

This Amendment 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 amendment to the 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, material changes, or pertinent changes about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

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 amendment may be used by the Developer for promotional purposes only if it is used with the last Developer's Public Report in its entirety.

Prospective purchasers and purchasers are encouraged to read this amendment carefully and to seek professional advice.

Summary of Changes from Earlier Developer's Public Report are Described Beginning on the Next Page

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (808) 586-2643 to submit your request.

Summary of Changes from Earlier Developer's Public Report:

This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public Report with the effective date as noted on the top of page 1 if they wish to know the specific changes that have been made.

Changes made are as follows (include a description of what the change is and page number and or exhibit alphabet or number; additional pages may be used):

Page 9, Section 2.3: The escrow depository shall be changed from Island Title Corporation to OLD REPUBLIC TITLE & ESCROW OF HAWAII, LTD., whose principal place of business and post office address is 1001 Kamokila Boulevard, Suite 130, James Campbell Building, Kapolei, Hawaii 96707.

Page 13, Section 5.1: The Specimen Sales Contract referenced therein has now been changed from the Ho'omaika'i Village at Ma'ili Beach Deposit Receipt and Sales Agreement to the standard form Hawaii Association of Realtors Purchase Contract; a copy thereof has been submitted to the Real Estate Commission in connection with this Amendment #2.

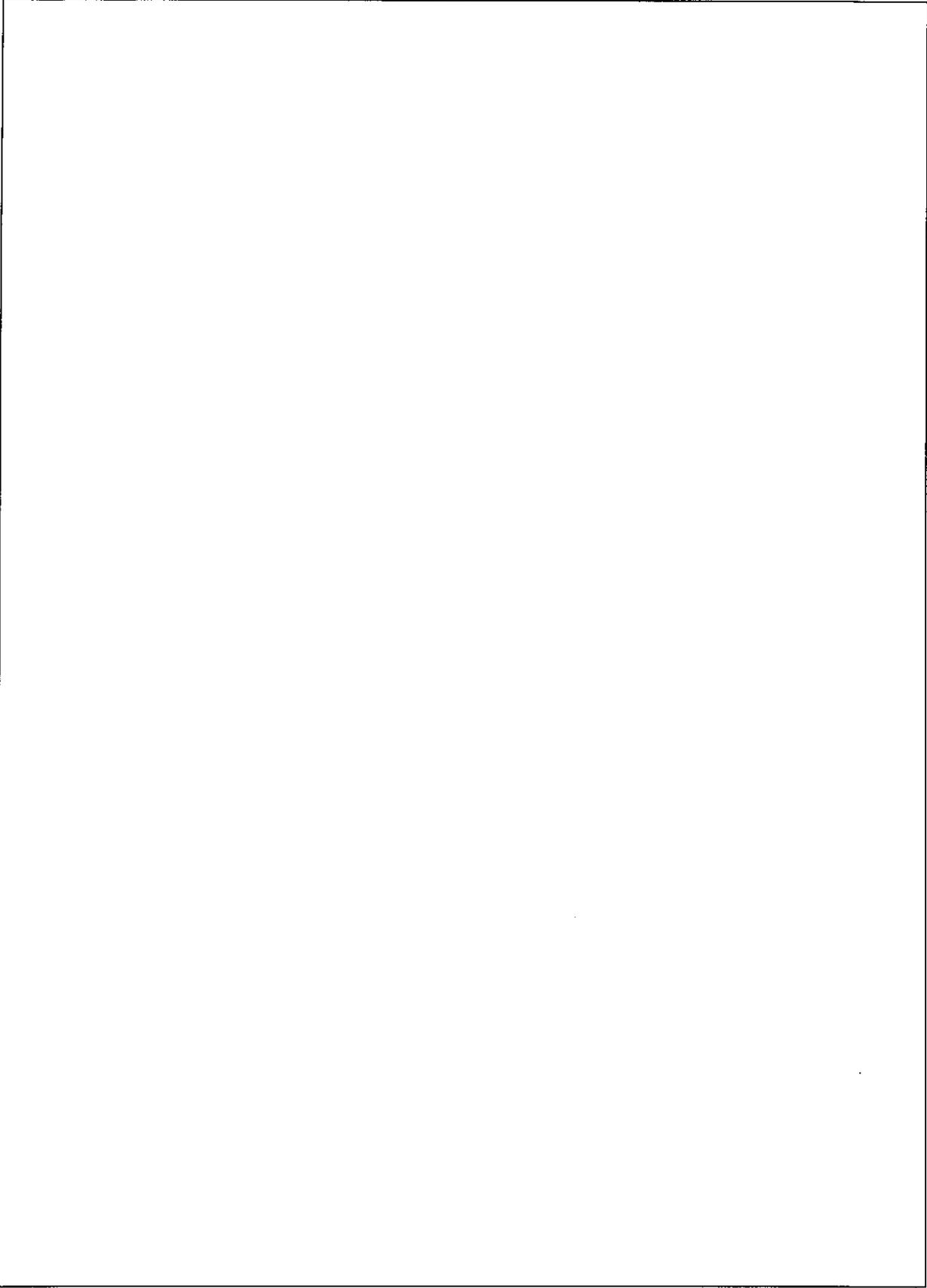
Exhibit G, the Summary of Sales Contract, shall be replaced in its entirety with the attached Exhibit G.

Page 13, Section 5.1: The Escrow Agreement referenced therein has been replaced by that certain Escrow Agreement executed by the Developer and Old Republic Title & Escrow of Hawaii, Ltd. on September 16, 2010, a copy thereof has been submitted to the Real Estate Commission in connection with this Amendment #2.

Exhibit H, the Summary of Escrow Agreement, shall be replaced in its entirety with the attached Exhibit H.

An Exclusive Right-to-Sell Listing Agreement, dated April 27, 2010, by and between Team Real Estate, Inc. and Lomarey III, LLC for 87-105-2 has been submitted to the Real Estate Commission.

Changes continued:



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2. PERSONS CONNECTED WITH THE PROJECT

<p>2.1 Developer(s)</p>	<p>Name: LOMAREY III, LLC, a California limited liability company</p> <p>Business Address: c/o Finn & Cohen, 425 Pacific St., #302 Monterey, California 93940</p> <p>Business Phone Number : (310) 780-4500</p> <p>E-mail Address: matt.kunitz@endemolusa.tv</p>
<p>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).</p>	<p>Member/Manager Matt Kunitz and Daniel Glosser</p> <p>See additional Members listed on Exhibit "J" attached hereto</p>
<p>2.2 Real Estate Broker</p>	<p>Name: TEAM REAL ESTATE, INC.</p> <p>Business Address: 84-1170 Farrington Hwy., Bldg.A2, Ste. BFla, Waianae, HI 96792</p> <p>Business Phone Number: (808) 695-0227</p> <p>E-mail Address: Teresa Abella [teresaabella@hawaii.rr.com]</p>
<p>2.3 Escrow Depository</p>	<p>Name: OLD REPUBLIC TITLE & ESCROW OF HAWAII, LTD</p> <p>Business Address: 1001 Kamokila Blvd., Ste.130 Honolulu, HI 96707</p> <p>Business Phone Number: (808) 693-7250</p>
<p>2.4 General Contractor</p>	<p>Name: CUTWATER BUILDERS, LLC</p> <p>Business Address: P.O. Box 1153, Waialua, HI 96791</p> <p>Business Phone Number: (808) 383-5964</p>
<p>2.5 Condominium Managing Agent</p>	<p>Name: CERTIFIED MANAGEMENT, INC.</p> <p>Business Address: 3179 Koapaka Street Honolulu, HI 96819-5199</p> <p>Business Phone Number: (808) 836-9011</p>
<p>2.6 Attorney for Developer</p>	<p>Name: WILLIAM C. BYRNS, ESQ.</p> <p>Business Address: 1001 Bishop St., Ste. 2650 Honolulu, HI 96813</p> <p>Business Phone Number: (808) 523-3080</p>

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit <u>G</u> contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement dated: September 16, 2010 Name of Escrow Company: Old Republic Title & Escrow of Hawaii, Ltd. Exhibit <u>H</u> contains a summary of the pertinent provisions of the escrow agreement.
<input type="checkbox"/>	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.

<input checked="" type="checkbox"/>	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
<input type="checkbox"/>	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit ____ .
<input checked="" type="checkbox"/>	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.

<input checked="" type="checkbox"/>	There are <u>no blanket liens</u> affecting title to the individual units.
<input type="checkbox"/>	There are <u>blanket liens</u> that may affect title to the individual units.

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

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:
Building and Other Improvements: No change.
Appliances: None.

EXHIBIT "G"
Developer's Public Report for Condominium
Condominium Project Name: HO'OMAIKA'I VILLAGE AT MA'ILI BEACH

SUMMARY OF SALES CONTRACT

1. Evidence of Title. Seller shall furnish Buyer evidence of Seller's marketable title to the interest which is to be conveyed to Buyer. If Seller fails to deliver title as herein provided, Buyer has the option to terminate this agreement and have any of Buyer's deposits returned to Buyer. The foregoing shall not exclude any other remedies available to Buyer. Buyer will receive an Owner's standard coverage policy of title insurance at closing; (a) Seller shall pay 60% of the premium to be charged for an Owner's standard coverage policy of title insurance to be issued to the buyer in the amount of the sales price; and (b) Buyer shall pay 40% of such premium and any additional costs relating to the issuance of any extended coverage policy, including a Lender's policy.

2. Risk of Loss. Risk of loss passes to Buyer upon transfer of title or occupancy whichever occurs first.

3. Default. It is expressly understood and agreed: First: In the event Buyer fails to pay the balance of the purchase price or complete the purchase as herein provided, Seller may (a) bring an action for damages for breach of contract; (b) retain the initial deposit and all additional deposits provided for herein, as liquidated damages; and (c) Buyer shall be responsible for any cost incurred in accordance with this contract. Second: In the event Seller fails to perform his obligations as herein provided, Buyer not being in default, Buyer may (a) bring an action against Seller for damages for breach of contract; (b) file and maintain an action against Seller for specific performance of this contract; and (c) Seller shall be responsible for any cost incurred in accordance with this contract. The foregoing shall not exclude any other remedies available to either Seller or Buyer. In the event of default and/or a lawsuit arising out of this contract (including a suit by a REALTOR for commission), the prevailing party shall be entitled to recover all costs incurred including reasonable attorneys' fees. All expenses incurred by escrow shall be deducted from deposited funds prior to any disbursement to the prevailing party.

4. Consent. The obligations of Buyer or Seller hereunder are conditioned upon obtaining those necessary consents of vendors, existing mortgagees, lessors and/or condominium, co-op or other such associations, Buyer or Seller agree to cooperate and take all reasonable action to obtain such consents.

5. Time Is Of The Essence. If either Buyer or Seller for reasons beyond his control cannot perform his obligation to purchase or sell the property by the closing date, then such party by giving escrow written notice prior to the closing date called for in this contract with copies to all parties to this contract, can extend closing for no longer than 30 calendar days to allow performance. Thereafter time is of the essence and the default provisions of paragraph 5 apply. Any further extension must then be agreed to in writing by both parties. There is no automatic right to extend. This provision relates only to the extension of the closing date.

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

END OF EXHIBIT "G"

EXHIBIT "H"
Developer's Public Report for Condominium
Condominium Project Name: HO'OMAIKA'I VILLAGE AT MA'ILI BEACH

SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement ("Agreement") between OLD REPUBLIC TITLE & ESCROW OF HAWAII, LTD. ("Escrow"), and LOMAREY III, LLC, a California limited liability company (hereinafter, collectively, "Seller"), contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

1. Whenever Seller enters into a sales contract for the sale of a unit, Seller will require that payments due under the sales contract be made to Escrow and will deliver an executed copy of the sales contract to Escrow.
2. Escrow will receive payments under the sales contracts and sums received from any other source with respect to the project. Funds held under the Agreement will initially be deposited in an account for the project.
3. Escrow will release from the Trust Fund and disburse Buyer's funds at closing. No disbursements will be made from Buyer's fund until: (a) the Real Estate Commission has issued a Developer's Public Report on the project; (b) Buyer has waived its right to cancel the sales contract; and (c) Seller has notified Escrow that all other requirements of Sections 514B-82 to 514B-93, Hawaii Revised Statutes ("HRS"), have been met. Where sales contracts are entered into, Escrow will disburse funds upon presentation by Seller of Buyer's signed receipt for the Developer's Public Report and with notification by Seller that all of the requirements of Section 514B-82 to 514B-93, HRS, have been met. Escrow will call for payments by the Buyer upon receipt of notice from Seller that any payments are due under sales contract. Any disbursement of funds for project costs prior to closing or prior to completion of the project will be made in compliance with Section 6.4 of the Agreement and the requirements of Section 514B-92 or 514B-93, HRS, as applicable.
4. Escrow will return deposited sums to the Buyer without interest if Seller gives Escrow written notice to return the funds to Buyer, or with respect to a Buyer whose funds were obtained before the issuance of a Developer's Public Report, Escrow receives from the Buyer a written request to cancel the sales contract or after issuance of the Developer's Public Report and Buyer's waiver of his right to cancel the sales contract in accordance with Section 514B-86, HRS, there shall be any pertinent change and/or material change in the project which directly, substantially and adversely affects the use or value of the Buyer's unit or appurtenant common elements or those amenities of the project available for Buyer's use, of a nature entitling the Buyer to cancel his sales contract pursuant to Section 514B-87, HRS. These funds shall be returned to Buyer less Escrow's cancellation fee, if any, any mortgagee's cancellation fee and all other costs incurred in connection with the Escrow. Any return of funds to the Buyer will be governed by Section 7 of the Agreement.
5. As Escrow's compensation for its performance under this Agreement, Escrow will receive an amount to be determined by Escrow for each unit for which an unit deed of the project is handled by Escrow and recorded in the Bureau of Conveyances of the State of Hawaii. Escrow will record all applicable documents. Title insurance will also cost an additional sum.
6. If Buyer defaults under the sales contract and Seller subsequently certifies in writing to Escrow that Seller has terminated the Sales Contract, Escrow shall thereafter treat all funds of the Purchaser under the sales contract as funds of the Seller and not the Purchaser. Upon Seller's request, Escrow shall pay such funds to Seller less any cancellation fee.

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