME BEFORE IT BECOMES A BINDING CONTRACT, WITH OR WITHOUT CAUSE, AT THE OPTION OF EITHER PARTY, BY WRITTEN NOTICE OF SUCH CANCELLATION TO THE OTHER PARTY. In the event of such cancellation, Seller shall cause Escrow to refund all of Buyer's payments (less any cancellation fees for Escrow and other costs, not to exceed $250.00) and neither Seller nor Buyer shall have any other or further liability under this Agreement or with respect to the Unit or the Project.

12. Sales Contract Not Binding if Buyer Fails to Waive Right to Cancel within 30-day Cancellation Period. Notwithstanding anything in Chapter 514B, HRS, to the contrary, the Sales Contract provides that if by midnight of the thirtieth (30th) day after the date the Buyer signs the Sales Contract or after Buyer has received the Developer's Public Report and the Notice of Cancellation, whichever is the last to be received by Buyer, Buyer does not return the Notice of Cancellation wherein Buyer has affirmatively waived the right to cancel, the Sales Contract shall not become binding and may be canceled at Seller's option. In the event of such cancellation, Seller shall cause Escrow to refund all of Buyer's payments (less any cancellation fees for Escrow and other costs, not to exceed $250.00) and neither Seller nor Buyer shall have any other or further liability under this Agreement or with respect to the Unit or the Project.

ALL BUYERS SHOULD READ THE SALES CONTRACT IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE SALES CONTRACT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE SALES CONTRACT, AND DOES NOT ALTER OR AMEND THE SALES CONTRACT IN ANY MANNER. IF ANY PROVISIONS OF THIS SUMMARY CONTRADICT THE PROVISIONS CONTAINED IN THE SALES CONTRACT IN ANY WAY, THE PROVISION OF THE SALES CONTRACT SHALL OVERRIDE THE PROVISIONS OF THIS SUMMARY.

End of Exhibit K

EXHIBIT L

Summary of Escrow Agreement

A copy of the Condominium Escrow Agreement between the Seller and Title Guaranty Escrow Services, Inc. ("Escrow") will be submitted to the Real Estate Commission. The Escrow Agreement, among other things, covers in more detail the following items:

1. Developer ("Seller") shall deliver an executed copy of each sales contract for the sale of a residential Unit to Escrow. Each sales contract shall be accompanied by the initial deposit required thereunder.

2. Seller shall pay Escrow monies received from purchasers under sales contracts covering Units in the Project. Escrow shall receive and hold in escrow and disburse funds as set forth in detail in the Escrow Agreement. Escrow shall deposit all funds so received in an account at a federally-insured interest-bearing account at a bank, savings and loan association, financial services loan company or credit union authorized to do business in the State. Except for specific circumstances stated in the Escrow Agreement, any interest earned on funds deposited in escrow under the Escrow Agreement shall accrue as specified in the sales contract.

3. No disbursements of funds held in escrow shall be made unless and until, among other conditions, (a) the purchaser has been given a copy of the Developer's Public Report with an effective date issued by the Real Estate Commission of the State of Hawaii and all amendments (the "Public Report"), and shall have acknowledged receipt of the same or shall have been deemed to have acknowledged receipt of the same; (b) the purchaser has waived its cancellation rights; (c) the purchaser has waived its rescission rights; (d) Escrow has received satisfactory evidence that the buildings have been completed and that the Seller has cleared or provided sufficient funds to cover mechanic's and materialmen's liens; (e) Seller or Seller's attorney shall have delivered a written opinion to Escrow; and (f) the purchaser has delivered to Escrow a written waiver of all options to cancel the sales contract.

4. A purchaser shall be entitled to a return of funds and Escrow shall pay such funds to such purchaser, together with any interest that may have accrued to the credit of purchaser, if any one of the following has occurred: (a) Seller and the purchaser shall have together requested Escrow in writing to return to the purchaser the funds of the purchaser held by Escrow; (b) Seller shall have notified Escrow of Seller's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Seller; or (c) the purchaser has exercised such purchaser's right to cancel or rescind the contract pursuant to the Condominium Act.

5. In the event of a default by the purchaser in any matter being handled by Escrow, upon certification by the Seller of Seller's termination of the sales contract, Escrow will thereafter treat all funds of the purchaser paid on account of such purchaser's sales contract as funds of Seller and not as funds of the purchaser.

6. Except for the sales contract and any note and mortgage that is to be closed by the mortgagee thereof, Escrow shall promptly and diligently arrange for and supervise the execution of all documents related to the Project and shall promptly, and diligently close the transactions and perform such services as are necessary or proper therefore, in the manner established in the Escrow Agreement.

NOTE: ALL BUYERS AND PROSPECTIVE BUYERS SHOULD READ THE ESCROW AGREEMENT AND ALL AMENDMENTS, IF ANY, IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE ESCROW AGREEMENT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE ESCROW AGREEMENT, AND DOES NOT ALTER OR AMEND THE ESCROW AGREEMENT IN ANY MANNER.

End of Exhibit L

EXHIBIT M

Warranties

1. Article 4, Section 4.09(a)(1) of Addendum A to the Sales Contract provides the following warranties with respect to improvements and appliances for Residential Units only:

4.09(a) Warranties or Promises.

(1) Generally; Inspection. Seller makes no warranties itself but agrees that the Closing Date of the sale of the Property shall constitute the assignment by Seller to Buyer of any and all warranties given to Seller by the general contractor for the Project (the "Contractor") and by any subcontractor or materialmen, including the Contractor's guarantee of materials and workmanship against faulty or deficient materials installed, as set forth in the construction contract for the Project, and the benefit of such warranties shall accrue to Buyer on closing without further instruments or documents. Seller is not adopting the contractor's warranty or acting as a co-warrantor, but is merely attempting to pass through to Buyer the benefit of such contractor's warranty, if any. Typically, a general contractor will provide a warranty for work found to be defective within one year after the date of substantial completion of the Project. Seller agrees to cooperate with Buyer during the effective period of any such warranties in asserting any claims based on such warranties and shall comply with all applicable laws requiring notice of the expiration of such warranties. Buyer shall also have the direct benefit (but without warranty from Seller) of any assignable or transferable manufacturer's or dealer's warranties covering the furnishings, fixtures and appliances in the Unit. Buyer acknowledges that Seller has made no other warranties, express or implied, with respect to the Project, the Property or any common elements or anything thereon or therein. At Seller's option, an inspection program may be instituted and, if so, Buyer agrees to inspect the Property on a date and time specified by Seller and upon completion of such inspection, to sign an inspection sheet to be furnished by Seller which shall list all defects or damage to the Property, if any. Buyer agrees to accept possession of the Unit despite the existence of such defects or damage regardless of extent, including, but not limited to, any defects in carpets, draperies, fixtures and appliances, which may be listed in said inspection sheet but which do not render the Unit uninhabitable. Seller will cooperate with and assist Buyer in having listed defects or damage corrected or repaired within a reasonable time thereafter by the Contractor or other warrantor. Seller's agreement to cooperate shall survive the closing. If Buyer fails to inspect the Property on the agreed date, Buyer waives the right to any further inspection. The Seller, not being the manufacturer of the furnishings, fixtures and appliances described above, nor the manufacturer's agent, disclaims any express or implied warranty of any kind whatsoever with respect to such furnishings, fixtures and appliances, including the merchantability of such furnishings and appliances or their fitness for any particular purpose. Buyer shall have, however, the benefit of any existing manufacturer's or dealer's warranties covering such furnishings, fixtures and appliances.

2. With respect to Residential Units only, Article 4, Section 4.09(a)(2) of Addendum A of the Sales Contract provides as follows:

(2) Disclaimer of Other Warranties. BUYER ACKNOWLEDGES AND AGREES THAT THE LIMITED WARRANTIES DESCRIBED IN THE FOREGOING SECTION 4.10(a)(1) ARE THE ONLY WARRANTIES SELLER MAKES, AND THAT SELLER SHALL NOT BE OR BE DEEMED TO BE OBLIGATED OR LIABLE FOR ANY OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE UNIT, THE FURNISHINGS, FIXTURES AND APPLIANCES IN THE UNIT, THE COMMON OR LIMITED COMMON ELEMENTS OF THE PROJECT, OR ANYTHING INSTALLED THEREIN.

3. With respect to Residential Units only, Article 4, Section 4.09(b) – (d) of Addendum A of the Sales Contract provides as follows:

(b) The Condominium Map is Not a Warranty. The Condominium Map for the Project is intended to show only the layout, location, unit numbers and dimensions of the units in the Project. Buyer

agrees that the Condominium Map is not intended to be and is not a warranty or promise by Seller, and does not warrant matters including but not limited to the completion of improvements, finish of improvements, landscape features, and specific location, size or quantity of common area improvements such as the swimming pools, walkways, roadways or other matters.

(c) Seller Makes No Promise or Warranty About the Amount of Monthly Maintenance Fees. Buyer has examined and approved the estimate of monthly maintenance fees and assessments for the Unit prepared by the Project's Managing Agent. Seller makes no promise or warranty about the accuracy of those amounts. Buyer understands that those amounts are only estimates and may change for various reasons. Buyer accepts and approves any changes in such estimates made by Seller or the Managing Agent.

(d) Seller Makes No Promises About Rentals or Other Economic Benefits. BUYER AGREES THAT NEITHER SELLER NOR ANY SALESPERSON OR OTHER PERSON AFFILIATED WITH OR IN ANY WAY RELATED TO SELLER HAS TALKED TO BUYER AT ALL ABOUT ANY OF THE FOLLOWING MATTERS:

(1) Any rental income to be derived from the Property;

(2) Any sales services for Buyer's Property after Buyer acquires it;

(3) Any economic benefit which Buyer may derive from the purchase of ownership of the Property; or

(4) Any tax advantages or tax effects from Buyer buying the Property.

IF BUYER WANTS TO RENT OR SELL THE PROPERTY, HOW BUYER DOES IT WILL BE UP TO BUYER.

Buyer agrees that the terms of this Section 4.09(d) will continue after the closing and will apply to Buyer as well as to anyone claiming by, through or under Buyer or the Property.

End of Exhibit M

EXHIBIT N

Estimated Dates of Completion

The estimated dates of completion for the Residential Units are as follows:

1. For Residential Units sold pursuant to the 99 Unit Contract (as described in Exhibit K):	Four years from the date the sales contract becomes binding
2. For Residential Units sold pursuant to the 100-200 Unit Contract (as described in Exhibit K):	Two years from the date the sales contract becomes binding

End of Exhibit N

EXHIBIT O

Additional Disclosures About the Project

1. Development Permits. Because the proposed Project is located within the Special Management Area, the boundaries of which were established by the County of Kauai, the Developer was required to secure a Special Management Area Permit ("SMA Permit") for the Project. In addition to applying for an SMA Permit, the Developer applied for a Project Development Use Permit, a Use Permit, a Variance Permit and a Class IV Zoning Permit (collectively, the "Development Permits"). On January 25, 2005, the Planning Commission of the County of Kauai approved the Developer's applications for the Development Permits, subject to certain conditions, including, without limitation, the following:

a. The Developer is required to provide a minimum of 689 off-street parking stalls for the Project. Of those 689 stalls, 10 stalls shall be designated as public parking stalls for use by the public and are to be marked with "public parking" signs.

b. The Developer is required to provide a grant of easement to the owner of the proposed "Seashell Restaurant" to be located on Tax Map Key Parcel 4-1-05:14 (located across Kuhio Highway from the Project) to allow the Seashell Restaurant to use the required number of parking stalls within the Project's parking structure. The Developer has reserved the right to grant such an easement in the Declaration of Condominium Property Regime.

c. The Developer is required to submit the building design, landscaping plan and color scheme for the Project to the Planning Commission of the County of Kauai for review and approval prior to applying for a building permit. The Developer has reserved the right to so modify the Project in the Declaration of Condominium Property Regime to comply with county requirements.

d. The Developer is required to permit reasonable public access to the significant cultural areas of the Project, including the lagoon located within the Project (known as the "Kapule fishponds"). The Developer is required to provide an easement for public pedestrian purposes to the County of Kauai to the significant cultural areas of the lagoon. The Declaration of Condominium Property Regime provides for such an easement to be granted.

e. The Developer is required to petition the State Historic Preservation Office to include the lagoon in the Hawaii Register of Historic Places. The Developer is also required to develop a plan for the cleaning and maintenance of the lagoon and to submit the plan to the State Historic Preservation Division for its review and approval.

f. During special events held at the Project, the Developer is required to use its best efforts to accommodate overflow parking consistent with normal resort operations. The Declaration of Condominium Property Regime provides for such action.

g. In order to minimize adverse effects on Federally Listed Threatened Species, such as Newell's Shearwater and other seabirds, all external lighting to be used in connection with the Project shall be only of the following types: shielded lights, cut-off luminaries, or indirect lighting. Spotlights aimed upward or spotlighting of structures shall be prohibited. The House Rules set forth these restrictions.

2. Burial Sites. The Developer has good reason to believe that the Land underlying the proposed Project contains various human burial sites. The Planning approval of the Development Permits includes the following conditions relating to such burial sites:

a. The Developer must conduct additional subsurface testing when buildings are demolished for the proposed parking structure.

b. The Developer must revise the archaeological inventory survey report which it prepared and submit it to the State Historic Preservation Division and the County of Kauai for review and approval. Until the revised archaeological inventory report is approved, no construction activities shall take place.

c. If significant non-burial historic sites are present, then detailed mitigation plans must be submitted to the State Historic Preservation Division for approval.

d. If burials are discovered, burial treatment determinations must be handled by the Kauai Island Burial Council. A burial treatment plan shall be prepared for the burials in accordance with statutory provisions and the plan must be successfully executed prior to any land alteration.

3. Access to the Project.

a. Vehicular Access. Prior to issuance of the Certificate of Occupancy for the Project, the Seller must provide the traffic improvements along Kuhio Highway and Kuamoo Road as recommended by the Seller's Traffic Impact Assessment Report and the State Department of Transportation, unless the State Department of Transportation or the County of Kauai changes or waives the requirements of such report. Among the State Department of Transportation's requirements for access (which may be changed or waived as aforesaid) is the requirement that access may be made to the Project off of Kuhio Highway only through right-turns. No left turns into the Project from Kuhio Highway will be permitted.

b. Pedestrian Access Over Kuhio Highway. Pedestrian access from the Project over Kuhio Highway (necessary for access to the beach and proposed facilities) will be through a proposed pedestrian bridge over the highway. Access to the pedestrian bridge, including the proposed elevator and stairway structure within the Project, are to be provided on a 24-hour, 7-day a week basis. As indicated in the Declaration of Condominium Property Regime, the Developer intends to secure a grant of easement or similar rights from the Department of Transportation to allow use of the airspace over Kuhio Highway and any other areas within the state right of way for the pedestrian access bridge. Upon receipt of such grant of easement or similar right from the Department of Transportation, the Developer intends to assign such rights to the Association of Unit Owners of the Project.

4. Flood Area. Portions of the Project lie within the AE flood zone as designated on the Federal Emergency Management Agency's Flood Insurance Rate Maps. The AE flood zone is defined as "special flood hazard areas inundated by the 100-year flood with base flood elevations determined." The base flood elevations for the AE flood zone in resort areas is 15 feet above mean sea level, requiring the lowest habitable floors to be elevated to or above this level.

End of Exhibit O