DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM

CONDOMINIUM PROJECT NAME	KEALANANI MAKEE PHASES 1 AND 2
Project Address	2371 Kealia Road Kealia, Kauai, Hawaii 96751
Registration Number	6290
Effective Date of Report	**August 1, 2007**
Developer(s)	PLANTATION PARTNERS KAUAI, LLC, a Hawaii limited liability company; DCA HAWAII, LLC, , a Hawaii limited liability company; and KEALIAKEALANANI, LLC, a Hawaii limited liability company

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; and (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, including any omitted material facts, 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.]

NOTE:

1. Developer has not recorded the Declaration, By-Laws and Condominium Map for this KEALANANI MAKEE PHASES 1 AND 2 condominium project (collectively the "condominium documents").

As a result, an sales contract entered into by Buyer is non-binding and may be cancelled at any time. Upon cancellation, Buyer shall be entitled to a prompt and full refund of all moneys paid, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.

The sales contract between Buyer and Developer will become binding with ALL of the following events occur:

1. The condominium documents have been recorded;
2. A copy of an amended public report with an effective date issued by the Real Estate Commission has been delivered to the Buyer, along with copies of the recorded condominium documents; and
3. The Buyer has waived Buyer's 30-day right to cancel the sales contract.

2. Each unit in the project is a "spatial unit" consisting of a cube of air space that is approximately as follows and as further described in the Declaration of Condominium Property Regime of Kealanani Makee Phases 1 and 2 ("Declaration of Condominium Property Regime"); however, the unit may be altered to include improvements to be constructed later at Buyer's expense in accordance with design guidelines provided in the Declaration of Condominium Property Regime, the Master Declaration of Covenants, Conditions, Restrictions and Easements for Kealanani and the Design Guidelines Handbook.

Makee Phase	Unit	Buildable Unit Square Footage
1	2A	25,000
1	2B	36,000
1	3	30,000
1	4	25,000
1	5	43,560
1	6	43,560
2	21A	15,000
2	21B	15,000
2	22A	22,000
2	22B	15,000
2	23A	15,000
2	23B	15,000
2	24A	18,000
2	24B	16,000
2	24C	22,000
2	24D	22,000
2	25A	20,000
2	25B	17,000
2	26A	15,000
2	26B	19,000
1	26C	20,000
1	26D	27,000

2	27A	15,000
2	27B	15,000
2	28A	17,000
2	28B	15,000
1	29A	17,500
1	29B	15,000
1	31A	23,000
1	31B	18,000
1	32A	18,000
1	32B	27,500
1	33A	20,000
1	33B	20,000
1	34A	20,000
1	34B	17,500
2	30A	19,000
2	30B	22,000
2	42J	16,000
2	42K	15,000
2	42L	17,000
2	42M	20,000
2	42N	20,000
1	35A	19,000
1	35B	18,000
1	36A	25,000
1	36B	15,000
1	37A	15,000
1	37B	20,000
1	38A	20,000
1	38B	25,000
1	39A	23,000
1	39B	17,500
1	39C	27,000
1	39D	26,000
1	40A	23,000
1	40B	23,000
1	41A	22,000
1	41B	22,000
1	41C	22,000

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The Condominium Map (8 1/2 x 11) has NOT been provided to Buyer. Pursuant to Section 514B-86(a)(1)(A) of the Act, Seller advises Buyer that it is impractical, for legibility reasons, to provide buyers a letter-sized Condominium Map. Accordingly, Buyer shall have the opportunity to examine the Condominium Map at the Sales Office of Seller upon request.

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 being concurrently delivered to you with 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	
Address of Project	2371 Kealia Road Kealia, Kauai, Hawaii 96751
Address of Project is expected to change because	
Tax Map Key (TMK)	(4) 4-7-03:02
Tax Map Key is expected to change because	The TMK No. may change after approval of final subdivision by the County of Kauai.
Land Area	928.771 acres, more or less
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	60 (spatial units)
Floors Per Building	N/A
Number of New Building(s)	N/A
Number of Converted Building(s)	N/A
Principal Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	N/A

1.3 Unit Types and Sizes of Units

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

60	**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:	*
Number of Guest Stalls in the Project:	N/A
Number of Parking Stalls Assigned to Each Unit:	N/A
Attach _____ 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. *Each unit has ample space for parking within its limited common element land area. If unit owner constructs a farm dwelling, parking will be required as part of the improvements.	

1.5 Boundaries of the Units

Boundaries of the unit: See **Exhibit B** for a description of the unit boundaries.

1.6 Permitted Alterations to the Units

Permitted alterations to the structures on 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 C**.

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 D**.

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)
☐	Exercise Room
☐	Security Gate
☐	Playground
☒	Other (describe): Hiking Trails to be identified by supplemental declaration to the Master Declaration

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 E**.
Described as follows:

Common Element	**Number**
Elevators	**N/A**
Stairways	**N/A**
Trash Chutes	**N/A**

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: Occupancy shall be in accordance with any limitations imposed by State or municipal law ordinances.
☒	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: February 8, 2007
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: **Exhibit I**				
	Type of Use	No. of Units	Use Permitted by Zoning	Zoning
☐	Residential		☐ Yes ☐ No	
☐	Commercial		☐ Yes ☐ No	
☐	Mix Residential/Commercial		☐ Yes ☐ No	
☐	Hotel		☐ Yes ☐ No	
☐	Timeshare		☐ Yes ☐ No	
☐	Ohana		☐ Yes ☐ No	
☐	Industrial		☐ Yes ☐ No	
☒	Agricultural	9 – Agricultural zone only	☒ Yes ☐ No	Agricultural
☐	Recreational		☐ Yes ☐ No	
☒	Other (specify)	7 – Open zone only 44 - Mixed Agricultural and Open zoning	☒ Yes ☐ No	Open Mixed Agricultural & Open
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.			N/A	

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: N/A

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 N/A
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:

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: The Master Declaration, CPR Declaration, Agricultural Guidelines, Sales Contract, and Unit Deed disclose that the project is in an agricultural district, subject to conformance with State and County laws with respect to its use, including but not limited to Hawaii Revised Statutes, Chapter 205 and Kauai County Code, Chapter 8, and farm dwelling unit requirements set forth therein. A separate Declaration of Restrictive Covenants will be recorded for each unit which each owner will acknowledge.	

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(s)	Name: **See Exhibit J** Business Address: Business Phone Number: E-mail Address:
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).	Name: **See Exhibit J** Business Address: Business Phone Number: E-mail Address:
2.2 Real Estate Broker	Name: Sleeping Giant Realty, Inc. dba Sleeping Giant Sotheby's Hawaii International Realty Business Address: 4480 Ahukini Road Lihue, HI 96766 Business Phone Number: (808) 245-8831 E-mail Address: paul@sleepinggiant.com
2.3 Escrow Depository	Name: Title Guaranty Escrow Services, Inc. Business Address: 235 Queen Street, 1st Floor Honolulu, Hawaii 96813 Business Phone Number: (808) 826-5305 E-mail Address: lwall@tghawaii.com
2.4 General Contractor	Name: N/A Business Address: Business Phone Number: E-mail Address:
2.5 Condominium Managing Agent	Name: Hawaii First, Inc., Business Address: 800 Bethel Street, Suite 501 Honolulu, Hawaii 96813 Business Phone Number: (808) 792-3001 E-mail Address: RBE@hawaiifirst.com
2.6 Attorney for Developer	Name: Dennis M. Lombardi, Esq. Lauren R. Sharkey, Esq. Business Address: 737 Bishop Street, Suite 2600 Honolulu, Hawaii 96813 Business Phone Number: (808) 547-5400 E-mail Address: DML@caselombardi.com LRS@caselombardi.com

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
Not yet recorded.	March 6, 2007	

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

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
Not yet recorded.	March 6, 2007	

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

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	**Not yet recorded.**
Bureau of Conveyances Map Number	
Dates of Recordation of Amendments to the Condominium Map:	

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%, See **Exhibit K**
Bylaws	67%	67%, See **Exhibit K**

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 L**.

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 M 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) refuse collection

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 N** 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: February 22, 2007 Name of Escrow Company: Title Guaranty Escrow Services, Inc., a Hawaii corporation **Exhibit O** 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. **N/A**

☐	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.
☐	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 <u>no blanket liens</u> affecting title to the individual units.
☒	<u>There are 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
Mortgage	See **Exhibit P**.

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: N/A
Appliances: N/A

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

Status of Construction: Developer estimates construction to commence approximately July/August 2007.
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: If the Unit Deed is not delivered within 180 days of the signing of the Sales Contract, the Buyer may cancel the Sales Contract any time within two years from the date of signing. The Declaration, Agricultural Guidelines, Sales Contract, and Unit Deed all disclose that the project is in an agricultural district and subject to conformance with State and County laws with respect to its use, including but not limited to Hawaii Revised Statutes, Chapter 205 and Kauai County Code, Chapter 8. A separate Declaration of Agricultural Use will be recorded for each unit which each owner will acknowledge.
Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract:

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: Master Declaration Of Covenants And Covenants, Conditions, Restrictions And Easements For Kealanani, Design Guidelines, Agricultural Guidelines and all documents as provided in Exhibit H.

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

See **Exhibit Q**.

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 and include either or all material facts, material or pertinent changes to any information contained in or omitted from 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.

Plantation Partners Kauai, LLC
Printed Name of Developer

By: H. Andrew Friend
Duly Authorized Signatory*

July 30, 2007
Date

H. Andrew Friend, Manager
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Kauai

Planning Department, County of Kauai

***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.**

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.

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DCA Hawaii, LLC
Printed Name of Developer

By: _____ 7/30/07
Duly Authorized Signatory* Date

Peter Lynch, Manager
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Kauai

Planning Department, County of Kauai

***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.**

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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 and include either or all material facts, material or pertinent changes to any information contained in or omitted from 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.

Kealiakealanani, LLC
Printed Name of Developer

By: _____ 7/30/07
Duly Authorized Signatory* Date

Peter Lynch, Manager of Lynch Investments, LLC, a California limited liability company, Manager of Kealia Holdings, LLC, a Hawaii limited liability company
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Kauai

Planning Department, County of Kauai

***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

Section 1.3 -- Unit Types and Sizes of Units

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE UNIT TYPES AND SIZES OF UNITS CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

UNITS DIMENSIONS

The approximate acreage of each Unit and Private Agricultural Area as shown on the Condominium Map (and generally reflected in the Phase 1 and 2 Site Plan attached hereto) is as follows:

Makee Phase	Unit	Acreage
1	2A	12.471
1	2B	22.685
1	3	9.881
1	4	12.355
1	5	13.899
1	6	17.823
2	21A	3.312
2	21B	4.791
2	22A	4.017
2	22B	3.105
2	23A	3.218
2	23B	2.932
2	24A	5.647
2	24B	4.620
2	24C	4.254
2	24D	4.187
2	25A	3.684
2	25B	5.513
2	26A	3.814
2	26B	4.292
1	26C	5.088
1	26D	8.527
2	27A	3.304
2	27B	2.718
2	28A	3.132
2	28B	3.684
1	29A	3.419
1	29B	2.732
1	31A	2.809
1	31B	2.379

1	32A	3.002
1	32B	3.001
1	33A	4.831
1	33B	3.893
1	34A	3.418
1	34B	3.856
2	30A	4.830
2	30B	3.961
2	42J	5.386
2	42K	34.875
2	42L	3.778
2	42M	8.284
2	42N	18.594
1	35A	4.855
1	35B	5.058
1	36A	3.856
1	36B	3.625
1	37A	3.021
1	37B	3.120
1	38A	3.419
1	38B	3.243
1	39A	4.031
1	39B	3.326
1	39C	9.163
1	39D	4.961
1	40A	7.898
1	40B	6.722
1	41A	13.826
1	41B	9.415
1	41C	15.833

The dimensions and spatial coordinates of the Units and the Private Agricultural Areas are shown on the Condominium Map.

The Unit shall be deemed to consist of the Buildable Area, as generally reflected in the Phase 1 and 2 Site Plan attached hereto, which shall not exceed 77,000 square feet, all the space bounded by (i) the ground of the Buildable Area, (ii) the imaginary horizontal plane thirty (30) feet above the surface of the ground or as allowed under the County of Kauai Comprehensive Zoning Ordinances, and (iii) the imaginary vertical planes along the perimeter of such Buildable Area.

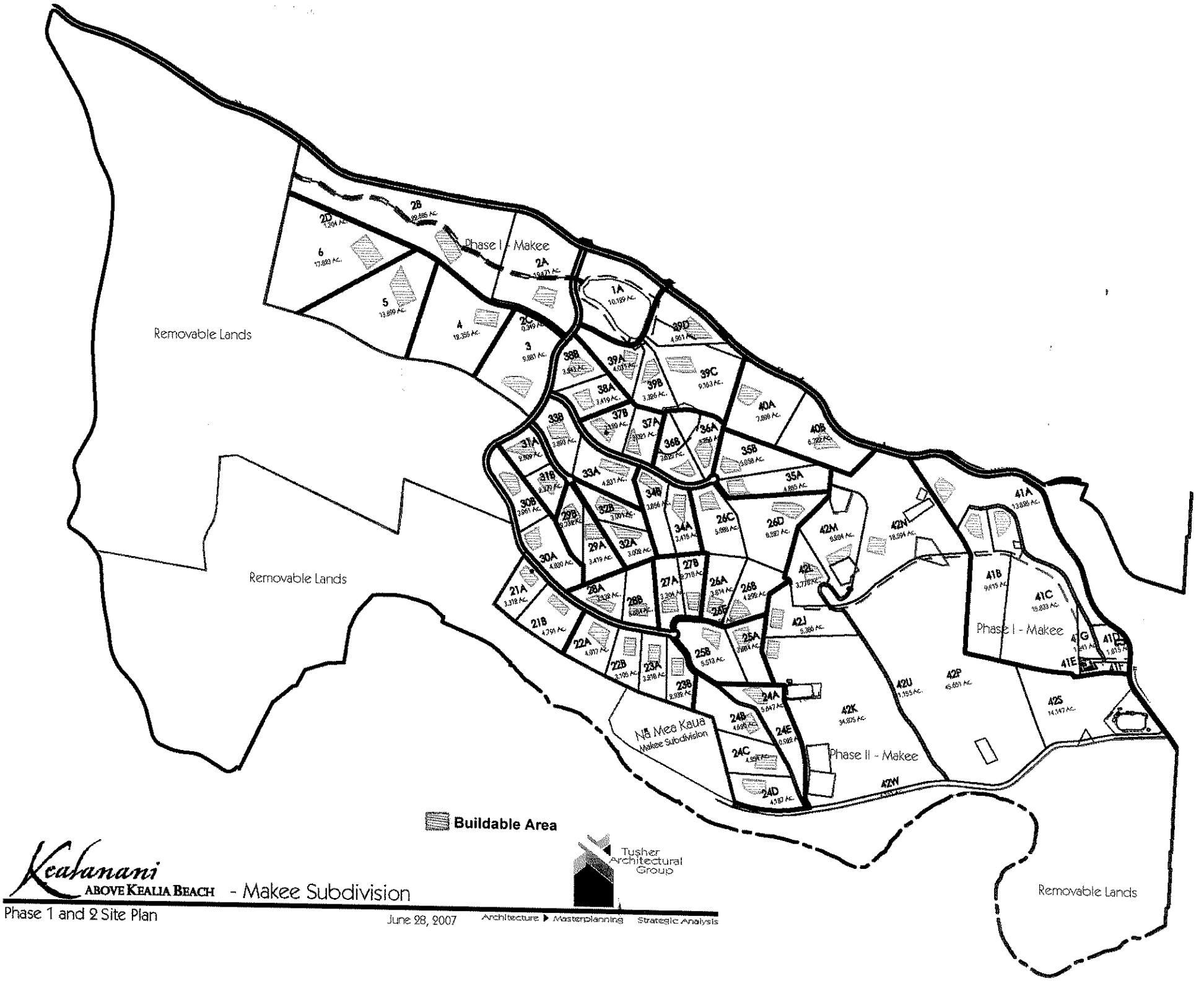
The Unit means the area as generally reflected in the Phase 1 and 2 Site Plan attached hereto, all improvements and facilities constructed or reconstructed therein, and all Limited Common Elements appurtenant to such unit. The unit includes as limited common elements the Private Agricultural Areas delineated on the Condominium Map and any access driveways on the unit. Any farm dwelling units on any Unit shall not exceed a maximum habitable area of 5,000 square feet, per Kauai County Planning Department restrictions, and a building height of twenty-five (25) feet, except as provided in the Design Guidelines.

ACCESS TO COMMON ELEMENTS

Each Unit has immediate access to the common elements of the Project.

ACCESS TO A PUBLIC STREET

The Project will have access to Kuhio Highway by means of Kealia Road and subsidiary roadways within the Project.



Keahanani
ABOVE KEALIA BEACH - Makee Subdivision

Phase 1 and 2 Site Plan

June 28, 2007

Tusher Architectural Group

Architecture ▸ Masterplanning Strategic Analysis

EXHIBIT B

Section 1.5 -- Boundaries of the Units

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE BOUNDARIES OF THE UNITS CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

BOUNDARIES OF THE UNITS

The boundaries of the units comprise the entire buildable area as generally reflected in the Phase 1 and 2 Site Plan attached to Exhibit A. The units shall not include any pipes, shafts, wires, conduits or other utility or service lines running through the units which are utilized for or serve more than one unit, all of which are deemed common elements.

END OF EXHIBIT B

EXHIBIT C

Section 1.6 -- Permitted Alterations

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE PERMITTED ALTERATIONS CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

1. Repair, Reconstruction, Restoration, and Replacement. Except as provided in the Declaration, repair, reconstruction, restoration, replacement of the Community different in any material respect from the Condominium Map shall be undertaken by the Association or any Owners only pursuant to an amendment of the Declaration. Except as expressly provided otherwise in the Declaration, any such amendment shall be duly executed by or pursuant to the affirmative vote of seventy-five percent (75%) of the Owners and accompanied by the written consent of the eligible holders of first mortgage (as hereinafter defined) on Units to which at least sixty-seven percent (67%) of the votes of Units subject to mortgages held by such eligible holders are allocated, and in accordance with complete plans and specifications therefor first approved in writing by the Board. Promptly upon completion of such repair, reconstruction, restoration, replacement, construction, alteration or addition, the Association shall duly Record and file of record such amendment together with a complete set of plans of the Community as so altered, certified as-built by a Hawaii licensed, registered architect or professional engineer.

2. Alterations or Additions. Any alterations or additions solely within a Unit or within a Limited Common Element appurtenant to and for the exclusive use of a Unit or more than one Unit, shall require only the written approval thereof, including the plans thereof, by the Owners of such Unit(s), by the holders of first mortgage liens affecting such Unit(s) (if the lien holder require such approval), by the appropriate agencies of the State of Hawaii and the County if such agencies so require, and by the Board (which approval shall not be unreasonably or arbitrarily withheld or delayed), and by all other Owners thereby directly affected (as determined in a reasonable manner by the Board); provided, however, that the Board shall always have the right to disapprove a proposed addition or alteration that the Board reasonably determines 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. Upon completion of such alterations or additions, the Owner(s) directly affected shall duly Record and file of record an amendment to the Declaration together with the approved plans showing only such alterations or additions within a Unit space or within a Limited Common Element as aforesaid. Such amendment to the Declaration need only be executed by the Owner(s) directly affected and their first mortgagees, as may be required.

3. Developer's Rights. Any other provision in the Declaration to the contrary notwithstanding and without limitation of the rights reserved to Developer in other sections of the Declaration, including, without limitation Developer's rights to alter Units and/or the Community reserved to Developer under Sections E and F prior to (i) the time that all Units in the Community have been sold and the conveyance thereof Recorded, and (ii) the filing by Developer of the "as built" verified statement (with plans, if applicable) required by Section 514B-34 of the Act, Developer shall have the right, without being required to obtain the consent or joinder of any person or group of persons, including the Association, any Owner

or any mortgagee, lienholder, or any other person who may have an interest in the Community, to do the following:

(a) To make alterations in the Community (and to amend the Declaration and the Condominium Map accordingly) which decrease or increase the size of, or change the location of any Unit (and the Limited Common Elements appurtenant thereto) in the Community which is not sold and the conveyance thereof Recorded; and

(b) To make other alterations in the Community (and to amend the Declaration and the Condominium Map accordingly) which make minor changes in any Unit in the Community or in the Common Elements which do not affect any Unit which has been sold and the conveyance thereof Recorded.

4. Permitted Alterations. Except as otherwise provided in the Declaration, the Bylaws or the Design Guidelines, an Owner may make "nonmaterial structural additions" to the Common Elements or to an Owner's Unit as the foregoing term is used in and subject to the provisions of Section 514B-140(c) of the Act.

END OF EXHIBIT C

EXHIBIT D

Section 1.7 -- Common Interest

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE COMMON INTEREST CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

Each Unit Owner shall have 1.6666666% common interest in the Homeowners' Association.

Common Expense Allocations to Phase 1: Each Unit Owner in Phase 1 shall have a 2.857142857% allocation of common expenses until the addition of Phase 2.

Developer contemplates that the community shall proceed in two (2) phases. The Developer may alter the number of units within a phase (by increasing or decreasing the number of units within a phase). Phase 1 shall consist of 35 units and Phase 2 shall consist of 25.

END OF EXHIBIT D

EXHIBIT E

Section 1.9 -- Common Elements

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE COMMON ELEMENTS CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

The common elements of the Project shall specifically include, but are not limited to, the following:

1. The Land in fee simple and those improvements to the Land, excluding the Units, but including without limitation the Project roads, roadway easements, any common area landscaping and similar improvements;

2. All the benefits, if any, inuring to the Land or the Project from all easements, if any shown on the Condominium Map or listed in Exhibit "A" attached to the Declaration of Condominium Property Regime.

3. All yards, grounds, trees, gardens, walkways, walkway railings, gates, landscaping, recycling area, trash bins, and refuse facilities not located within a Unit;

4. All roads, driveways, access lanes, paved areas, ramps and loading areas not located within a Unit;

5. All access driveways and roadway areas, which are not designated as Limited Common Elements;

6. All drainage facilities or swales, pipes, shafts, wires, conduits or other utilities or service lines running through a Unit which are utilized for or serve more than one Unit or other features of the Project.

7. All vents, shafts, sewer lines, water lines, pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations on, above, over, under and across the Project to the point of their respective connections to Improvements comprising a part of the Units or the Limited Common Elements appurtenant thereto, which serve more than one Unit, including, without limitation, those providing electricity, light, gas (if any), water, refuse, drainage, irrigation, telephone, and radio and television signal distribution (if any); and

8. Any and all other apparatus and installations existing for common use by more than one (1) Unit, and any and all other parts of the Project necessary or convenient to its existence, maintenance or safety, or normally in common use;

9. All other parts of the Project not included in the definition of a Unit, not within a Unit or designated as a limited common element.

Provided, however the above-described common elements of the Project do not include any areas designated as common elements under the Master Declaration for which expenses for maintenance and repairs shall lie within the jurisdiction of the Master Association, as provided in Article XIII of the Master Declaration.

END OF EXHIBIT E

EXHIBIT F

Section 1.10 -- Limited Common Elements

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE LIMITED COMMON ELEMENTS CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

Without limitation of designations specified in the Declaration and as determined appropriate by the Board of Directors of the Association, certain parts of the Common Elements, herein called the "Limited Common Elements", are hereby designated and set aside for the exclusive use of certain Units, and such Units shall have appurtenant thereto exclusive use of such Limited Common Elements as follows:

1. Private Agricultural Areas – the land area appurtenant to each Buildable Area Unit, as described in the Declaration and as shown on the Condominium Map. The Units and the Private Agricultural Areas are not legally subdivided lots. Private Agricultural Areas include the land area in front of, to the rear and the sides of the Buildable Area as demarked by metes and bounds and locations noted on the Condominium Map.

2. The Access Driveways for each Unit.

3. Any other area designated as a limited common element for the exclusive use of specific Owners.

END OF EXHIBIT F

EXHIBIT G

Section 1.11 -- Special Use Restrictions

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE SPECIAL USE RESTRICTIONS CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

1. Hazardous Materials. Each Owner or Occupant shall comply with all federal, state and local statutes, regulations, ordinances, or other rules intended to protect the public health and welfare as related to land, water, groundwater, air or other aspects of the natural environment (the "Environmental Laws"). The Environmental Laws shall include, but are not limited to, those laws regulating the use, generation, storage or disposal of hazardous substances, wastes and materials (collectively, the "Hazardous Materials"). No Owner shall knowingly use, generate, manufacture, store, release, dispose of or knowingly permit to exist in, on, under or about any Unit, any Common Area or any portion of the Property, or transport to or from any portion of the Property any Hazardous Materials except in compliance with the Environmental Laws.

2. Property Restrictions. No covenants, conditions, restrictions or easements, or similar instruments shall be Recorded by any Owner or other Person, except Developer, against any Unit without the provisions thereof having been first approved in writing by the Board and Developer, which approval may be withheld in the sole discretion of the Board and Developer, and any such covenants, conditions, restrictions or easements Recorded without the Board's and the Developer's approval being evidenced thereon shall be null and void.

3. Rezoning. No covenants, conditions, restrictions or easements, or similar instruments shall be Recorded by any Owner or other Person, except Developer, against any Unit without the provisions thereof having been first approved in writing by the Board and Developer, which approval may be withheld in the sole discretion of the Board and Developer, and any such covenants, conditions, restrictions or easements Recorded without the Board's and the Developer's approval being evidenced thereon shall be null and void.

4. Covenants, Conditions, Restrictions and Easements Applicable to Homesites. Subject to the Developer's rights as outlined in Section 21.2 of the Master Declaration, the following covenants, conditions, restrictions and reservations of easements and rights shall apply to all Farm Dwelling Units, the Owners thereof, and all Occupants within the Farm Dwelling Units. The Community is located within the State's agricultural district and each Farm Dwelling Unit must be used only in accordance with the uses described in the Hawaii Revised Statutes, Chapter 205, as may be amended from time to time, which provide in part as follows:

a. Lands with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class A or B shall be restricted to the following uses as permitted by Hawaii Revised Statutes § 205-4.5(a) (2006):

(1) Cultivation of crops, including but not limited to flowers, vegetables, foliage, fruits, forage, and timber;

(2) Game and fish propagation;

(3) Raising of livestock, including but not limited to poultry, bees, fish, or other animal or aquatic life that are propagated for economic or personal use;

(4) Farm dwellings, employee housing, farm buildings, or activities or uses related to farming and animal husbandry. "Farm dwelling", as used in this paragraph, means a single-family dwelling located on and used in connection with a farm, including clusters of single-family farm dwellings permitted within agricultural parks developed by the State, or where agricultural activity provides income to the family occupying the dwelling;

(5) Public institutions and buildings that are necessary for agricultural practices;

(6) Public and private open area types of recreational uses, including day camps, picnic grounds, parks, and riding stables, but not including dragstrips, airports, drive-in theaters, golf courses, golf driving ranges, country clubs, and overnight camps;

(7) Public, private, and quasi-public utility lines and roadways, transformer stations, communications equipment buildings, solid waste transfer stations, major water storage tanks, and appurtenant small buildings such as booster pumping stations, but not including offices or yards for equipment, material, vehicle storage, repair or maintenance, treatment plants, corporation yards, or other similar structures;

(8) Retention, restoration, rehabilitation, or improvement of buildings or sites of historic or scenic interest;

(9) Roadside stands for the sale of agricultural products grown on the premises;

(10) Buildings and uses, including but not limited to mills, storage, and processing facilities, maintenance facilities, and vehicle and equipment storage areas that are normally considered directly accessory to the abovementioned uses and are permitted under section 205-2(d), HRS;

(11) Agricultural parks;

(12) Plantation community subdivisions, which as used in this paragraph means a subdivision or cluster of employee housing, community buildings, and acreage established on land currently or formerly owned, leased, or operated by a sugar or pineapple plantation and in residential use by employees or former employees of the plantation; provided that the employees or former employees shall have a property interest in the land; or

(13) Agricultural tourism conducted on a working farm, or a farming operation as defined in section 165-2, HRS, for the enjoyment, education, or involvement of visitors; provided that the agricultural tourism activity is accessory and secondary to the principal agricultural use and does not interfere with surrounding farm operations; and provided further that this paragraph shall apply only to a county that has adopted ordinances regulating agricultural tourism under section 205-5, HRS; or

(14) Wind energy facilities, including the appurtenances associated with the production and transmission of wind generated energy; provided that such facilities and appurtenances are compatible with agriculture uses and cause minimal adverse impact on agricultural land.

b. Lands with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class C, D and E and so long as such lands remain with the State's agricultural district, the land shall be restricted to the following permitted uses as

permitted by Hawaii Revised Statutes, § 205-2(d):

(1) Activities or uses as characterized by the cultivation of crops, orchards, forage, and forestry;

(2) Farming activities or uses related to animal husbandry, and game and fish propagation;

(3) Aquaculture, which means the production of aquatic plant and animal life within ponds and other bodies of water;

(4) Wind generated energy production for public, private, and commercial use;

(5) Bona fide agricultural services and uses that support the agricultural activities of the fee or leasehold owner of the property and accessory to any of the above activities, whether or not conducted on the same premises as the agricultural activities to which they are accessory, including but not limited to farm dwellings as defined in section 205-4.5(a)(4), HRS, employee housing, farm buildings, mills, storage facilities, processing facilities, vehicle and equipment storage areas, roadside stands for the sale of products grown on the premises, and plantation community subdivisions as defined in section 205-4.5(a)(12), HRS;

(6) Wind machines and wind farms;

(7) Small-scale meteorological, air quality, noise, and other scientific and environmental data collection and monitoring facilities occupying less than one-half acre of land; provided that these facilities shall not be used as or equipped for use as living quarters or dwellings;

(8) Agricultural parks;

(9) Agricultural tourism conducted on a working farm, or a farming operation as defined in section 165-2, HRS, for the enjoyment, education, or involvement of visitors; provided that the agricultural tourism activity is accessory and secondary to the principal agricultural use and does not interfere with surrounding farm operations; and provided further that this paragraph shall apply only to a county that has adopted ordinances regulating agricultural tourism under section 205-5, HRS; and

(10) Open area recreational facilities.

Agricultural districts shall not include golf courses and golf driving ranges, except as provided in section 205-4.5(d), HRS. Agricultural districts include areas that are not used for, or that are not suited to, agricultural and ancillary activities by reason of topography, soils, and other related characteristics.

5. Cacao Project. Each Unit Owner will be required to plant a minimum of twelve (12) tropical fruit trees, four (4) of which shall be cacao trees as part of the landscaping plan.

6. Single-Family Use. Each Buildable Area on a Unit shall be used only for the construction and occupancy of a Single-Family Farm Dwelling Unit and typical activities incidental thereto. All such Farm Dwelling Units shall be used, improved, and devoted to use, pursuant to the applicable State of Hawaii and/or County laws and regulations. No Unit shall be occupied by more than one Single-Family.

7. Garages. On site parking for at least four (4) vehicles is required with a minimum of 2 covered and enclosed spaces and all of which parking areas shall be located within the Buildable Area. No garage shall be used for other than the parking of trailers, transportation vehicles or agricultural vehicles, provided, however, that a garage may be used for laundry, storage purposes or minor repairs not otherwise prohibited, so long as such use is not visible from any sidewalk or Road. No garage shall be used for living, cooking or sleeping purposes.

8. Violation of Law or Insurance. No Owner or Occupant shall permit anything to be done or kept in or upon such Owner's Unit or in or upon any Common Area which will result in the cancellation, or increase in premium, or reduction in coverage of insurance maintained by the Master Association or which would be in violation of any law.

9. Signs. No sign of any kind shall be displayed to the public view or from any Unit without the approval of the Design Review Committee, pursuant to the Design Guidelines, except: (i) such signs as may be used by Developer in connection with the development and sale or leasing of Units or other property in the Property and the Community in general; (ii) such signs as may be required by legal proceedings, or the prohibition of which is precluded by law; and (iii) as may be approved by Developer or the Board, such signs as may be required for traffic control and regulation of Roadways or Common Area. Notwithstanding the above, Developer may post any and all signs which it, in its sole discretion, deems necessary. Such activities of the Developer shall not be considered a nuisance or otherwise prohibited by this Master Declaration.

10. Pets. Pursuant to the Master Declaration, all pets must be restrained such that they cannot leave the Unit when left unattended. In no event shall any domestic pet be allowed to run free away from its owner's Unit without a leash, or conduct itself so as to create an unreasonable annoyance. The Master Association may require the removal of any pet that is permitted to roam free, or, any pet that the Master Association, in its sole discretion, determines endangers the health, makes objectionable noises or odors, or otherwise constitutes a nuisance to the Community. Pet owners are responsible for any damage to Common Area caused by their pets. For purposes of this section, the term "pet" does not include livestock or other animals necessary for agricultural activities.

11. Nuisances; Construction Activity. No Unit Owner shall permit or suffer anything to be done or kept about or within such Owner's Unit, or on or about the Property, which will obstruct or interfere with the rights of other Owners or Occupants, or annoy them by unreasonable noises or otherwise, nor shall an Owner commit or permit any nuisance or commit or suffer any illegal act to be committed therein or thereabout. Each Owner shall comply with the Master Association Rules and the requirements of all health authorities and other governmental authorities having jurisdiction over the Property. The normal business activities of the Developer shall not be considered a nuisance or otherwise prohibited by the Declaration. Additionally, normal construction activities and parking in connection with the building of Improvements on a Unit shall not be considered a nuisance or otherwise prohibited by this Master Declaration, but Units shall be kept in a neat and tidy condition during construction periods, trash and debris shall not be permitted to accumulate, and supplies of brick, block, lumber and other building materials will be piled only in such areas as may be approved by the Design Review Committee. In addition, any construction equipment and building materials stored or kept on any Unit during construction of improvements may be kept only in areas approved by the Design Review Committee, which also may require screening of the storage areas. The Board in its sole discretion shall have the right to determine the existence of any unreasonable annoyance or nuisance under this Master Declaration.

12. Waste Water Systems. All Unit Owners are responsible for installation of individual waste water systems which shall be designed by a Hawaii licensed engineer and approved by the Hawaii State Department of Health. The design shall be subject to review by the Design Review Committee.

13. Lights. Exterior building lighting should be the minimum needed to provide general illumination and security of entries, patios, and outdoor spaces. With the exception of driveway lights, all lighting must occur within the Buildable Area. The light source of any exterior lighting shall not be directly visible from the common roadways or neighboring properties. An exterior lighting plan shall be submitted for review by the Design Review Committee in accordance with the applicable Design Guidelines.

14. Antennas. Only to the extent permitted by law, radio, television or other antennas of any kind or nature, or device for the reception or transmission of radio, microwave or other similar signals, may be placed or maintained upon any Unit. Any radio, television or other antennas of any kind or nature, or device for the reception or transmission of radio, microwave or other similar signals, placed or maintained upon any Unit shall be screened as provided by the Master Association Rules, if any, or the Design Guidelines. Developer and/or the Master Association may erect an aerial or other apparatus for a master

antenna or cable system, should any such master system or systems be utilized by Developer or the Master Association and require any such exterior apparatus, as allowed by law.

15. Service Yard and Storage Tanks. All garbage or trash shall be kept, maintained or contained in garbage and trash receptacles and other maintenance utility or service facilities located in enclosed service yards on any Unit in accordance with the Design Guidelines. No garbage and trash receptacles shall remain on any Roads for more than twenty-four (24) hours. Tanks and mechanical equipment must be enclosed within the buildings or fenced service yards on any Unit. No refuse pile, garbage or unsightly objects shall be allowed to be placed, accumulated or suffered to remain anywhere on a Unit, provided that non-commercial, non-odoriferous, contained and reasonably concealed composting and mulching shall be permitted.

16. Accessory Structures and Outbuildings. Accessory Structures and Outbuildings, including gazebos, and other accessory structures are permitted subject to height and aggregate area requirements determined by the Design Review Committee. Guesthouses are specifically not permitted. Agricultural Outbuildings shall be allowed with approval by the Agricultural Review Committee.

17. Safe Condition. Without limiting any other provision in this Section, each Owner shall maintain and keep such Owner's Unit at all times in a safe, sound and sanitary condition and repair and shall correct any condition or refrain from any activity which might interfere with the reasonable enjoyment by other Owners of their respective Units.

18. Fires. All Units and Farm Dwelling Units are subject to the Fire Code of the County of Kauai and established controlled fire limits, pursuant to such Code.

19. Drainage. No Owner shall erect, construct, maintain, permit or allow any fence or other Improvement or other obstruction that would interrupt the existing drainage of the land. For the purpose hereof, "existing" drainage is defined as the drainage which exists at the time the Unit is conveyed to an Owner by Developer, or later grading changes which are shown on plans approved by the Design Review Committee. The existing drainage may include drainage from Common Area or other property across any Unit. Each Owner shall maintain the drainage system, if any, constructed by Owner. Each Owner shall be solely responsible for all surface water escaping the Owner's Unit and any and all damages resulting therefrom. This Section shall not be deemed to restrict or otherwise affect rights reserved to Developer to alter or change drainage patterns within or upon the Property.

20. Rental of Units. A Unit Owner who leases or otherwise grants occupancy rights to such Unit Owner's Unit to any Persons shall be responsible for assuring compliance by the Occupant with all of the provisions of this Master Declaration, any Supplemental Declaration, the Articles, Bylaws, Master Association Rules, Homeowner Agricultural Guidelines, and Design Guidelines, all as amended and supplemented from time to time, and shall be jointly and severally responsible for any violations by the Occupant thereof

21. Landscaping and Maintenance. Except as otherwise provided in the Master Declaration and in designated easements which are to be maintained by the Master Association, each Unit Owner shall install and keep all areas within the Buildable Areas, Enhanced Landscape Areas, Natural Landscape Areas, and any other designated areas, as provided in this Master Declaration, any Supplemental Declaration, the Articles, Bylaws, Master Association Rules, Homeowner Agricultural Guidelines, and Design Guidelines, landscaped and shall keep all shrubs, trees, hedges, grass and plantings of every kind located on such Owner's Unit neatly trimmed, shall keep all such areas properly cultivated and free of trash, weeds and other unsightly material and shall maintain all paved and concrete areas, including driveways and parking areas, in good condition and repair. Each Unit Owner shall be responsible for the proper maintenance and care of any trees planted on Unit Owner's Unit. Developer, the Master Association may plant trees in certain designated Common Areas in the Community. Unit Owners may not remove, replace, alter or relocate any trees or plantings so located.

22. Machinery and Equipment. No machinery or equipment of any kind shall be placed, operated or maintained upon or adjacent to any Unit except: (i) such machinery or equipment as is usual and

customary in connection with the use, maintenance or construction (during the period of construction) of a Farm Dwelling Unit, appurtenant structures, other Improvements or in conjunction with the agricultural use of the Unit; or (ii) that which Developer or the Master Association may require for the development operation and maintenance of the Property.

23. Offensive Activity. No Unit shall be used, in whole or in part, for the storage of any property or thing that will cause such Unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Unit that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be conducted upon any Unit, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any Person using any property adjacent to the Unit. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Property.

24. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any Unit, unless the activity is occurring in an enclosed structure.

25. Timeshare. No timeshare, interval ownership, transient vacation rentals or other similar use or ownership shall be permitted within any Unit, unless authorized by a Supplemental Declaration Recorded by Developer and made applicable to specific Units. Bed and breakfast type commercial operations are specifically prohibited.

26. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on any Unit except within an enclosed Farm Dwelling Unit. Exterior sculptures, fountains, flags, and similar items must be approved by the Design Review Committee.

27. Continuity of Construction. All Improvements commenced on any Unit shall be prosecuted diligently to completion, pursuant to the applicable Homeowner Agricultural Guidelines and Design Guidelines. In the event there is any damage to improvements from fire, such improvements shall be rebuilt in accordance with the provision of the Declaration or the Unit shall be cleared.

28. No Further Separation and Consolidation. No Unit shall be further separated into smaller units by any Owner, and no portion less than all of any such Unit, nor any easement or other interest therein, shall be conveyed or transferred by any Owner without the prior written approval of the Board, which approval must be evidenced on the map, plan or other instrument creating the easement or other interest. This provision shall not in any way prohibit, restrict or otherwise limit Developer from subdividing, condominiumizing, separating, consolidating or resubdividing Units or any other property owned by Developer. Consolidated Units shall constitute a single Unit for voting and assessment purposes if so designated in a Supplementary Declaration filed by Developer, otherwise the Units shall retain their character as multiple Units subject to multiple assessments but entitling the ultimate Owner thereof to multiple votes.

29. Restriction of Access to Designated Highways and Roads. No direct access is permitted onto Kaumuali'i Highway, the Old Government Road and Kealia Road from lots that directly abut Kaumuali'i Highway, the Old Government Road and Kealia Road, except as to certain designated units. Section 5.6.

30. Compliance with Laws, Etc. Pursuant to the Master Declaration, nothing shall be done or kept in any Unit or in the Common Elements or the Property that might increase the rate of, or cause the cancellation of, insurance for the Project, or any portion of the Project. No Owner shall permit anything to be done or kept in his or her Unit that violates any law, ordinance, statute, rule, or regulation of any local,

county, state, or federal body, including any laws, ordinances, or statutes pertaining to the use or storage of any hazardous, contaminated, or toxic materials.

31. Storage Areas. Storage areas, if any, shall be used only for the storage of personal property. In no event shall the storage areas be used for the storage of any Hazardous Materials or any other noxious, toxic, or odorous substances. Except as set forth herein, no assigned parking stall may be sold, transferred, assigned to, or retained in the ownership of any person not an Owner, and no parking stall or storage space may be rented or leased to a non Owner except in connection with the rental or lease of a Unit; provided, however, these limitations shall not apply to Developer.

END OF EXHIBIT G

EXHIBIT H

Section 1.12 -- Encumbrances Against Title

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE ENCUMBRANCES AGAINST TITLE CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

1. Real Property Taxes as may be due and owing. For additional information contact the County of Kauai, Department of Finance.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. A non-exclusive access easement over the existing Cane Haul Road, located along the southerly portion of the premises, as set forth in that certain instrument dated October 24, 1978, recorded in Liber 13408 at Page 110.

4. Easement 1 for access purposes (40-feet wide), containing an area of 2,230 square feet, in favor of Lot 3, as shown on a map prepared by Wes Thomas and Associates, Inc. dated July 6, 1978.

5. Easement 2 for access and utility purposes, containing an area of 0.561 acre, in favor of Lots 3-A and 3-B, as shown on a map prepared by Esaki Surveying and Mapping, Inc. dated December 5, 1986.

6. GRANT

TO	:	KEALIA IRRIGATION COMPANY, INC., a Hawaii non-profit corporation, CORNERSTONE HAWAII HOLDINGS LLC, a Colorado limited liability company, and KEALIA MAKAI OWNERS ASSOCIATION, a Hawaii non-profit corporation
DATED	:	June 26, 2001
RECORDED	:	Document No. 2001-097106
GRANTING	:	a non-exclusive easement over Segment B Infrastructure Easement 1 (40 ft. wide for irrigation purposes); Segment B Infrastructure Easement 2 (30 ft. wide for irrigation purposes); Halaula Reservoir Easement (for irrigation purposes); and Halaula Reservoir Access Easement (15 ft. wide for access purposes); said easements being more particularly described therein

7. Free flowage of Kapaa River as shown on survey map prepared by James R. Thompson, Land Surveyor, with Walter P. Thompson, Inc., dated August 4, 2005, last updated February 21, 2006.

8. Proposed Easement W-6, area 22,602 square feet for access and waterline purposes, as shown on survey map prepared by Dennis M. Esaki, Land Surveyor, with Esaki Surveying & Mapping, Inc., dated May 20, 2005, and as shown on survey map prepared by James R. Thompson, Land Surveyor, with Walter P. Thompson, Inc., dated August 4, 2005, last updated February 21, 2006.

9. All rights, claims and/or interests of others which exist or might arise by virtue of a kuleana.
10. The terms and provisions contained in the following:

INSTRUMENT	:	NOTICE OF DEDICATION TO AGRICULTURE
DATED	:	April 3, 2003 (effective January 1, 2004)
RECORDED	:	Document No. 2003-065299
PARTIES	:	KEALIA PLANTATION COMPANY, LLC
RE	:	for a term of ten (10) years
-NOTE	:	Portions of Tax Map Key (4) 4-7-003-002 have been removed from the above Notice of Dedication To Agriculture by unrecorded Notice of Cancellation dated October 10, 2006. The only remaining portions of Tax Map Key (4) 4-7-003-002 still dedicated to agriculture are identified as Taro Field (107 acres), Lot 42X (20.988 acres) and 42Y (51.419 acres) as shown on map filed with the unrecorded Notice of Cancellation dated October 10, 2006.

11. The effect of the following matters shown on the Archaeological Reconnaissance Survey Report, prepared by Scientific Consultant Services Inc., revised July 2005 (the "Report"):

A. Remnant Archaeological Terraces Site TS-18;
B. Possible Religious Site TS-2;
C. Burial Disinterment and Debris Deposition Site TS-26;
D. Historic Japanese Cemetery Site TS-13;
E. Spalding Monument Site TS-32;
F. Railroad Bridge Site TS-7; and
G. Kealia School Site TS-23.

12. Any mitigation measures and easements recommended by the Report or arising or required by federal, state, or county laws or regulations, in connection with the matters referred to in Item No. 11.

13. GRANT

TO	:	KEALIA WATER COMPANY HOLDINGS LLC, a Delaware limited liability company
DATED	:	December 22, 2004
RECORDED	:	Document No. 2006-044972
GRANTING	:	for the limited purposes set forth in Paragraph 2 therein, four (4) express, perpetual, appurtenant easements solely in the locations shown on the Survey and described on Exhibit D attached thereto

14. GRANT

TO	:	CORNERSTONE HAWAII HOLDINGS LLC, a Colorado limited liability company
DATED	:	December 22, 2004
RECORDED	:	Document No. 2006-044973
GRANTING	:	for the limited purposes set forth in Paragraph 2 therein, one (1) express, perpetual, appurtenant non-exclusive easement solely in the location shown on the survey attached thereto as Exhibit D and described in Exhibit E attached thereto

15. Unrecorded SUPPLEMENTAL TERMS AGREEMENT dated as of May 6, 2006, between KEALIA PLANTATION COMPANY, LLC, a California limited liability company, "Seller", and PLANTATION

PARTNERS KAUAI, LLC, a Hawaii limited liability company, as to a two and one hundred ninety-three one-thousandths percent (2.193%) undivided interest, KEALIAKEALANANI, LLC, a Hawaii limited liability company, as to a ninety three and four hundred twenty-one one-thousandths percent (93.421%) undivided interest, and DCA HAWAII, LLC, a Hawaii limited liability company, as to a four and three hundred eighty-six one-thousandths percent (4.386%) undivided interest, "Purchasers".

A SHORT FORM AGREEMENT is dated March 24, 2006, recorded as Document No. 2006-056605.

Said Supplemental Terms Agreement was amended by an unrecorded First Amendment to Supplemental Terms Agreement, dated as of August 3, 2005, by an unrecorded Second Amendment to Supplemental Terms Agreement dated as of August 12, 2005, and by an unrecorded Third Amendment to Supplemental Terms Agreement dated March 22, 2006.

16. Unrecorded TENANCY-IN-COMMON AGREEMENT dated March 24, 2006, by and among PLANTATION PARTNERS KAUAI, LLC, a Hawaii limited liability company, "PKK", as to a 2.193% undivided tenant-in-common interest, KEALIAKEALANANI, LLC, a Hawaii limited liability company, "KEALLC", as to a 93.421% undivided tenant-in-common interest, and DCA HAWAII, LLC, a Hawaii limited liability company, as to a 4.386% undivided tenant-in-common interest (each a "Co-Tenant" and collectively the "Co-Tenants").

A MEMORANDUM OF TENANCY-IN-COMMON AGREEMENT is dated March 24, 2006, recorded as Document No. 2006-056606.

17. MORTGAGE AND SECURITY AGREEMENT, ASSIGNMENT OF LEASE AND RENTS AND FIXTURE FILING

MORTGAGOR	:	DCA HAWAII, LLC, a Hawaii limited liability company, KEALIAKEALANANI, LLC, a Hawaii limited liability company, and PLANTATION PARTNERS KAUAI, LLC, a Hawaii limited liability company
MORTGAGEE	:	CANPARTNERS REALTY HOLDING COMPANY IV LLC, a Delaware limited liability company
DATED	:	as of March 24, 2006
RECORDED	:	Document No. 2006-056607
AMOUNT	:	$41,000,000.00

18. The terms and provisions contained in the following:

INSTRUMENT	:	ABSOLUTE ASSIGNMENT OF LEASES, RENTS AND INCOME
DATED	:	as of March 24, 2006
RECORDED	:	Document No. 2006-056608
PARTIES	:	DCA HAWAII, LLC, a Hawaii limited liability company, KEALIAKEALANANI, LLC, a Hawaii limited liability company, and PLANTATION PARTNERS KAUAI, LLC, a Hawaii limited liability company
RE	:	to secure the repayment of that certain promissory note in the amount of $41,000,000.00

19. FINANCING STATEMENT

DEBTOR	:	PLANTATION PARTNERS KAUAI, LLC, a Hawaii limited liability company
SECURED PARTY	:	CANPARTNERS REALTY HOLDING COMPANY IV LLC
RECORDED	:	Document No. 2006-056609

RECORDED ON: March 24, 2006

20. FINANCING STATEMENT

DEBTOR : KEALIAKEALANANI, LLC, a Hawaii limited liability company
SECURED PARTY : CANPARTNERS REALTY HOLDING COMPANY IV LLC
RECORDED : Document No. 2006-056611
RECORDED ON: March 24, 2006

21. FINANCING STATEMENT

DEBTOR : DCA HAWAII, LLC, a Hawaii limited liability company
SECURED PARTY : CANPARTNERS REALTY HOLDING COMPANY IV LLC
RECORDED : Document No. 2006-056613
RECORDED ON: March 24, 2006

22. Any unrecorded leases and matters arising from or affecting the same.

23. The following encroachments or any other matters as shown on survey map prepared by James R. Thompson, Land Surveyor, with Walter P. Thompson, Inc., dated August 4, 2005, last updated February 21, 2006:

A. A single family dwelling crosses from TMK: (4) 4-7-003-007 onto the property.

B. Shed located outside excluded Royal Patent 6735, Land Commission Award 10149, Apana 1 to Makuahine.

24. Encroachments or any other matters which a survey prepared after February 21, 2006 would disclose.

25. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land.

END OF EXHIBIT H

EXHIBIT I

Section 1.13 -- Uses Permitted by Zoning and Zoning Compliance Matters

The County of Kauai's zoning designation for the Project is agricultural and open as shown on the attached map. Uses permitted in these zoning designations, include those specified in the Kauai County Code, Chapter 8, Article 7 for agricultural districts and Article 8 for open districts, which provide as follows:

A. PERMITTED USES FOR LOTS IN AGRICULTURAL DISTRICTS.

I. Generally Permitted Uses And Structures.

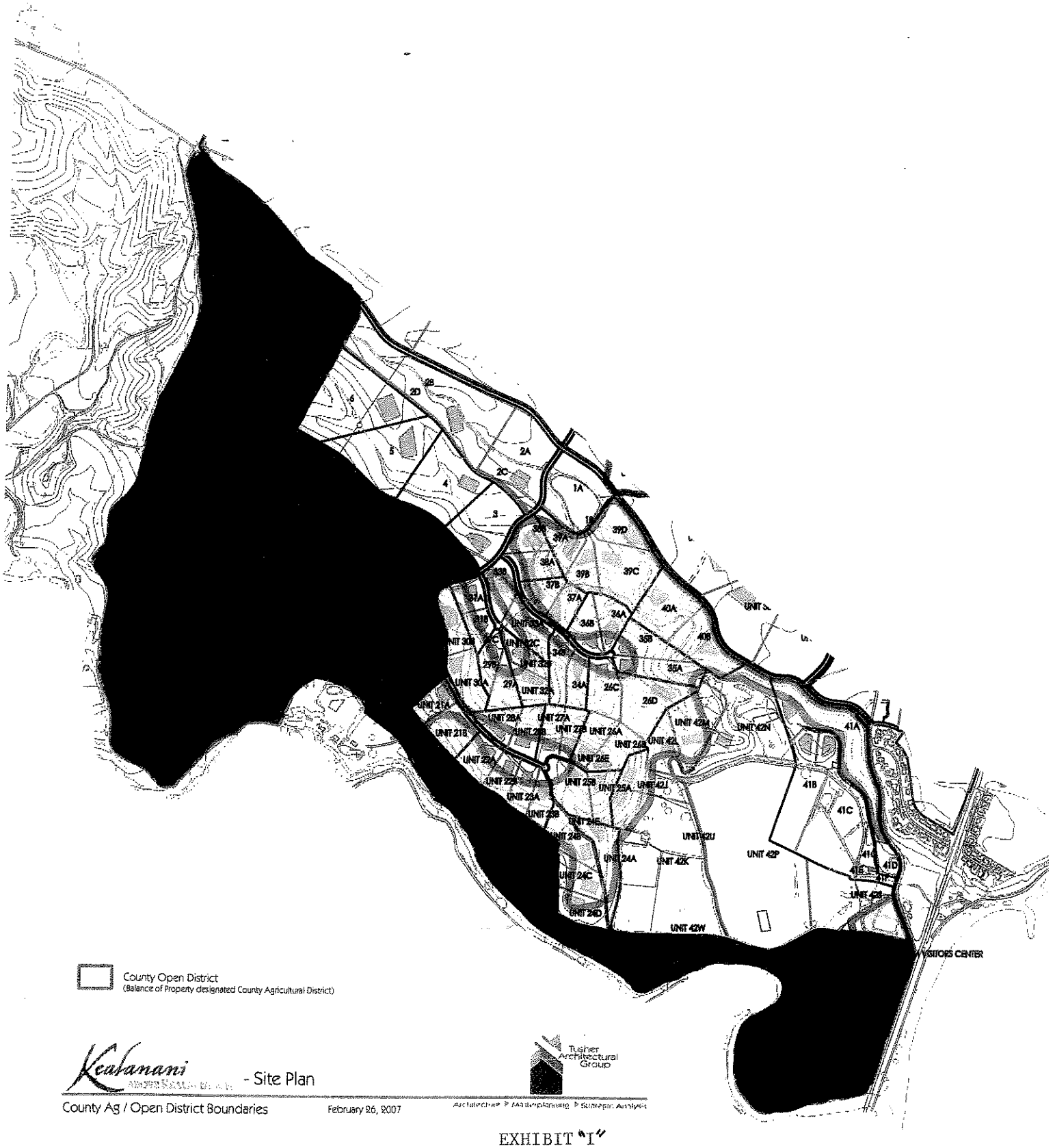
(1) Accessory structures and uses
(2) Aquaculture
(3) Diversified agriculture
(4) Forestry
(5) Grazing
(6) Historic sites
(7) Intensive agriculture
(8) Livestock, poultry, and piggeries, except as provided in Sec. 8-7.3 of the Kauai County Code
(9) Minor food processing related to agricultural products
(10) Orchards and nurseries
(11) Outdoor recreation
(12) Pet keeping and raising, except as provided in Sec. 8-7.3 of the Kauai County Code
(13) Public parks and monuments
(14) Resource management
(15) Single family detached dwellings
(16) Specialized agriculture
(17) Undeveloped campgrounds
(18) Warehousing, storage and packing of plant products
(19) Wildlife management.

B. PERMITTED USES FOR LOTS IN OPEN DISTRICTS.

I. Generally Permitted Uses And Structures.

(1) Accessory uses and structures
(2) Day-use areas
(3) Diversified agriculture
(4) Livestock and grazing, except as provided in Sec. 8-8.3 of the Kauai County Code
(5) Outdoor recreation
(6) Parks and monuments
(7) Private recreation areas
(8) Resource management
(9) Single family detached dwellings
(10) Undeveloped campgrounds

END OF EXHIBIT I



Kealanani - Site Plan

Tusher Architectural Group

Architecture ▸ Master Planning ▸ Strategic Analysis

County Ag / Open District Boundaries February 26, 2007

EXHIBIT "I"

EXHIBIT J

Section 2 -- Persons Connected with the Project

Developer(s)	Name: Plantation Partners Kauai, LLC Business Address: c/o Andrew Friend PO Box 1318 Kilauea, Kauai, Hawaii 96754 Business Phone Number: (808) 346-1570 E-mail Address: asproperties@hawaii.rr.com Name: DCA Hawaii, LLC Business Address: 505 Sansome Street, Suite 1450 San Francisco, California 94111 Business Phone Number: (415) 364-3601 E-mail Address: kduffxu@lynchinvestments.com Name: KEALIAKEALANANI, LLC Business Address: C/O LYNCH INVESTMENTS, LLC 505 SANSOME STREET, SUITE 1450 SAN FRANCISCO, California 94111 Business Phone Number: (415) 364-3601 E-mail Address: kduffxu@lynchinvestments.com
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).	Plantation Partners Kauai, LLC Sole Member: H. Andrew Friend Manager: H. Andrew Friend DCA Hawaii, LLC Sole Member: Delta Court Apartments, LLC Manager: Peter Lynch KEALIAKEALANANI, LLC Sole Member: Kealia Holdings, LLC Manager: Kealia Holdings, LLC

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE PERSONS CONNECTED WITH THE PROJECT. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

EXHIBIT K

Section 3.5 -- Changes to the Condominium Documents

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE CHANGES TO THE CONDOMINIUM DOCUMENTS CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

AMENDMENT TO DECLARATION OF CONDOMINIUM PROPERTY REGIME

1. Amendment of Declaration by Owners. Except as otherwise expressly provided in the Declaration of Condominium Property Regime, or in the Act, the Declaration of Condominium Property Regime may be amended by the affirmative vote or written consent of not less than seventy-five percent (75%) of the Owners at a meeting of the Association called for that purpose, and effective only upon the Recording of an instrument setting forth such amendment and vote, duly executed by two officers of the Association as provided in the Bylaws; provided, however, that, except as otherwise expressly provided in the Declaration or in the Act, the approval of eligible holders of first mortgages (as defined below) on Units to which at least fifty-one percent (51%) of the votes of Units subject to mortgages held by such eligible holders are allocated, together with such other approval requirements as set forth in Section Q of the Declaration of Condominium Property Regime, shall be required to materially amend any provision of the Declaration of Condominium Property Regime, or to add any material provisions thereto, which establish, provide for, govern or regulate any of the following:

(a) By act or omission, seek to abandon or terminate the Community;

(b) Change the common interest appurtenant to any individual Unit;

(c) Partition or subdivide any Unit;

(d) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements, provided that the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Community shall not be deemed a transfer within the meaning of this subsection;

(e) Use condemnation proceeds or hazard insurance proceeds for losses to the Project property or any part thereof (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of same;

(f) Amend any provision of the Declaration of Condominium Property Regime or the Bylaws that materially and adversely affect mortgagees, provided, however, that this subsection shall not apply to any actions taken pursuant to rights expressly reserved to Developer in the Community Documents. To qualify as an "eligible holder of first mortgage," a first mortgagee must have made a written request to the Association for timely written notice of proposed amendments to the Community Documents, as provided in Section 10.4 the Bylaws; provided, however, that this subsection shall not apply to any actions taken pursuant to rights expressly reserved to Developer in the Community Documents.

2. Amendment of Declaration by Developer. Any provision of Section Q of the Declaration of Condominium Property Regime to the contrary notwithstanding, and until the Recording of Unit conveyances or agreements of sale with respect to all of the Units in the Community in favor of persons other than Developer, Developer may amend the Declaration of Condominium Property Regime, the Bylaws and/or the Condominium Map, without the approval, consent or joinder of any person or group of persons, including the Master Association, any Owner or any mortgagee, lienholder, Unit purchaser or any other person who may have an interest in the Community, to correct typographical or mathematical errors and to make such amendments as may be required by law, by the Real Estate Commission of the State of Hawaii, by any title insurance company issuing a title insurance policy on the Community or any of the Units, by any institutional lender lending funds on the security of the Community or any of the Units, or by any governmental agency (including without limitation the VA, HUD, FNMA and/or FHLMC) or as otherwise required by Developer; provided, however, that, except as otherwise provided herein, no such amendment which would change the common interest appurtenant to a Unit or substantially change the design, location or size of a Unit shall be made without the consent to such amendment by all persons having an interest in such Unit.

3. Amendment of Declaration by Developer to File an As Built Certificate. Any provision of this Section to the contrary notwithstanding, Developer may amend the Declaration (and when appropriate the Condominium Map) without the approval, consent or joinder of any person or group of persons, including the Association, any Owner or any mortgagee, lienholder, Unit purchaser or any other person who may have an interest in the Community or in any Unit, to file a verified statement of the Developer, a registered architect, or a professional engineer certifying that the final Recorded Condominium Map fully and accurately depicts the layout, location, and dimensions of the Units, as built, or that any revised plans being filed simultaneously with the amendment involve only immaterial changes to the layout, location and dimensions of the Units as built or such other changes as Developer is permitted to make pursuant to the Declaration.

4. Amendment of the Declaration by Developer to Alter Community. Any provision of this Section to the contrary notwithstanding, Developer may amend the Declaration of Condominium Property Regime (and when appropriate the Condominium Map) as provided in Section M.3 or otherwise in the Declaration of Condominium Property Regime without the approval, consent or joinder of any person or group of persons, including the Master Association, any Owner or any mortgagee, lienholder, or any other person who may have an interest in the Community or in any Unit.

5. Votes Required. Any provision of Section Q of the Declaration of Condominium Property Regime to the contrary notwithstanding, any amendment affecting any provision of the Declaration of Condominium Property Regime which is for the express benefit of holders or insurers of first mortgages on Units shall require the approval of eligible holders of first mortgages on Units to which at least sixty-seven percent (67%) of the votes of Units subject to mortgages held by such eligible holders are allocated, together with such other approval requirements as set forth in this Section. Except to the extent such rights are specifically reserved by the Developer under the Declaration, any holder, insurer, or guarantor of a first mortgage of a Unit whose interest appears in the record of ownership or who has otherwise delivered a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the Unit number) shall be entitled to:

i. Prior written notice of any proposed amendment to the Declaration or these Bylaws effecting a change in (1) the boundaries of a Unit, (2) the common interest pertaining to the Unit, or (3) the purposes to which the Unit, the Limited Common Elements appurtenant thereto, or the Common Elements are restricted;

ii. Prior written notice of any proposed termination of the Community;

iii. Timely written notice of any actual or threatened condemnation or eminent domain proceeding or casualty loss affecting a Unit or the Property or any portion thereof;

iv. Timely written notice of any significant damage or destruction to the Common Elements or to a Unit on which there is a first mortgage held, insured, or guaranteed by such holder;

v. A copy of any bond required to be posted before commencing or permitting construction of any Improvements on or to the Property;

vi. Timely written notice of all meetings of the Master Association (the holder or insurer of a first mortgage being permitted to designate a representative to attend all such meetings);

vii. Notice of any default by the Owner of the Unit involved which is not cured within sixty days;

viii. Upon request therefore, a certificate of any then unpaid assessments for common expenses due from the Owner of the Unit involved, as provided in Section 6.13 of the Bylaws;

ix. A copy of all pleadings filed in any lawsuit, administrative proceedings, or other action affecting the Project property, or any portion thereof, upon specific written request and at such Person's expense; and

x. Prior written notice of any proposal to subdivide, encumber, sell, or transfer the Common Elements or any part thereof, provided that the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Community shall not be deemed a transfer within the meaning of this subsection.

xi. Prior written notice of a lapse, cancellation, or material modification of any insurance policy required to be maintained by the Association.

xii. Prior written notice of any proposed action that requires the consent of a specified percentage of mortgagees.

6. No Impairment or Diminishment of Developer's Rights. Any provision of the Declaration of Condominium Property Regime to the contrary notwithstanding, and in addition to such other approval requirements as are set forth in Section Q of the Declaration of Condominium Property Regime, to the extent permitted by Section 514B-106(d) of the Act, the prior written approval of Developer is required before any amendment which would impair or diminish the rights of Developer to complete the Property or sell or lease Units therein in accordance with the Declaration shall become effective. Notwithstanding any other provisions of the Declaration of Condominium Property Regime, until such time as Developer no longer owns any Unit in the Community and for a period of five (5) years thereafter, the following actions, before being undertaken by the Master Association, shall first be approved in writing by Developer:

a. Mortgagee Approval. Any amendment or action requiring the approval of Mortgagees pursuant to the Declaration of Condominium Property Regime;
b. Capital Improvement Assessment. The levy of a capital improvement Assessment for the construction of new facilities not constructed in the Common Elements by Developer;
c. Reduction in Services. Subject to any restrictions contained in the Bylaws regarding limitations on general assessment increases, any significant reduction of Master Association maintenance, repair, upkeep, or other services;
d. Assessments. Alteration in the method of fixing and collecting assessments or any increases in assessments beyond the amounts permitted under the Bylaws;

e. Responsibility for Repairs. Reduction in the level of, or change in allocation of, responsibility for maintenance of and repairs to all or any portion of the Common Element subject to the Declaration of Condominium Property Regime, or any other maintenance obligations of the Master Association set forth in the Declaration of Condominium Property Regime;

f. Common Elements. Conveyance or dedication by the Master Association of all or any portion of the Common Elements;

g. Improvements to and Maintenance of Common Elements. Modification to Improvements to the Common Elements or to the level or frequency of maintenance of the Common Elements;

h. Enforcement of the Declaration. Alteration in the method of enforcing the provisions of the Declaration of Condominium Property Regime; or

i. Developer's Reserved Rights. Any modification of the rights reserved and granted to Developer herein with respect to development or sale of the Property or which are for the express benefit of Developer.

AMENDMENT TO BYLAWS

Pursuant to Section 11.2 of the Bylaws:

1. Vote or Consent Requirements. Except as otherwise expressly provided in the Declaration of Condominium Property Regime, the Bylaws, or in the Act, may be amended in any respect not inconsistent with law or the Declaration of Condominium Property Regime by the affirmative vote or written consent of not less than sixty-seven percent (67%) of the Owners, provided that each of the particulars set forth in Section 514B-108 of the Act shall always be embodied in the Bylaws, and provided further that an amendment to the provisions of the Bylaws that are for the express benefit of holders or insurers of first Mortgages on Units shall require the approval of eligible holders of first Mortgages on Units to which there are allocated at least fifty-one percent (51%) of the votes allocated to all Units subject to first Mortgages held by such eligible holders, together with the vote of not less than sixty-seven percent (67%) of the Owners, and provided further that an amendment to the provisions of the Bylaws that are for the express benefit of Developer shall also require the express written consent and joinder of Developer, together with such other approval requirements as set forth in Section 11 of the Bylaws.

2. Proposed Amendments. Proposed amendments to the Bylaws with the rationale for the proposal may be submitted to the Owners either by the Board of Directors or by a volunteer Owner's group. If a volunteer Owner's group desires to submit a proposal to the Owners, it shall first submit the proposal to the Board of Directors with the rationale for the proposal and a petition supporting the proposed Bylaws signed by not less than twenty-five percent (25%) of the Owners. Within thirty (30) days from the receipt of the proposal, the rationale, and the petition by the Board, the Board shall mail to the Owners for approval without change the proposed amendments to the Bylaws, the rationale for the proposal, ballots for voting, and the Board's comments, if any, concerning the proposal. No proposal by the Board or the volunteer Owner's group shall be valid unless the required percentage of votes or consents for such amendment are obtained within three hundred sixty-five (365) days of the mailing to Owners or in such shorter time as is specified in the mailing.

3. Adoption of Group's Proposal. If the Board fails to mail the proposed amendments to these Bylaws, rationale, and ballots for voting to the Owners within thirty (30) days of the receipt of the petition by the Board, then the Owner's group may mail such items to the Owners, and the vote thus taken will be valid, provided the Owner's group has complied with all other applicable rules on voting for Bylaws amendments. The results of such vote shall be presented to the officers of the Association who shall promptly execute such documents as shall be necessary to permit the amendments to be Recorded.

4. When Amendments Are Effective. An amendment to the Bylaws shall be effective only upon the Recording of such amendment.

END OF EXHIBIT K

EXHIBIT L

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

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL OF THE RIGHTS RESERVED BY DEVELOPER UNDER THE CONDOMINIUM DOCUMENTS CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF SUCH RESERVED RIGHTS, PURCHASER SHOULD REFER TO THE DECLARATION TO DETERMINE THE ACTUAL RIGHTS RESERVED BY DEVELOPER. IF ANY CONFLICT OR DIFFERENCES EXISTS BETWEEN THIS SUMMARY AND THE DECLARATION, THE DECLARATION WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

Developer has the right to change the condominium documents for any of the following reasons or purposes:

1. Developer's Reserved Rights Concerning Easements. Developer reserves a present easement over the whole of the common area, together with the right for itself and its successors and assigns, to designate, grant, convey, transfer, cancel, relocate, reserve or otherwise deal with any easements, licenses, and rights of way at any time for utilities, any public-type facility (mailboxes and the like), drainage ways, cable television transmission facilities, refuse disposal, landscape, maintenance, driveways, parking areas, access roadways and other similar purposes, on, over, across, under and through the Common Elements of the Community (as limited by Section E.5 of the Declaration of Condominium Property Regime). Without limiting the generality of the foregoing, Developer reserves the right to utilize any common utility facilities (including without limitation water, drainage, electrical, telephone, and cable) described in the prior sentence (such as, but not limited to, waterlines, drainage ways, access roadways and the like) whether located in designated easement areas or otherwise, together with the right of entry to construct, reconstruct, operate, maintain, repair and relocate such lines, facilities and appurtenances and to grant any such easements or rights of way to governmental or quasi-governmental authorities, utility or service companies, Unit Owner's associations or other entities and the right to grant, dedicate, designate, use and enjoy easements and/or rights-of-way for access purposes (including for vehicular and pedestrian access). Developer may, in its discretion, complete any construction of intended facilities in advance of the designation or creation and granting of the easement covering the facilities so constructed. The rights reserved to Developer include specifically without limitation the right to utilize any utility service to the Community to complete such construction and to serve adjacent and separate developments outside of the Community provided Developer with respect to such separate and/or adjacent communities submeters such use, and may use roadways in the Community to serve adjacent developments provided the association controlling such development shares pro rata in the cost of maintenance and repair of the roadway and reimburses the Association for any submetered use. The easements retained in Section E and these reserved rights shall be exercised in a manner that will not materially impair or interfere with the use of any Unit. In the event of a submetered use (such as water service), the Association shall be entitled to confirm submeter readings. Each Owner, by purchasing a Unit, consents to any such designation, granting, conveyance, transfer, cancellation, relocation and reservation of easements and/or rights of way as provided above without the necessity of any Owner or those claiming by, through or under an Owner entering into any further agreement respecting such action or document; provided, however, that such Owner and those claiming by, through or under an Owner agrees to join in and execute such documents and instruments and do such other things as may be necessary or convenient to effect the same promptly at the request of Developer without payment of additional consideration.

2. Easement to Conduct Extensive Sales Activities. Developer, and its agents, successors, mortgagees and assigns, shall have the right and an easement to conduct extensive sales activities on and at the Community, including the use of any Unit owned by Developer (and any other Unit, with the express permission of the Owner of such Unit) and the Common Elements (excluding Limited Common Elements appurtenant to other Units) for model Units, sales and management offices, parking and extensive sales displays and activities, and the posting and maintenance of signs and other advertisements relating to such sales activities. Without limitation of the foregoing, Developer reserves, for itself and its successors and assigns, the right during the course of Developers sales of units in the Community to supplement, modify and amend the estimated breakdown of annual maintenance fees and estimated cost of assessment to each unit, as Developer deems appropriate, to reflect changes in estimated expenses applicable to ownership of units attributable to the increase in cost of service or modification of proposed service to the Association reflected in the budget for annual maintenance fees. Upon such modifications, Developer may supplement and amend its public report applicable to the Community.

3. Developer's Easement for Construction. Developer and its agents, employees, contractors, licensees, successors, mortgagees and assigns shall have an easement over, under and upon any portion of the Community, including the Common Elements, any utility service, Limited Common Elements and any Unit, as may be reasonably necessary for the inspection of and for the completion of improvements to and correction of defects. The rights reserved in this section shall continue until ten (10) years after the later of: (i) the Recording of the "as built" verified statement required by Section 514B-34 of the Act; (ii) the "date of completion" of the improvements as defined in Section 507-43(f), Hawaii Revised Statutes of the last phase constructed in the Community or (iii) the expiration of the applicable limited warranty period for any portion or portions of the Common Elements.

4. Developer's Easements for Development, Construction, and Sale. Developer and its agents, employees, contractors, licensees, successors, mortgagees and assigns shall have an easement over, under and upon the Community and each and any portion of the Community and the individual Units to create and cause noise, dust, vibration and other nuisances or annoyances created by and resulting from any work connected with or incidental to the development, construction and sale of any Unit or other Improvement to the Community, any additional phase to the Community, or any other community which Developer, its successors or assigns, may develop on property adjacent to or in the vicinity of the Community. Each and every Owner or other person acquiring any interest in the Community waives any and all rights, claims or actions that might otherwise be asserted against Developer, its agents, employees, licensees, successors, mortgagees and assigns, based on any such noise, dust, vibration and other nuisances or annoyances. Without limitation of the foregoing:

(a) Developer, its agents, employees, consultants, contractors, licensees, successors, mortgagees and assigns, shall have an easement over, under and upon the Community as may be reasonable or appropriate for additional construction, the completion of renovations to the improvements of the Community, and (at the option of Developer) the correction of defects therein. In addition to any other easements reserved to Developer under the Master Declaration, in connection with, and to the extent necessary for the development and construction of units, common facilities, and/or phases following the transfer of ownership of any Unit to an individual or entity other than Developer, Developer shall have the right to enter upon the Community premises with employees, agents and contractors for all purposes reasonably necessary for or useful to constructing and completing all phases in accordance with the Declaration and the Condominium Map. Such rights shall include, but are not limited to, the following:

(i) An easement over, under and across the Common Elements of the Community and all utility service to the Community for the purposes of all work connected with or incidental to the development, construction and sale of the Units or phases; and,

(ii) The right in the nature of an easement over and upon the existing buildings and Common Elements of the Community to create and cause

dust, noise, vibration and other nuisances created by and resulting from any work connected with or incidental to the development, construction and sale of the phases or Units.

(b) Developer, its contractors, subcontractors, licensees, mortgagees and assigns, and their respective employees and agents, shall have the right and an easement in favor of Developer and its successors and assigns is hereby granted at any time and from time to time prior to the thirtieth (30th) anniversary date from the recording of the Declaration of Condominium Property Regime, to enter upon, use, remove, replace, add to, or otherwise alter the Common Elements and the Limited Common Elements of the Community and to do all things reasonably necessary, desirable or useful for designing, developing, constructing or completing any additional phase to the Community, connecting any such additional phase to the utility installations of the Community, and selling the Units contained within any such additional or phase, including, but not limited to, the right to consolidate any parcel(s) of land covered hereby with any other parcel(s) of land in connection with the merger of phases; provided that the exercise of the rights granted herein shall not cause any permanent or avoidable interruption in the service of utilities to the Community, and provided further that any person exercising such rights shall use reasonable efforts, without additional cost to Developer and consistent with maintaining the progress of the design, development, construction, completion and sale of the additional phase, to minimize interference with the Owners' use and enjoyment of the Property. Developer further reserves the right to grant, for the benefit of the owner or owners from time to time of all or any portion of each of the other phases, and without the consent or joinder of any party having any interest in the Community, easements over, under, across, along, upon and through the Common Elements of the Community for ingress and egress purposes, access purposes, electrical, gas, communications and other utility purposes, drainage and drainline, waterline, and flowage purposes, and all other purposes, to the State of Hawaii, the County, the Board of Water Supply of the County, any other appropriate governmental agency, and/or any public or private utility or other corporation, partnership, individual or entity, provided that such easements and rights-of-way do not materially impair or interfere with the use of any Unit in the Community or the Common Elements of the Community.

(c) Without limiting the foregoing, anything to the contrary notwithstanding, Developer shall have the following retained and reserved construction easements:

(i) A non-exclusive easement permitting encroachments in the event and to the extent that, by reason of the original construction or any reconstruction or replacement of any improvements currently located or hereafter constructed on any part of the Community or the subsequent settlement or shifting of any part of the improvements on any portion of the Community;

(ii) A non-exclusive easement for ingress and egress of persons and vehicles through, over and along all portions of the Community as they exist on the date the Declaration of Condominium Property Regime is Recorded and which, by their nature, currently permit the passage of persons and motor vehicles, respectively, for the purpose of affording access to and egress from the public alleys and streets adjoining the Community; and

(iii) A non-exclusive easement for ingress and egress of persons and vehicles through, over and along all portions of the Community to construct and maintain facilities therein, provided that the existence of the facilities when completed does not materially interfere with the use of the Community through or in which the Facilities are constructed for their intended purpose. During construction of the facilities, Developer and its contractors may restrict the use of the common areas of the Community as would be normal for the type of construction involved, provided that the common areas of the Community can still be used for the purpose for which they were designed, or reasonable alternative services are available.

(d) The purpose of the easements declared and granted in this Section is to enable Developer to fully develop and use the Community or any portion thereof for any lawful purpose whatsoever and to construct thereon any improvements which Developer is lawfully permitted to construct, and, in connection with such construction, to connect to, rest upon, abut and otherwise receive support for any improvements which may be created, from the improvements currently located on the Community adjoining the area of such improvement and for ingress and egress through the common areas of the Community as currently enjoyed. Developer's exercise of rights reserved in this Section are subject to Developer's agreement to repair at its sole cost, in a good and workmanlike manner and in accordance with all laws any damage caused to the Community by reason of the exercise of the Easements granted by this Section. The Easements granted in this Section are perpetual and may assigned in whole or in part, subject to such limitations as may be determined appropriate by Developer in Developer's sole discretion, by Developer to one or more Owners.

5. Community Access Roads. Each Owner shall have a non-exclusive right to enter upon and use for ingress and egress purposes the Community Access Roads serving the Community. Developer hereby discloses and each Owner acknowledges that Developer intends to use the Community Access Roads to conduct and perform its construction and sales activities within the Community until all of the Units have been completed and sold and the Community Access Roads will be used for access purposes by other Owners in the Community. These activities may result in noise, vibration and other nuisances and hazards, including traffic congestion and temporary impairment of access to portions of the Community, and each Owner covenants that such Owner assumes all risks associated with the Owner's use of the roads. The provisions of the Declaration of Condominium Property Regime shall apply to and govern each Owner's use of the roads unless and until such time as it is dedicated to the County and/or State and removed from the Community Land by amendment to the Declaration of Condominium Property Regime, which right to dedicate the roads is specifically reserved to Developer. Each Owner shall indemnify and hold harmless Developer, its successors and assigns, from and against any and all claims and demands for damages made by, through or under such Owner in connection with the right of entry granted by Developer to such Owner.

6. Developer's Reserved Right Regarding County Licenses and Permits. Each Owner acknowledges and agrees that Developer, on behalf of the Association, may seek or has obtained certain licenses and permits from the applicable planning department of the County (the "DPP") relating to the development of the Community, including, but not limited to the public storm sewer system. To the extent that any such licenses or permits have not been issued to the Association, Developer and its agents, employees, contractors, licensees, successors, mortgagees and assigns, reserve the right to transfer to the Association any and all obligations in connection with such permits. Developer hereby reserves the right, without the joinder or consent of the Association or any Owner or their mortgagees, to amend such license agreement or permit as may be required by the DPP. In connection with such permits and licenses, the Association shall have the responsibility to comply at all times now and in the future with all DPP regulations and any other applicable statutes, ordinances and rules and regulations of Federal, State or County agencies relating to the discharge, drainage and runoff of storm water and surface water, and their constituents, from the Community into the public storm sewer system. Neither the Association nor any Owner shall take any actions that may in any way undermine the Association's obligations to comply with such regulations. Each Owner and the Association shall execute any and all documents required by Developer in Developer's sole discretion to transfer, if required, any applicable license(s) relative to such discharge, drainage and runoff to the Association.

7. Developer's Reserved Right Regarding Grading and Drainage Channels. Developer reserves to itself and the Association, and their respective officers, agents, employees, successors, and assigns, an easement to enter upon, across, over, in, and under any portion of the Community for the purpose of changing, correcting, or otherwise modifying the grade or drainage channels of any portion of the Community for all reasons determined appropriate by Developer, including without limitation so as to improve the drainage of water on the Community. Reasonable efforts shall be made to use this easement so as to disturb as little as possible the uses of the Owners, the Association and Developer, as applicable, to prosecute such drainage work promptly and expeditiously, and to restore any areas

affected by such work to a slightly and usable condition as soon as reasonably possible following such work. The rights reserved in this Section shall continue until ten (10) years after the later of: (i) the Recording of the "as built" verified statement required by Section 514B-34 of the Act; (ii) the "date of completion" of the improvements as defined in Section 507-43(f), Hawaii Revised Statutes of the last phase constructed in the Community or (iii) the expiration of the applicable limited warranty period for any portion or portions of the Common Elements.

8. Developer's Right for Roadway and Utility Purposes. Developer reserves an easement for roadway and utility purposes on and over the Community Access Road as shown on the Condominium Map, which is a portion of the Community Area. Without limitation of Developer's rights under Section E.6, Developer further reserves the right to grant to the County or Kauai Island Utility Cooperative or any agency or organization acting on their behalf any or all of the easement areas designated under the Condominium Map or in the Declaration of Condominium Property Regime herein, without joinder or consent of the Association, any Owner, or any Owner's mortgagee.

9. Developer's Reserved Right to Transfer Property to the Association. The Association shall accept title to any property, including any Improvements thereon and personal property transferred to the Association by Developer (herein the "Common Area"), together with the responsibility to perform any and all duties associated therewith, which, upon conveyance or dedication to the Association, the Association shall maintain at its expense for the benefit of the Members as provided in the Declaration of Condominium Property Regime. Property interests transferred to the Association by Developer may include, without limitation, any flowage, drainage, or utility easements (pending dedication of all or portions of the affected easement areas to the County), the roadways, and may encompass fee simple title, easements, leasehold interests and licenses to use; provided, however, that any property or interest in property transferred to the Association by Developer shall, except to the extent otherwise specifically approved by resolution of the Board, be transferred to the Association "as-is," "where-is," free and clear of all liens and encumbrances except for the following: (i) the lien for property taxes and assessments not then due and payable; (ii) the terms of the Declaration of Condominium Property Regime and the terms of the Supplemental Declaration annexing the property to the Property; (iii) easements, rights-of-way, reservations, covenants, conditions, restrictions and equitable servitudes or other non-financial encumbrances as Developer in its discretion may deem appropriate; and (iv) such financial encumbrances as may be reasonably accepted and assumed by the Association and specifically approved by resolution of the Board. Any property or interest in property transferred to the Association by Developer shall not impose any unreasonable or special burden on the Association other than the normal burdens of ownership and maintenance of property and the operation of facilities thereon; provided, however, such conveyance instrument may contain an indemnity of the Developer by the Association. Each Owner, by accepting title to any portion of the Property and becoming an Owner, is deemed to approve and accept the acquisition by the Association of Common Area as provided herein, and any Common Expenses which may relate thereto. The conveyance by Developer may be without warranty of any kind except as aforesaid and without the benefit of escrow or title insurance, provided, however, the Association may purchase such title insurance, at the Association's expense, as the Association may wish. Upon transfer, the Association agrees to assume the obligations of the Developer under any applicable leases, contracts, and other agreements. Furthermore, and notwithstanding anything to the contrary contained or implied in the Declaration of Condominium Property Regime, Developer shall have the absolute right, without consent or joinder of the Association, or any member thereof or its Board, to convey to the Association the Common Element(s) and properties described in this Section.

10. Developer's Additional Reserved Rights Regarding Alterations and Repair. Any other provision in the Declaration of Condominium Property Regime to the contrary notwithstanding, Developer reserves the rights described in Section E of the Declaration of Condominium Property Regime unto Developer, its successors and assigns. Prior to the later of (i) the time that all Units in the Community have been sold and the conveyance thereof Recorded, (ii) December 31, 2025, and (iii) the filing by Developer of the "as built" verified statement (with plans, if applicable) required by Section 514B-34(a) of the Act, Developer shall have the right, but not the obligation, and without being required to obtain the consent or joinder of any person or group of persons, including the Association, any Unit Owner or any

Mortgagee, lienholder, Unit purchaser, or any other person who may have an interest in the Community, to do the following:

(a) Configuration of Units, and Other Changes. Developer shall have the absolute right, notwithstanding the lease, sale, or conveyance of any Unit and without being required to obtain the consent or joinder of any Unit Owner, lien holder, or other persons, to make alterations in the Community (and to amend the Declaration of Condominium Property Regime and the Condominium Map accordingly) which change the configuration of, decrease or increase the size of, or change the location of any Unit (and the Limited Common Elements appurtenant thereto) in the Community which is not sold and the conveyance thereof Recorded. Further, Developer may consolidate any two (2) adjacent Units owned by the Developer into a single Unit and make any Common Element between the Units part of the Unit or its Limited Common Elements. In that regard, Developer may change the designation of the Limited Common Elements appurtenant to any two (2) adjacent Units owned by the Developer so that one or more Limited Common Elements appurtenant to one Unit will be appurtenant to the other Unit or to both of the Units. Without limitation of the foregoing, Developer reserves the right to modify utility locations from those reflected on the Condominium Map.

(b) Right to Improve Common Area Facilities. Developer shall have the absolute right, not withstanding the lease, sale, or conveyance of any Unit and without being required to obtain the consent or joinder of any Unit Owner, lien holder, or other persons, to construct within the Common Area Facilities recreational which upon such new construction shall be Common Elements of the Community.

(c) Alterations to the Community. Developer shall have the absolute right, notwithstanding the lease, sale, or conveyance of any Unit and without being required to obtain the consent or joinder of any Unit Owner, lien holder, or other persons, to make other alterations in the Community (and to amend the Declaration of Condominium Property Regime and the Condominium Map accordingly) which make minor changes in any Unit in the Community or in the Common Elements that do not affect the physical location, design, or size of any Unit that has been sold and the conveyance thereof Recorded.

(d) Amendment to the Declaration of Condominium Property Regime and Condominium Map. Developer shall have the absolute right, notwithstanding the lease, sale, or conveyance of any Unit and without being required to obtain the consent or joinder of any Unit Owner, lien holder, or other persons, to amend the Declaration of Condominium Property Regime and the Condominium Map as necessary or convenient to describe any new Improvements constructed on the Property in accordance with the Declaration of Condominium Property Regime and to make such amendments to the Declaration of Condominium Property Regime as are appropriate in accordance with Section E.

(e) Right of Inspection. Developer reserves the right, but not the obligation, to make any inspection the Common Elements, Limited Common Elements, or Units.

11. Developer's Right to Change Designation of Parking Areas. Developer reserves the right to change the designation of parking areas and to amend the Declaration of Condominium Property Regime and Condominium Map as necessary or convenient to describe the change in the designation of the parking areas.

12. Reciprocal Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between adjacent Units due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (either initially by Developer or subsequently in accordance with the terms of the Declaration of Condominium Property Regime) to a distance of not more than one foot, as measured from any point on the common boundary between said adjacent Units, along a line perpendicular to such boundary at such point; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct or negligence (e.g. failure to have a survey done prior to construction) on the part of an Owner, Occupant or the Association. Any such easements for encroachment shall be for the encroachment and for the maintenance thereof (including access to and from the encroachment).

13. Amendment of Developer's Reserved Rights. The Declaration of Condominium Property Regime cannot be amended to modify or eliminate the easements or other rights reserved to Developer by any Section therein without the prior written consent of Developer, and any attempt to do so shall have no effect.

14. Developer's Right to Change Construction Phases. The Community consists of a number of Units and no commercial units as more fully described in Exhibit "B-1" to the Declaration of Condominium Property Regime, to be developed, in Developer's sole discretion. The Community will be constructed in as many separate phases as Developer shall determine. The term "phase", as defined in the Declaration of Condominium Property Regime, means any cluster or clusters of Units in this Community together with related facilities appurtenant thereto as reflected on the Condominium Map, developed and built on a phased basis in accordance with this Section (sometimes "Phase " or "Phases"). Developer contemplates, however, that development shall proceed in two (2) phases; provided, however, multiple phases may be constructed concurrently. Any other provision in the Declaration of Condominium Property Regime to the contrary notwithstanding, the Developer shall have the right (but shall not be obligated) at its sole discretion under this Section, without being required to obtain the consent or joinder of any person or group of persons, including the Association, any Owner or any mortgagee, lien holder, Unit purchaser or any other person who may have an interest in the Community or in any Unit, to develop, construct, transfer, convey and/or sell the Units hereunder in phases on a unit by unit basis. Upon the completion of any Unit within an phase, the Developer may, notwithstanding the incompletion of any other phases or other Units in the pending phase, but subject to the Community Documents and the provisions of the sales contract for the sale of a Unit in such phase, thereupon transfer ownership of Units in such phase to Unit purchasers.

15. Completion of Phases. In connection with, and to the extent necessary for the development and construction of the Community, other Units and/or phases following the transfer of ownership of any Unit to an individual or entity other than the Developer, the Developer shall have the right to enter upon the Community premises with employees, agents and contractors for all purposes reasonably necessary for or useful to constructing and completing all phases in accordance with the Declaration of Condominium Property Regime and the Condominium Map. Such rights shall include, but are not limited to, the following:

(a) An easement over, under and across the Common Elements of the Community for the purposes of all work connected with or incidental to the development, construction and sale of the Community, other Units and all phases;

(b) The right in the nature of an easement over and upon the existing buildings and Common Elements of the Community to create and cause dust, noise, vibration and other nuisances created by and resulting from any work connected with or incidental to the development, construction and sale of the phases;

(c) The right to enter the common areas of the Community for the purpose of showing prospective purchasers Units in the Community;

(d) The right to place signs upon the Community in conjunction with sales of Units;

(e) The right of the Developer to use any Unit owned or rented by the Developer for sales or display purposes until all Units have been sold; and

(f) The right to use utility services benefiting the Community.

16. Developer's Reserved Rights. The rights reserved to the Developer in Sections F1 and F2 of the Declaration of Condominium Property Regime are subject to the following terms and conditions:

(a) Construction shall be in accordance with complete plans and specifications therefor prepared by a licensed architect or engineer and in accordance with the Declaration of Condominium Property Regime and the Condominium Map (as the same may be amended pursuant to the Declaration of Condominium Property Regime), and the later phase shall be generally consistent with the previous phases in terms of quality of construction;

(b) No plans and specifications shall require the alteration or demolition of any existing Units or Limited Common Elements, except that the Developer shall have the right to utilize, relocate and realign existing, and/or to develop additional, central and appurtenant installations for services to the additional Units for electricity, hot and cold water and other applicable utilities and services and, when applicable, to add, delete, relocate, realign, designate and grant easements and rights-of-way over, under and on the Common Elements as necessary and desirable in connection therewith; provided that the same shall not cause an interruption, other than a temporary interruption, in the service of such utilities to any other part of the Community;

(c) Construction of each phase shall be at the Developer's expense and shall be substantially completed within three (3) years of commencement thereof, subject to delays beyond the control of the Developer;

(d) During the entire course of such construction, the Developer, at its sole discretion, will cause to be maintained at its expense builder's all-risk insurance in an amount not less than the estimated cost of construction. The Association may be named as an additional insured and evidence of such insurance may be deposited with the Board of Directors;

(e) Prior to commencement of such construction, the Developer may, in Developer's sole discretion, deposit with the Association evidence of a payment and performance bond or an irrevocable letter of credit issued by a bank, material house or other entity authorized to do business in the State of Hawaii, naming the Association as a co-obligee, in an amount not less than one hundred percent (100%) of the cost of construction as estimated by the Developer, or in lieu thereof a guarantee issued by Developer against mechanic's and materialmen's liens; and

(f) The Developer shall not in any way encumber individual Units no longer owned by the Developer in connection with the financing of construction of phases, provided that the Developer may assign, by way of security, its interest in the Units owned by the Developer.

17. Developer's Ownership of Units in Phases. Subject to the limitations contained in the Declaration of Condominium Property Regime, until the conveyance by the Developer of a Unit in the Community, the Developer shall for all purposes be deemed the "Owner" as to such Unit, regardless of whether such Unit is located within a completed phase, a phase under construction, or a phase yet to be developed. Liens arising in connection with the Developer's ownership and/or construction of any phase shall not adversely affect the rights of any Owner other than the Developer or the priority of prior mortgages covering Units not owned by the Developer.

18. Developer's Right to Alter Common Elements and Limited Common Elements. The Developer, its contractors, subcontractors, licensees, mortgagees and assigns, and their respective employees and agents, shall have the right and an easement in favor of the Developer and its successors and assigns is hereby granted at any time and from time to time prior to the twentieth (20th) anniversary date hereof, to enter upon, use, remove, replace, add to, or otherwise alter the Common Elements and the Limited Common Elements of the Community and to do all things reasonably necessary, desirable or useful for designing, developing, constructing or completing any additional phase to the Community, connecting any such additional phase to the roads and utility installations of the Community, and selling the Units contained within any such additional phase, including, but not limited to, the right to consolidate any parcel(s) of land covered hereby with any other parcel(s) of land in connection with the addition of a

phase; provided that the exercise of the rights granted herein shall not cause any permanent or avoidable interruption in the service of utilities to the property, and provided further that any person exercising such rights shall use reasonable efforts, without additional cost to the Developer and consistent with maintaining the progress of the design, development, construction, completion and sale of the additional phase, to minimize interference with the Owners' use and enjoyment of the property. Developer further reserves the right to grant, for the benefit of the owner or owners from time to time of all or any portion of each of the other Phases, and without the consent or joinder of any party having any interest in the Community, easements over, under, across, along, upon and through the Common Elements of the Community for ingress and egress purposes, access purposes, electrical, gas, communications and other utility purposes, drainage and drainline, waterline, and flowage purposes, and all other purposes, to the State of Hawaii, the County, the Board of Water Supply of the County, any other appropriate governmental agency, and/or any public or private utility or other corporation, partnership, individual or entity, provided that such easements and rights-of-way do not materially impair or interfere with the use of any Unit in the Community or the Common Elements of the Community.

19. Allocation of Common Profits and Expenses. As provided in Section F to the Declaration of Condominium Property Regime, the common profits and expenses of the Community shall be allocated to and shared among only those Units within Phase 1 and 2 (proportionate to the common interests appurtenant to such Units within such Phase 1 and 2) until such time as administration of the Units in a subsequent phase have been turned over to the Owners or a Developer's Certificate of Completion of a Phase has been issued by Developer and Recorded with respect to any subsequent phase. As to subsequent phases, common expenses shall be shared and payable by the Owner(s) of each Unit in a phase or phases commencing as to each Unit on the first day of the first month following turnover of administration or the issuance of such Developer's Certificate of Completion applicable to the phase in which such Unit is located.

20. Allocation of Undivided Common Interest. Each Unit shall have appurtenant thereto an undivided interest (referred to as the "common interest") in all Common Elements of the Community and the same proportionate share in all common profits and common expenses of the Community, except as otherwise provided in the Declaration of Condominium Property Regime or the Bylaws, and for all other purposes, including voting, as set forth in Exhibit "C" to the Declaration of Condominium Property Regime assuming all Units are constructed as reflected on the Condominium Map; provided, however, that all common profits and expenses of the Community shall initially be allocated to and shared among only those Units in Phase 1 and 2, proportionate to the common interests appurtenant to such Units as shown in Exhibit "C" to the Declaration of Condominium Property Regime; and provided, further, however, that upon the development of subsequent phases, all common profits and expenses of the Community shall be allocated to and shared among those Units for which a Developer's Certificate of Completion of phase has been Recorded, proportionate to the common interests appurtenant to such Units. The common interests applicable to the initial Phase 1 and 2 prior to development of later phases, is described in Exhibit "C" to the Declaration of Condominium Property Regime, together with the anticipated common interests applicable to the Units as each phase is developed. Common expenses shall be borne solely by Units within the initial Phase 1 and 2, until development of subsequent phases. The common interest appurtenant to each Unit is determined by dividing the approximate total area of each such Unit by the total area of all Units, and rounding off so that the total of all common interests equals 1.0000 (100.00%).

21. Alterations and Transfers of Common Interest. The common interest and easements appurtenant to each Unit shall have a permanent character and shall not be altered except as noted in Section F to the Declaration of Condominium Property Regime. The common interest, voting rights and easements appurtenant to each Unit may be altered (diminished or increased) by a Recorded amendment to the Declaration of Condominium Property Regime: (a) as may be determined necessary by Developer, without the consent of any party, to correct typographical or mathematical errors in the statement of such common interests, (b) filed by Developer, without the joinder of any party, upon the alteration of the Community as permitted pursuant to Section M.3, and/or (c) upon the action or consent of all Owners of Units affected thereby, and the consent of the holders of any mortgage affecting such Units as shown in the Association's records of ownership, or who have given the Board notice of their interest. The common interest and appurtenant easements shall not be separated from the Unit to which

they appertain and shall be deemed to be conveyed or encumbered with that Unit even though such interest or easements are not expressly mentioned in the conveyance or other instrument. The Common Elements shall remain undivided and the right to partition or divide any part of the Common Elements shall not exist except as provided in the Act.

22. Developer's Limitation to Construct Units. Nothing in Section F to the Declaration of Condominium Property Regime shall be deemed to or otherwise limit or affect the Developer's ability to construct all Units in the Community in accordance with the Declaration of Condominium Property Regime and the Condominium Map, as the same may be amended.

23. Amendment. Notwithstanding any provision in Section F to the Declaration of Condominium Property Regime, Section F to the Declaration of Condominium Property Regime may not be amended without the written consent and joinder of the Developer.

24. Rights of Developer. The rights of the Developer under this Section shall extend to the Developer and its respective successors and assigns.

25. Consent, Power of Attorney, Waiver. By acceptance of a deed, lease or other conveyance of an interest in a Unit, each and every Owner or other person or entity acquiring such interest, including the holders of mortgage liens on individual Units, consents to the rights reserved to Developer in the Declaration of Condominium Property Regime, including but not limited to, the right to prepare, execute, file, process and Record necessary and appropriate documents and other items to establish and grant easements and to make necessary and appropriate amendments of the Declaration of Condominium Property Regime, the Condominium Map and the Bylaws. By such acceptance, each and every Owner or party acquiring such interest, including the holders of mortgage liens on individual Units, agrees to execute all documents and to do all other things as may be necessary or convenient to effect the same; and such acceptance shall be deemed an appointment of Developer, with full right of substitution, as the attorney-in-fact of such Owner or acquiring party to execute such documents and to do such things on such Owner's or acquiring party's behalf; and such appointment, being coupled with an interest, shall be irrevocable for the specific period(s) of Developer's reserved rights as set forth in the Declaration of Condominium Property Regime and shall not be affected by the disability of any such Owner or acquiring party.

26. Any other provision in the Declaration of Condominium Property Regime to the contrary notwithstanding, Developer shall have the right, at its sole discretion and without being required to obtain the consent or joinder of any person or group of persons, including the Association, any Unit Owner or any mortgagee, lien holder, Unit purchaser or any other person who may have an interest in the Community, to effect or participate (unilaterally or jointly with the owner or owners of adjacent parcels of land) in a subdivision of the Community land or a consolidation and resubdivison of the Community land with adjacent parcels of land, the result of which may be to adjust the boundaries of the Community land and delete from the Community all of the land covered by the Declaration of Condominium Property Regime consisting of the roads and a portion of the property (the land to be removed is described as the "Removable Land"). Any such adjustment of boundaries will reconfigure the Community land such that it actually conforms to the configuration of the Community land as depicted on the Condominium Map and, consequently, will not affect the layout, location, dimensions of any of the Units or other phases of the Community as shown on the Condominium Map, and will not change or reapportion the common interests appurtenant to the Units, all as set forth and described in the Declaration of Condominium Property Regime. Upon removal and deletion of the Removable Land as set forth in this Section, and with no further action required, the Removable Land shall cease to be a part of the Community or subject to the Declaration of Condominium Property Regime or the Act, and no Unit Owner, mortgagee, lien holder, Unit purchaser or any other person (other than Developer and the holder of any blanket mortgage affecting the Removable Land prior to the Declaration of Condominium Property Regime) who may have an interest in the Community or any Unit shall have any legal or equitable interest in the Removable Land (or in any other land adjacent to the Community land which may have been consolidated with the Community land pursuant to this Section) and shall be deemed to have quitclaimed and/or released to Developer any and all interest each person may have had in the Removable Land or in any other land which may have been consolidated with the Community land pursuant to this section. If deemed necessary to effect the intent

of this Section, each Unit Owner, mortgagee, lien holder and any other person who may have an interest in the Community or any Unit shall, if requested by Developer, unconditionally quitclaim and/or release its interest, if any, in the Removable Land (and in any other land adjacent to the Community Land which may have been consolidated with the Community land pursuant to this Section) to Developer or to Developer's designee. Developer shall also have the right, at its sole discretion and without being required to obtain the consent or joinder of any person or group of persons, including the Association, any Unit Owner or any mortgagee, lien holder, any Unit purchaser, or any other person who may have an interest in the Community or in any Unit, to consolidate and resubdivide or subdivide the Project Land, relocate and subsequently grant the roadways, driveways and easements.

27. Reservation to Reserve, Delete and Annex Land. In the exercise of the foregoing rights, Developer may at any time and multiple times (i) file and process the final approval an application with the County of Kauai for a legal subdivision of the Removable Land from the land covered by the Declaration of Condominium Property Regime (or for a consolidation and resubdivision resulting in the legal subdivision of the Removable Land from the land covered by the Declaration of Condominium Property Regime), (ii) file and process any procedure required to fully and legally effect such subdivision or consolidation and resubdivision, designation, granting, conveyance, transfer, cancellation, relocation and reservation of easements and/or rights of way, (iii) Record one or more amendments to the Declaration of Condominium Property Regime which shall contain an amended description of the land covered by the Declaration of Condominium Property Regime deleting therefrom the Removable Land, (iv) if deemed necessary by Developer, Record one or more amendments to the Condominium Map showing any changes to the Community, and (v) if deemed necessary by Developer, apply for and obtain from the Real Estate Commission of the State of Hawaii an amended public report describing the changes made to the Community pursuant to this Section. The Removable Land shall be deemed deleted from the Community for all purposes upon the Recordation of the amendment(s) to the Declaration of Condominium Property Regime.

Developer shall have the absolute right, notwithstanding the lease, sale or conveyance of any Unit and without being required to obtain the consent or joinder of any Unit Owner, lien holder or other persons, to effect the removal and deletion of the Removable Land in accordance with this Section, and to execute, Record and/or file the herein described applications, petitions, amendments, quitclaims, releases and any and all other instruments necessary or appropriate for the purpose of effecting the removal and deletion of the Removable Land as contemplated in this Section. Any such action shall be deemed taken by Developer as the true and lawful attorney-in-fact of the respective Unit Owners and lien holders. Each and every party acquiring an interest in any Unit, the Community or the land covered by the Declaration of Condominium Property Regime, by such acquisition, consents to such deletion and removal and to the filing or Recordation of such documents as may be necessary or convenient to effect the same, agrees to execute such documents and do such other things on its behalf, which grant of such power, being coupled with an interest, is irrevocable and shall not be affected by the disability of any such party.

Developer shall have the absolute right, notwithstanding the lease, sale, or conveyance of any Unit and without being required to obtain the consent or joinder of any Unit Owner, lien holder, or other persons, but not the obligation, from time to time and at any time, to annex by Supplemental Declaration additional real property, whether in fee simple or leasehold to the Declaration of Condominium Property Regime in phases of any size whatsoever, or to annex more than one such phase at any given time and in any given order. Any such property not specifically annexed by Supplemental Declaration properly Recorded shall not become subject to the Declaration of Condominium Property Regime. Supplemental Declarations may contain such complementary or supplementary additions and modifications of the provisions of the Declaration of Condominium Property Regime as may be necessary to reflect the different character, if any, of the property being annexed and may add, delete, or modify provisions of the Declaration of Condominium Property Regime as it applies to the property being annexed. The Recordation of such Supplemental Declaration shall constitute and effectuate the annexation of the property described therein, unless a later effective date is specified in the Supplemental Declaration, making such real property subject to the Declaration of Condominium Property Regime and subject to the functions, powers, and jurisdiction of the Association, and thereafter said real property shall

be part of the Community and Property for all intents and purposes of the Declaration of Condominium Property Regime, and all of the owners of apartment units in the annexed property shall automatically be Owners hereunder. Each Owner hereby acknowledges and agrees that their voting power as a member may be altered (diminished or increased) attributable to such an annexation.

The rights reserved to Developer under this Section shall extend to Developer and its successors and assigns.

The rights reserved to Developer in this Section are subject to the following conditions: (a) The deletion and removal of the Removable Land or the annexation of additional land shall not adversely affect the layout, location, dimensions or structure of any of the buildings, units to the Community as shown on the Condominium Map; (b) the deletion and removal of the Removable Land shall not change or reapportion the common interest appurtenant to the Units; and (c) the subdivision or consolidation and resubdivision pursuant to this Section shall be ordered and effected on or before December 31, 2025.

28. Reserved Right to Modify Community to Comply with Law. Developer shall have the reserved right, to effect such modifications to the Units and Common Elements in the Community and/or to execute, record and deliver any amendments to the Declaration of Condominium Property Regime, the Condominium Map as well as the Bylaws and rules and regulations promulgated thereunder, as may be necessary or required to effect compliance by the Community, the Association, or by Developer with laws which apply to the Community, including, without limitation, the Fair Housing Act, as amended, 42 U.S.C. §§ 3601 et seq., including any and all rules and regulations promulgated thereunder, and the Americans With Disabilities Act, as amended, 42 U.S.C. §§ 12101 et seq., including any and all rules and regulations promulgated thereunder. The rights of Developer under Section U to the Declaration of Condominium Property Regime may be assigned to the Association, without the consent of joinder of the Board.

END OF EXHIBIT L

EXHIBIT M

Section 4.2 -- Estimate of the Initial Maintenance Fees

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE ESTIMATE OF THE INITIAL MAINTENANCE FEES CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

The Estimated Maintenance Fee Disbursements for Kealanani Makee Phase 1 and 2 have been compiled by Hawaii First, Inc., a licensed property manager, assuming that all units in the Project as reflected on the Condominium Map are constructed. Although the property manager makes every effort to estimate the actual cost of operation, certain budget items, especially insurance in today's insurance market, may change. Purchaser is aware that such amounts are only estimates and may change for reasons beyond the control of Developer, and Purchaser hereby specifically accepts and approves any such changes. Purchaser is also aware that such estimates do not include Purchaser's obligation for payment of real property taxes. Purchaser understands that such estimates are not intended to be and do not constitute any representation or warranty by Developer, including but not limited to any representation or warranty as to the accuracy of such estimates. Purchaser understands that Developer has not independently confirmed the accuracy or content of the estimates prepared by the licensed independent managing agent. Further, Developer advises that costs and expenses of maintenance and operation of a condominium community are very difficult to estimate initially and even if such maintenance charges have been accurately estimated, such charges will tend to increase in an inflationary economy and as the improvements age. Maintenance charges can vary depending on services desired by unit owners and may increase significantly depending on the level of services eventually selected by the Association's Board of Directors. Purchaser should examine the maintenance charges schedule to see what services are included in the schedule and address these issues with its Board upon its formation. Purchasers should also be aware that the estimates provided are as of the date reflected in the Managing Agent's certification and do not reflect the actual charges that may be incurred upon the formation of the Association and the actual contracting for such services such as insurance and maintenance, etc.

Developer intends to pay all of the actual common expenses for the units and the unit owner shall not be obligated for the payment of the owner's share of the common expenses until such time as Developer causes a 30 day advance written notice to be sent to the Owners that, after a specified date, the unit owners shall be obligated to pay for the portion of common expenses that is allocated to their respective units. Developer shall mail the written notice to the owners, the association, and the managing agent, if any, at least thirty days before the specified date.

The estimate of the initial annual maintenance fees and monthly estimated Maintenance fees is attached hereto.

ESTIMATED ANNUAL MAINTENANCE FEES AND MONTHLY ESTIMATED MAINTENANCE FEES

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS
FOR
KEALANANI
Makee Parcel, Phase I & II

EXHIBIT M

Estimate of Initial Maintenance Fees:

Units	Number of Units	Monthly Fee	X 12 Months	= Yearly Total
All	60	$ 305.12		$ 3,661.44

Apartment owners shall not be obligated for the payment of their respective shares of the common expenses until such time as the Developer files with the Real Estate Commission an amended abstract providing that, commencing upon a date certain stated in the amended abstract, each apartment owner shall become obligated to pay his respective share of the common expenses.

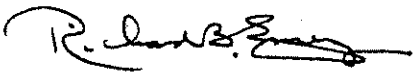
The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

Estimate of Maintenance Fee Disbursements: For maintenance and service of the Common Elements only.

	Monthly Fee	X 12 Months = Yearly Total
Utilities and Services		
Electricity (Common Area)	$ 566.00	$ 6,792.00
Telephone	$ 85.00	$ 1,020.00
Refuse Collection	$ 3,600.00	$ 43,200.00
Green Waste Recycling	$ 679.00	$ 8,148.00
Maintenance, Repairs and Supplies		
Grounds Maintenance Contract	$ 4,528.00	$ 54,336.00
Valley Trail Maintenance	$ 1,132.00	$ 13,584.00
Tree Trimming Contract	$ 566.00	$ 6,792.00
Supplies/Equipment	$ 566.00	$ 6,792.00
Ditch Water System Repair	$ 226.00	$ 2,712.00
Management		
Audit/Tax Fees	$ 113.00	$ 1,356.00
Legal Fees	$ 57.00	$ 684.00
Management Fee	$ 951.00	$ 11,412.00
Site Management/Meter Monitoring	$ 1,132.00	$ 13,584.00
Admin. Services/Supplies	$ 113.00	$ 1,356.00
GET	$ 6.00	$ 72.00
Insurance		
Liability	$ 1,262.00	$ 15,144 .00
Umbrella	$ 379.00	$ 4,548.00
Directors & Officers Liability	$ 59.00	$ 708.00
Bond	$ 23.00	$ 276.00
Other		
Reserve Contributions*	$ 2,264.00	$ 27,168.00
TOTAL	$ 18,307.00	$ 219,684.00

The estimates are for the maintenance fee assessment for the master association, and it is contemplated that the maintenance fee assessments are to be passed through to the sub districts, and that the amounts chargeable include the administration of such assessments. No additional assessments are contemplated.

I, Richard Emery, as agent and employed by Hawaii First Inc., the condominium managing agent for the Kealanani condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



Dated: December 15, 2006

(*) Mandatory reserve assessment. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserve Fund", the Developer has conducted a reserve study in accordance with §514B-148, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

Pursuant to §514B-148, HRS, a new association need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

EXPLANATION REGARDING RESERVES

The current reserve contribution represents only an estimate of the actual reserve contribution that may be required in the future. The reserve study required under §514B-148, HRS has not been conducted. The Developer's management contract with Hawaii First Inc., the Managing Agent, requires the agent to prepare a certified professional Reserve Study for the first full fiscal year that follows the association's first year after the annual meeting as a part of the annual budget.

EXHIBIT N

Section 5.1 -- Summary of Pertinent Provisions of Sales Contract

THIS SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE PURCHASE AGREEMENT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF PURCHASER'S RIGHTS AND OBLIGATIONS UNDER THE PURCHASE AGREEMENT, PURCHASER MUST REFER TO THE PURCHASE AGREEMENT TO DETERMINE PURCHASER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE PURCHASE AGREEMENT, THE PURCHASE AGREEMENT WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

The Deposit Receipt, Reservation and Sales Agreement (the "Sales Contract") contains the price and other terms and conditions under which a purchaser will agree to buy a Residence in the Community. Among other things, the Sales Contract states:

(a) The total purchase price, method of payment and additional sums which must be paid in connection with the purchase of a Unit.

(b) That the purchaser acknowledges having received and read the public report for the Project prior to signing the Sales Contract.

(c) That the Developer makes no representations concerning rental of a Unit, income or profit from a Unit, or any other economic benefit to be derived from the purchase of a Unit.

(d) The Sales Contract provides that it shall not be construed as a present transfer of any rights or of any interest in the Unit, but rather states that it is an agreement to transfer in the future. By execution of the Sales Contract, the Purchaser agrees to waive, relinquish and subordinate the priority or superiority of any lien or other legal or equitable interest arising under the Sales Contract in favor of the lien or charge on the Community of the security interests of the Lender, including but not limited to any lien, mortgage or charge securing a loan made to finance the acquisition of the land and the costs of construction (if applicable) and any and all advances therefore until the filing of the Deed.

(e) That the purchaser's money will be held in escrow, under the terms of the Escrow Agreement.

(f) Requirements relating to the purchaser's financing of the purchase of a Unit.

(g) That the Unit and the Community will be subject to various other legal documents which the purchaser should examine, and that the Developer may change these documents under certain circumstances.

(h) That the Developer makes no warranties regarding the Unit, the Community or anything installed or contained in the Community.

(k) That the Community will be subject to ongoing construction and sales activities which may result in certain annoyances to the purchaser.

(l) That the purchaser must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

(m) That the Developer has reserved certain rights and powers relating to the Community and the purchaser acknowledges and consents to the exercise of such rights and powers.

(o) If the purchaser defaults, Developer may retain purchaser's deposits and bring an action against purchaser.

(p) Buyer may not at any time assign its rights or obligations under the Purchase Agreement.

(q) Any assignment of the Sales Contract is void and of no legal effect.

(r) The Sales Contract provides that any dispute by or between Seller and Purchaser arising out of or incident to the Sales Contract, or the development or management of the Community, the sale of the Unit or the use or occupancy thereof, or any other aspect of the relationship between Seller and Purchaser regarding the Community which is raised or otherwise asserted after Closing shall be submitted to mediation and, if necessary, to arbitration in accordance with the terms, conditions and procedures set forth in the Sales Contract.

The Sales Contracts contains various other important provisions relating to the purchase of a Unit in the Community. Purchasers and prospective purchasers should carefully read the specimen Sales Contracts on file with the Real Estate Commission. Unless otherwise defined herein, all capitalized terms used herein shall have the same meanings given them under the Purchase Agreement.

END OF EXHIBIT N

EXHIBIT O

Section 5.1 -- Summary of Pertinent Provisions of Escrow Agreement

THIS SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE ESCROW AGREEMENT. WHILE ONE CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE ESCROW AGREEMENT, ONE MUST REFER TO THE ACTUAL ESCROW AGREEMENT TO DETERMINE THE RIGHTS AND OBLIGATIONS OF THE PARTIES. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE ESCROW AGREEMENT, THE ESCROW AGREEMENT WILL CONTROL AND NOT THIS SUMMARY. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

The Escrow Agreement sets up an arrangement under which the deposits a purchaser makes pursuant to a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement, these things will or may happen:

(a) Developer will give Escrow a signed copy of the Sales Contract and Purchaser's deposit towards the purchase price of a Unit. If the Purchaser gets a mortgage loan, the money from the loan will be paid to Escrow, along with the lender's mortgage for recording, and Escrow shall follow the lender's instructions.

(b) Developer will notify Escrow each time the Sales Contract requires a payment. Escrow will then contact each Purchaser and ask for that payment to be made to Escrow. Purchaser will be asked to make all payments to Escrow on the date designated in the written notice or not later than five (5) business days after Purchaser has received Escrow's written notice.

(C) Escrow will set the time (in accordance with Sales Contract and Developer's instruction to pre-close) for taking in all money from each Purchaser and for the signing of all of the documents that each Purchaser must sign to complete the purchase, except for the mortgage documents, which may be signed at the lender's place of business.

(d) Unless any of the Sales Contracts show different instructions, Purchaser will get all of the interest earned on Purchaser's deposits. If interest is to accrue in favor of a Purchaser, Escrow shall set up a separate account for each such Purchaser, such Purchaser shall furnish to Escrow such Purchaser's social security number or federal identification number, and such Purchaser shall pay Escrow a fee of $25.00 for each such separate account. Escrow will deposit the payments it gets from Purchaser into an interest bearing account one or more times each week.

(e) The Sales Contract states when refunds of deposits may be made to Purchaser. In the case where Purchaser requests a refund, Escrow shall notify Developer of such request. Refunds to Purchaser will be made without any interest unless the Sales Contract contains different instructions.

The Escrow Agreement also establishes the procedures for the retention and disbursement of a purchaser's funds and says what will happen to the funds upon a default under the Sales Contract. The Escrow Agreement contains various other important provisions and establishes certain charges with which a Purchaser should be familiar. Purchasers and prospective purchasers should carefully read the signed Escrow Agreement on file with the Real Estate Commission. A copy is available at Developer's

sales office. The Escrow Agreement contains the following provisions (which may be modified or otherwise limited by provisions not set forth below):

1. As and when Developer enters into a Sales Contract, Developer will give Escrow a signed copy of the Sales Contract and Purchaser's deposit towards the purchase price of a Unit. The Sales Contract will require Purchaser to pay to Escrow all other payments of the purchase price required under the Sales Contract. If Purchaser gets a mortgage loan, the money from the loan will be paid to Escrow, along with the lender's mortgage for recording, and Escrow shall follow the lender's instructions. The Sales Contract will show the correct name and address of each Purchaser. If a Sales Contract is signed and the sale occurs in a state other than Hawaii, the Sales Contract will show the place where the sale occurs.

2. Escrow will put all of the money it gets from Purchaser in one or more special accounts (the "Escrow Deposit Account"). The Escrow Deposit Account will be deposited only at a depository designated by Developer or in banks or savings and loan institutions in Hawaii that are insured by the federal government as directed by Developer. The place, or places, where the Escrow Deposit Account is set up will be chosen by Escrow, unless otherwise selected or directed by Developer. Unless any of the Sales Contracts show different instructions, Developer will get all of the interest earned on the Escrow Deposit Account. Escrow will deposit the payments it gets from Purchaser into the Escrow Deposit Account one or more times each week, so that the funds may earn the maximum interest.

3. Notwithstanding anything in the Escrow Agreement to the contrary, if Developer has submitted to the Real Estate Commission a material house bond securing the construction of improvements in the Project, the following provision shall apply:

(i) Purchaser's money shall not be disbursed to pay for construction costs or other expenses of the Project until the Unit to be conveyed has been completed and the Deed to Purchaser has been recorded; and

4. The Sales Contract states when refunds of deposits may be made to Purchaser. In the case where Purchaser requests a refund, Escrow shall notify Developer of such request. Escrow may refund the deposit to Purchaser, less any cancellation or other fees to which Escrow is entitled, only after receiving written approval from Developer. In all other cases, Escrow shall not make any refund to a Purchaser who asks for it unless Escrow receives written approval from Developer or from a court of competent jurisdiction. The words "cancellation fees" mean Escrow's cancellation fees which are described in the Sales Contract and are described later in the Escrow Agreement. Fees for cancellation may also be charged by the lender who has agreed to lend Purchaser money to buy the Unit. The Sales Contract states the instances when Escrow is to subtract cancellation fees from the amount to be refunded unless Developer tells Escrow not to charge the cancellation fees.

5. Escrow shall give each Purchaser who is to get a refund written notice of the refund. Escrow will send this notice by registered or certified mail to Purchaser at the address shown on Purchaser's Sales Contract or to the last address which Purchaser may have given to Escrow.

6. Developer shall give notice in writing to Escrow of the occurrence of each event that initiates an obligation of a Purchaser to make a payment to Escrow pursuant to the sales contract as well as notice of the amount and due date of such payment. If the Purchaser fails to make such payment to Escrow on or before the due date thereof or if the Purchaser fails to perform in any matter that is being handled by Escrow, Escrow shall promptly notify Developer of any such failure on the part of the Purchaser. If Developer subsequently certifies in writing to Escrow that Developer has terminated the sales contract in accordance with the terms thereof and provides to Escrow copies of all such notices of termination sent to the Purchaser, Escrow shall thereafter treat all funds of the Purchaser paid on account of such Purchaser's sales contract as funds of Developer and not as funds of the Purchaser. Thereafter, such funds shall be free of the escrow established by this Agreement and shall be held by Escrow for the account of Developer. Upon written request by Developer, Escrow shall pay such funds to Developer, less any escrow cancellation fee. Escrow shall thereupon be released from any further duties or liability hereunder with respect to such funds and such Purchaser.

6. Escrow will set the time (in accordance with Sales Contract and Developer's interest to pre-close) for taking in all money from each Purchaser and for the signing of all of the documents that each Purchaser must sign to complete the purchase, except for the mortgage documents, which may be signed at the lender's place of business. The conveyance tax certificates, preliminary closing statements, escrow instructions and final closing statements will be prepared by Escrow, and Escrow will do all of the escrow acts required under the Escrow Agreement or any other written agreements between Developer, Purchaser and Escrow. Escrow will give Purchaser and Developer copies of HARPTA and FIRPTA forms, or provide the online link to obtain copies of those forms, with a recommendation that the parties seek appropriate counsel to complete the forms. Escrow will coordinate with Purchaser's lender, the title companies and all others who are a part of the purchase so that closing will occur at a suitable time. Escrow agrees to close all of the sales at the same time or individually from time to time, as directed by Developer. "Closing" is complete when all necessary conveyance and financing documents to complete a purchase are recorded in the appropriate Hawaii recording office. After all documents have been signed, Escrow will close on the closing date as agreed to in the Sales Contract only if:

(i) The required money has been paid to Escrow;

(ii) All necessary documents can be recorded, as appropriate;

(iii) All mortgages having to do with the purchase can be recorded and/or filed, following the lender's instructions; and

(iv) All necessary releases can be recorded so that the Unit is conveyed free and clear of all blanket liens in accordance with the Condominium Law.

END OF EXHIBIT O

EXHIBIT P

Section 5.3 -- Blanket Liens

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE BLANKET LIENS CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

Type of Lien	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage Liens	Purchaser's interest in the property is subordinated to the mortgage loans identified in Exhibit H and Purchaser's interest in the Unit and under Purchaser's purchase agreement will be extinguished in the event of a foreclosure.

END OF EXHIBIT P

EXHIBIT Q

Section 6 -- Miscellaneous Information Not Covered Elsewhere in This Report

THIS EXHIBIT IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF THE MISCELLANEOUS INFORMATION NOT COVERED IN ELSEWHERE IN THIS REPORT CONTAINED IN THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE PROJECT. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, PROJECT RULES OR OTHER DOCUMENTS OF THE PROJECT, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

1. All buyers should be aware that the Project is within and a part of the master planned community known as Kealanani Master Association, and is subject to certain conditions and restrictions contained in various documents that affect the Project, including but not limited to: (i) the covenants, conditions, restrictions, reservations, agreements, obligations and other provisions contained in the Master Declaration of Covenants, Conditions, Restrictions and Easements for Kealanani, as the same may be amended and/or supplemented ("Master Declaration"); (ii) any Bylaws of the Kealanani Master Association; (iii) Design Guidelines; (iv) Agricultural Guidelines; and (v) Master Association Rules, if any. Developer has not proposed or adopted any Master Association Rules, but reserves the right to do so in Section 6.5 of the Master Declaration.

2. Buyers shall acknowledge a Declaration of Restrictive Covenants (Agricultural Use) with respect to restrictions for agricultural use for each unit which shall be recorded as an encumbrance on the unit.

3. If required by the County of Kauai, each Owner shall be bound by an Agricultural Subdivision Agreement (which draft agreement is attached to the Master Declaration as Exhibit "C"). The Agricultural Subdivision Agreement provides that each Owner acknowledges and agrees that each Owner shall indemnify, defend and hold the County of Kauai, the Developer and the Master Association from and against any and all claims arising out of the failure of the Owner to comply with the Agricultural Master Plan and/or Hawaii Revised Statutes, Chapter 205 as determined by the County of Kauai Planning Department, and that the County of Kauai and the State of Hawaii shall have the right to refuse to grant any permits or approvals for uses or development on any Unit affected by such noncompliance unless and until the noncompliance is cured, as determined by the County of Kauai Planning Department.

4. Developer may revise the specimen deed and sales contract for the Community to conform with any future amendments that may be made to the Declaration of Condominium Property Regime and/or Master Declaration and the Community.

5. Some of the units in the community may in the future be developed as affordable housing available only to home buyers satisfying specific median income limitations. These homes or apartments have been or may be sold at prices below the market value of comparable units and may be subject to additional use, occupancy, and transfer/ option restrictions.

6. All buyers, in purchasing or otherwise taking title to any Unit, shall do so with the express understanding that the flow and quantity of water is not guaranteed and that disruptions in the water delivery system may occur. Each Owner may at its own cost implement a water storage system or water well as a back up water system. Developer reserves the right to collect, use and appropriate all underground and percolating water, both tributary and non-tributary, within and under the Property,

together with easements to construct, maintain, replace and repair drains, lines and pipes at appropriate locations for collecting and carrying underground, percolating water or irrigation water in accordance with the Rules and Regulations Governing Water Service of the Kealia Water Company Holdings, LLC, the Water Service Agreement between Kealia Water Company Holdings, LLC and the Kealia Plantation Company, LLC, dated December 22, 2004, the Stipulation of the Parties filed with the Public Utilities Commission, and Recorded grants of easements relating to water rights for the Property, including the Grants of Easements, dated December 22, 2004, recorded in the State of Hawaii Bureau of Conveyances as Document No. 2006-044972 and 2006-044973.

7. Developer reserves the right to pursue designation of Important Agricultural Lands ("IALs") for portions of the Community designated as Agricultural Easements as allowed under Hawaii Revised Statutes, Chapter 205. In the event such designation is accepted by the State, each Unit Owner shall be required to adhere to all applicable laws with respect to any lands designated as IALs. The Developer and/or the Master Association is empowered to adopt an Agricultural Master Plan.

8. All buyers, in purchasing or otherwise taking title to any Unit, shall do so with the express acknowledgement that there may be currently existing man-made and/or lava-tube tunnels underneath the Unit and throughout the Project, creating a present risk of subsurface subsidence conditions. The man-made and/or lava-tube tunnels may constitute an attractive nuisance to guests, licensees, invitees, trespassers, children, animals, etc. on the Owner's Unit and the Project. The tunnels may collapse at any time for any or no reason whatsoever, which may cause serious bodily injury or death. The Developer has not performed any soils investigation of the Project and the Developer recommends that each Owner, at its own cost, conduct such a soils investigation of its Unit.

9. All buyers, in purchasing or otherwise taking title to any Unit, shall do so with the express acknowledgement that Developer has done no investigation relating to the operation, use, or continued utilization of the Halaula Reservoir within the Project and/or any streams adjacent to the Halaula Reservoir within the Project. Buyer may contact the State of Hawaii's Department of Land and Natural Resources at (808) 274-3344, if Buyer has any concerns regarding the operation, use, or continued utilization of the Halaula Reservoir within the Project.

10. A Burial Treatment Plan for Sites 50-30-08-3959 and 50-30-08-3960 Kealia, Kealia Ahupuaa, Kawaihau District, Island of Kauai, Hawaii [TMK: (4) 4-7-003-002 (Por.)], approved by the Hawaii State Historic Preservation Division will be recorded in the State of Hawaii Bureau of Conveyances and become binding upon the Project.

11. Developer for itself and the Kealanani Master Association hereby reserves the right to create limited access easements to burial sites located on the Project in favor of any person recognized by the Kauai Island Burial Council as a cultural descendant of the Kealia Area, which may include access for ingress and egress upon, across and over the Project. Such access may be reasonably restricted as determined by the Developer and/or the Kealanani Master Association, including but not limited to reasonable restrictions as to hours, days and location of such access.

12. The Community is in the process of being subdivided and will be subdivided into 44 parcels. Developer has received tentative approval from the County of Kauai for the subdivision.

Pursuant to Section 17.3 of the Master Declaration, Developer reserves the right to unilaterally at any time remove and release any portion of the property from coverage of the Master Declaration, provided that: (i) Developer, or an affiliate of Developer, is the owner of such portion of the property to be so removed and released; and (ii) a Notice of Withdrawal of Property, executed by Developer, is recorded. Developer intends to remove that certain portion of the Community as shown as Exhibit D to the Declaration of Condominium Property Regime.