

**AMENDMENT 1 TO
DEVELOPER'S AMENDED PUBLIC REPORT
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME:	Honua Kai Condominium, Building SE-B, Hokolani Enclave
PROJECT ADDRESS:	130 Kai Malina Parkway, Lahaina, Hawaii 96761
REGISTRATION NUMBER:	6379
EFFECTIVE DATE OF REPORT:	July 15, 2010
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input type="checkbox"/> Developer's Public Report <input checked="" type="checkbox"/> Amended Report dated October 26, 2009 <input type="checkbox"/> Supersedes all prior amendments: Includes all prior amendment(s) and <u>must</u> be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input type="checkbox"/> Amended Report dated _____
DEVELOPER(S):	Maui Beach Resort Limited Partnership

Preparation of this Amendment

The Developer prepared this amendment pursuant to the Condominium Property Act, Section 514B-56, Hawaii Revised Statutes (HRS), as amended from time to time. Section 514B-56, HRS, requires that after the Commission has issued an effective date for the Developer's Public Report, if there are any changes, either material or pertinent changes, or both, regarding the information contained in or omitted from the Developer's Public Report, or if the developer desires to update or change the information set forth in the Developer's Public Report, the developer shall immediately submit to the Commission an amendment to the Developer's Public Report or an amended Developer's Public Report clearly reflecting the change, together with such supporting information as may be required by the Commission, to update the information contained in the Developers Public Report.

The law defines "material change" as used in parts IV and V of Chapter 514B, HRS means 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 law defines "pertinent change" to mean, as determined by the commission, a change not previously disclosed in the most recent public report that renders the information contained in the public report or in any disclosure statement inaccurate, including, but not limited to (1) The size, construction materials, location, or permitted use of a unit or its appurtenant limited common element; (2) The size, use, location, or construction materials of the common elements of the project; or (3) The common interest appurtenant to the unit. A pertinent change does not necessarily constitute a material change.

The filing of an amendment to the Developer's Public Report or an amended Developer's Public Report, in and of itself, shall not be grounds for a purchaser to cancel or rescind a sales contract. A purchaser's right to cancel or rescind a sales contract shall be governed by sections 514B-86 and 514B-87, HRS, the terms and conditions of the purchaser's contract for sale, and applicable common law.

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

The law defines "material facts" to mean any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale.

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

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

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

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Summary of Changes from Earlier Developer's Public Report:

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

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

1. Page 5a, Section 1.12 (Encumbrances Against Title). This section was revised to reflect the date of the updated title report. See the attached revised page.
2. Page 10, Section 3.1 (Declaration of Condominium Property Regime). This section was revised to disclose recordation of the Sixth Amendment to the Amended and Restated Declaration. This Amendment reflects the recordation of the As-Built Architects' Certificates for the Konea Enclave and the Restaurant Condominium Unit. See the attached revised page.
3. Page 10a, Section 3.3 (Condominium Map). This section was revised to disclose recordation of the First Amendment to the As Built Condominium Map for the Hokulani Enclave. This information was inadvertently omitted from the Developer's Amended Public Report. See the attached revised page.
4. Page 13, Section 5.3 (Blanket Liens). This section was revised to disclose the planned recordation of a mortgage to secure another mezzanine loan. This additional mezzanine mortgage will encumber the entire Honua Kai Condominium (i.e., the Hokulani Enclave, the Konea Enclave and the Luana Enclave). See the attached revised page.
5. Page 13a, Section 5.4 (Construction Warranties). Since construction of the Hokulani Enclave has been completed and the warranty given by the general contractor has expired, this section was revised to disclose that the Developer will no longer offer a warranty to new purchasers. This change does not affect the warranty period that existing purchasers have under their sales contracts. See the attached revised page.
6. Page 14, Section 5.5 (Status of Completion, Date of Completion or Estimated Date of Completion). This section was revised to reflect that construction of the Hokulani Enclave was completed in late 2008. See the attached revised page.
7. Page 14, Section 5.6 (Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance). This section was revised to reflect that the Developer will not be using purchaser deposits to pay for project construction costs because construction of the Hokulani Enclave has already been completed. See the attached revised page.
8. Pages 18a and 18b, Section 6 (Miscellaneous Information Not Covered Elsewhere in This Report). This section was revised to disclose the planned recordation of the additional mezzanine mortgage. See the third to the last paragraph on the attached revised page, and #5 above for more information. This section was also revised to disclose the two pending subdivisions that are expected to be completed by April 2011. See the last two paragraphs on the attached revised page.
9. Exhibit B (Phasing of Project). The Developer has updated the share of common element expense amounts in this exhibit to reflect the updated amounts contained in the new budget of the Honua Kai Condominium Association that passed in December of 2009. This exhibit also includes a new column to disclose the share of limited common element expense amounts for each unit. Please note that the common expense amounts now reflect that the Hokulani and Konea Enclaves, as well as the Restaurant Condominium Unit, have been built. See the attached revised pages.

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Changes continued:

10. Exhibit G (List of Encumbrances), Pages G-1, G-4, G-6 and G-7. The first paragraph of this exhibit was revised to reflect the date of the updated title report. This exhibit was also revised to disclose the recordation of additional encumbrances, including the Sixth Amendment to the Amended and Restated Declaration and the Amendment to Real Property Mortgages, Security Agreements, and Financing Statements, as well as the planned recordation of the additional mezzanine mortgage. See the attached revised pages.
11. Exhibit K (Estimate of Initial Maintenance Fees and Estimate of Maintenance Fee Disbursements). The Developer has updated its budgets and the common expense amounts. See the attached revised pages.
12. Exhibit L (Summary of Sales Contracts). This exhibit was revised to reflect the updated form of sales contracts for new purchasers. Changes to the form include: updating the list of condominium documents and deleting the limited warranty exhibit as the contractor's warranty has expired and, as such, the Developer will no longer be providing a warranty to new purchasers. The change in warranty does not affect any warranty that existing purchasers may have under their Sales Contract. See the attached revised pages.
13. Exhibit O (Terms of Limited Warranty). This exhibit was deleted since the Developer will no longer be offering a warranty to new purchasers. This change in warranty does not affect the warranty period that existing purchasers have under their sales contracts. See the attached revised page.

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		<p>Section 4.04(d) of the Declaration prohibits Owners of Commercial Units and their Guests from using any Limited Common Element that is appurtenant exclusively to one or more Residential Units.</p> <p>Subject to the rights of the Owner of Konea Commercial Unit NC 3 as set forth in Section 6.12 of the Declaration, Section 4.04(i) of the Declaration prohibits Owners of Commercial Units and their Guests from using any swimming pool located in the Honua Kai Condominium.</p> <p>Section 6.12 of the Declaration allows the Owner of Konea Commercial Unit NC 3 to sell one hundred twenty (120) memberships ("Paid Guest Memberships") and issue five (5) complimentary memberships ("Complimentary Guest Memberships" and together with the Paid Guest Memberships, "Guest Memberships") in the fitness club to persons who are not Owners ("Guest Member"). Each Guest Membership will allow up to four (4) family members or Guests of the Guest Member to use the Common Elements of the Honua Kai Condominium. The holders of Paid Guest Memberships will be required to pay a use fee for such Paid Guest Membership.</p> <p>Section 5.02(b) of the Bylaws requires that Owners shall exercise care about causing or permitting excessive noise that may disturb other Owners or occupants; however, Commercial Unit Owners are not prohibited from using their units for uses permitted under the Declaration.</p> <p>Section 5.02(i) of the Bylaws prohibits Owners from operating "roller lounges" on or about the 150 foot setback shoreline area.</p>
N/A		There are no special use restrictions.

1.12 Encumbrances Against Title

<p>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).</p>
<p>Exhibit G describes the encumbrances against title contained in the title report described below.</p>
<p>Date of the title report: June 24, 2010</p>
<p>Company that issued the title report: Title Guaranty of Hawaii, Inc.</p>

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 Amended and Restated 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
Bureau of Conveyances	October 5, 2006*	2006-211550
Land Court	October 5, 2006*	3515521

Amendments to Amended and Restated Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	April 20, 2007	3591264
Bureau of Conveyances	April 20, 2007	2007-071572
Land Court	August 29, 2008	3786276
Bureau of Conveyances	August 29, 2008	2008-139671
Land Court	June 10, 2009	3868536
Bureau of Conveyances	June 10, 2009	2009-091288
Land Court	June 16, 2009	3871076
Bureau of Conveyances	June 16, 2009	2009-095422
Land Court	September 3, 2009	3907356
Bureau of Conveyances	September 3, 2009	2009-158739
Land Court	February 9, 2010	3939586
Bureau of Conveyances	February 9, 2010	2010-019644

*The operative declaration is the Amended and Restated Declaration, as amended. Note, however, that Developer recorded the original Declaration on October 12, 2005. The original Declaration was amended by (i) the First Amendment to the Declaration recorded on May 5, 2006; (ii) the Second Amendment to the Condominium Map of Honua Kai recorded on August 21, 2006; and (iii) the Third Amendment to the Declaration recorded on September 22, 2006. Please refer to the chart below for the recordation information for the original Declaration and its amendments:

The Original Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	October 12, 2005	2005-207370
Land Court	October 12, 2005	3340058

Amendments to Original Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	May 5, 2006	2006-086974
Land Court	May 5, 2006	3426175
Bureau of Conveyances	August 21, 2006	2006-153694
Land Court	August 21, 2006	3470597
Bureau of Conveyances	September 22, 2006	2006-175500
Land Court	September 22, 2006	3487373

3.2 Bylaws of the Association of Unit Owners

The Amended and Restated 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
Bureau of Conveyances	October 5, 2006**	2006-211551
Land Court	October 5, 2006**	3515522
Amendments to Amended and Restated Bylaws of the Association of Unit Owners		
Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	April 20, 2007	2007-071573
Land Court	April 20, 2007	3591265
Bureau of Conveyances	August 29, 2008	2008-139672
Land Court	August 29, 2008	3786277
Land Court	September 3, 2009	3907357
Bureau of Conveyances	September 3, 2009	2009-158740

**The operative bylaws are the Amended and Restated Bylaws, as amended. Note, however, that Developer recorded the original Bylaws on October 12, 2005. The original Bylaws were amended by (i) the First Amendment to the Bylaws recorded on May 5, 2006; and (ii) the Second Amendment to the Condominium Map of Honua Kai recorded on August 21, 2006. Please refer to the chart below for the recordation information for the original Bylaws and its amendments:

The Original Bylaws

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	--	2005-207371
Land Court	--	3340059

Amendments to Original Bylaws

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	May 5, 2006	2006-086975
Land Court	May 5, 2006	3426176
Bureau of Conveyances	August 21, 2006	2006-153695
Land Court	August 21, 2006	3470598

3.3 Condominium Map

The Second Amended and Restated 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	1747***
Bureau of Conveyances Map Number	4093***
Dates of Recordation of Amendments to the Condominium Map:	
The operative condominium map is the Second Amended and Restated Condominium Map, as amended, recorded on April 20, 2007. The Second Amended and Restated Condominium Map was amended by (i) the As-Built Condominium Map recorded on June 15, 2009, (ii) the First Amendment to the Second Amended and Restated Condominium Map recorded on June 22, 2009, (iii) the Second Amendment to the Second Amended and Restated Condominium Map of Honua Kai recorded on October 15, 2009, and (iv) the First Amendment to the As Built Condominium Map for the Hokulani Enclave recorded on October 15, 2009.	

***As noted above, the operative condominium map is the Second Amended and Restated Condominium Map, as amended. Note, however, that Developer recorded the original Condominium Map on October 12, 2005. The original Condominium Map was amended by (i) the First Amendment to the Condominium Map recorded on May 9, 2006; (ii) the Second Amendment to the Condominium Map of Honua Kai recorded on August 22, 2006; and (iii) the Amended and Restated Condominium Map recorded on November 17, 2006.

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit L contains a summary of the pertinent provisions of the sales contracts, including but not limited to any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement for sales contracts entered into before September 21, 2009 dated: July 5, 2006, as amended on July 11, 2007 Name of Escrow Company: Fidelity National Title & Escrow of Hawaii, Inc. Escrow Agreement for Sales Contracts entered into on or after September 21, 2009 dated: September 21, 2009 Name of Escrow Company: Title Guaranty Escrow Services, Inc. Exhibit M contains a summary of the pertinent provisions of the escrow agreements.
<input checked="" type="checkbox"/>	Other: Reservation Agreement. Exhibit N contains a summary of the pertinent provisions of the Reservation Agreement

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

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

5.3 Blanket Liens

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

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

Type of Lien	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
The Project is subject to a first mortgage to secure the construction of the Hokulani Enclave, and is further subject to an additional charge mortgage to finance construction and other costs for the Konea Enclave and the Restaurant Condominium Unit. The Project is currently subject to two additional mortgages made by the Developer in connection with two mezzanine loans, which were subordinated to the additional charge mortgage when it was recorded. The Project will be further subject to an additional mortgage in connection with another mezzanine loan. All mortgages are described in Exhibit G (items 23, 26, 29, 34 and 43) attached to this report. All mortgages will be partially released as to each unit being offered for sale under this Public Report upon the closing of each sale and the recording of the unit deed, if not sooner.	None. The mortgages will be subordinate to the sales contracts executed prior to recordation of such mortgages at the Bureau of Conveyances and Land Court. Any sales contracts executed after the recordation of such mortgages will be subordinate to such mortgages. If the Developer defaults or the lien of the mortgage(s) is foreclosed prior to conveyance, pursuant to Section D.41 of the Sales Contract, a buyer's sole remedy in the event of a default by the Developer is to terminate the Sales Contract and seek the return of his or her deposits and any other amounts paid by buyer to the Developer under the Sales Contract. No other party shall be deemed responsible to any buyer for completion of the Project in the event the Developer is unable to do so.

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: None; warranties have expired.
Appliances: None; warranties have expired.

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

<p>Status of Construction:</p> <p>Construction of the Project was completed in late 2008.</p>
<p>Completion Deadline:</p> <p>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.</p>
<p>Completion Deadline for any unit not yet constructed, as set forth in the sales contract:</p> <p>N/A</p>
<p>Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract:</p> <p>N/A</p>

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

<input type="checkbox"/>	<p>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.</p> <p>If the box to the left is checked, Section 5.6.2, which follows below, will not be applicable to the project.</p>
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5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

<p>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):</p>	
<input type="checkbox"/>	<p>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</p>
<input type="checkbox"/>	<p>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.</p>

Developer obtained financing in the form of mezzanine debt. The mezzanine loans are subordinate to the construction loan (see Section 5.3 of this Report). Developer used the proceeds of the mezzanine loans to pay off the loan used to acquire the land for the Honua Kai Condominium.

Developer recorded on October 25, 2006 a mortgage (see **Exhibit G** item 29) securing a construction loan in the amount of approximately \$338,000,000 in conjunction with the construction of Buildings SE-A, SE-B and SE-C in the Hokulani Enclave. This mortgage encumbers the entire Honua Kai Condominium (i.e., Hokulani Enclave, Konea Enclave and Luana Enclave). See Section 5.3 of this Report for information concerning mortgage releases.

Developer recorded on July 15, 2008 an additional charge mortgage (see **Exhibit G** item 34) securing a construction loan in the amount of approximately \$305,000,000 to finance the construction of the Buildings NE-A, NE-B and NE-C in the Konea Enclave and the Restaurant Condominium Unit. This additional charge mortgage acts as an additional mortgage lien on the Honua Kai Condominium. See Section 5.3 of this Report for information concerning mortgage releases.

Pursuant to Section 8.11 of the Declaration (Declarant's Option to Add Area), Developer has entered into an agreement with the owner of the Additional Property, identified on **Exhibit B** to the Declaration, to acquire it for annexation to the Honua Kai Condominium. Pursuant Section 8.12 of the Declaration (Declarant's Option to Subdivide and Withdraw Areas), Developer is subdividing a portion of the Honua Kai Condominium property that is located adjacent to the Additional Property, so that it may be withdrawn from the Declaration and conveyed to the owner of the Additional Property in exchange for the Additional Property. Developer expects to finalize the subdivision and reconsolidation process of the Additional Property by April 2011. Upon completion of the exchange, Developer will annex the Additional Property to the Honua Kai Condominium. Pending the completion of this exchange and the annexation of the Additional Property to the Honua Kai Condominium, Developer has obtained a Grant of Easement over the Additional Property from its owner, for the construction and use of the North Park B improvements. See Item 41 in Exhibit G.

In conjunction with the Developer's decision to defer development of the three phases of the Luana Enclave until a later time in the future (see note in Section 1.1 above), the Developer intends to landscape the area where the Luana Enclave is located, and make it available for use by owners on an interim basis until the Developer elects to proceed with the development of the Luana Enclave pursuant to its reserved rights under the Declaration.

The Honua Kai Association adopted a resolution not to collect replacement reserve funds for 2009 pursuant to Hawaii Revised Statutes Section 514B-148(b).

The current Association budget reflected in **Exhibit K** includes the cost to maintain the landscaping installed where the Luana Enclave will be located in the future. This landscaping area will be available for use by owners until the Developer elects to proceed with the development of the Luana Enclave.

Developer intends to record an additional mezzanine mortgage in the amount not to exceed \$75,000,000, which will act as an additional mortgage lien on the Honua Kai Condominium. See Section 5.3 of this Report for information concerning mortgage releases.

Pursuant to its reserved right under the Section 8.12 of the Declaration, Developer is subdividing Lot D-1-A into Lots D-1-A-1 and D-1-A-2. Lot D-1-A-2 will be included in an acceleration/deceleration lane on Honoapiilani Highway, owned by the State of Hawaii, between Lower Honoapiilani Road and Kai Malina Parkway. Developer expects to finalize this subdivision by April 2011. After completion of the subdivision process, Developer will convey Lot D-1-A-2 to the State of Hawaii and record an amendment to the Declaration in order to withdraw Lot D-1-A-2 from the property description of the Honua Kai Condominium. After the recordation of the amendment to the Declaration, Developer will apply for and file another amendment to the Amended Developer's Public Report with the Real Estate Commission for issuance. This amendment shall disclose the completed subdivision of Lot D-1-A-2.

Please note that Section 5.6 of this report (Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance) on page 14 no longer applies to the project because construction on the building has been completed, and consequently, the developer will no longer use purchaser deposits for construction purposes.

Developer intends on renting out a portion of its unsold inventory of units in the Hokulani Enclave for use by third parties for transient vacation rental purposes. If Purchaser purchases such a unit, Developer will (i) disclose to Purchaser prior to Purchaser's execution of the Sales Contract that the unit has previously been used by third parties for short-term stays, and (ii) provide Purchaser with a Transient Vacation Rental Use Disclosure Addendum to Purchaser's Sales Contract.

EXHIBIT B

PHASING OF PROJECT

Pursuant to Section 8.07 of the Declaration, Developer has reserved the right to develop the Honua Kai Condominium in phases, with the phase being covered under this Report being comprised of 76 units located in Building SE-B in the Hokulani Enclave. Developer has obtained separate public reports under HRS Chapter 514B on 195 units in Building SE-A in the Hokulani Enclave and 54 units in Building SE-C in the Hokulani Enclave. Developer has completed construction on Buildings SE-A, SE-B and SE-C in the Hokulani Enclave. Developer has obtained (i) separate public reports under HRS Chapter 514B on (a) 184 units in Building NE-A in the Konea Enclave, (b) 61 units in Building NE-B in the Konea Enclave and (c) 68 units in Building NE-C in the Konea Enclave, and (ii) the Restaurant Condominium Unit. Developer has almost completed construction on (i) Buildings NE-A, NE-B and NE-C in the Konea Enclave and (ii) the Restaurant Condominium Unit. Developer intends to obtain public reports for TH-1, TH-2 and TH-3 in the Luana Enclave under HRS Chapter 514B some time in the future. Developer is under no obligation to construct any units in the Honua Kai Condominium unless such units are covered under a Public Report and Developer has entered into binding sales contracts, obligating it to construct such units. Developer may amend the description of any unit described in the Declaration at any time prior to obtaining a Public Report covering such unit. As part of such development in phases:

(A) Developer may file separate Reports for any phase of the Honua Kai Condominium with the Real Estate Commission of the State of Hawaii.

(B) The site work and improvements for the Honua Kai Condominium will be undertaken in phases. The site improvements in future phases are not integral to those earlier built.

(C) Each unit's share of the Common Expenses shall be calculated from time to time based on the number of units which have been constructed. Each unit's share of the Common Expenses shall be calculated based on a fraction, the numerator of which shall be such unit's Common Interest set forth in Exhibit C to the Declaration and the denominator of which shall be the aggregate Common Interest set forth in Exhibit C to the Declaration of all units for which a Certificate of Occupancy has been issued.

For Building SE-B of the Hokulani Enclave, each unit's share of the Common Expenses following the issuance of a Certificate of Occupancy for such units shall be as follows (assuming that Buildings SE-A and SE-C in the Hokulani Enclave, Buildings NE-A, NE-B and NE-C in the Konea Enclave and the Restaurant Condominium Unit are completed):

<u>Unit No.</u>	<u>Common Interest</u>	<u>Share of Common Expenses</u>	<u>Share of Limited Common Element Expenses for SE-B</u>
SR 101	0.2635%	0.3147%	0.6346%
SR 102	0.2588%	0.3092%	0.6234%
SR 103	0.2257%	0.2696%	0.5436%
SR 104	0.2257%	0.2696%	0.5436%
SR 105	0.1280%	0.1528%	0.3082%
SR 106	0.1442%	0.1723%	0.3474%
SR 108	0.0814%	0.0973%	0.1961%
SR 109	0.1512%	0.1806%	0.3643%
SR 110	0.1280%	0.1528%	0.3082%
SR 111	0.1280%	0.1528%	0.3082%
SR 112	0.1280%	0.1528%	0.3082%
SR 113	0.0814%	0.0973%	0.1961%
SR 201	0.2664%	0.3182%	0.6416%
SR 202	0.2600%	0.3106%	0.6262%
SR 203	0.2257%	0.2696%	0.5436%
SR 204	0.2257%	0.2696%	0.5436%
SR 205	0.1280%	0.1528%	0.3082%
SR 206	0.1442%	0.1723%	0.3474%
SR 208	0.0814%	0.0973%	0.1961%

<u>Unit No.</u>	<u>Common Interest</u>	<u>Share of Common Expenses</u>	<u>Share of Limited Common Element Expenses for SE-B</u>
SR 209	0.1512%	0.1806%	0.3643%
SR 210	0.1280%	0.1528%	0.3082%
SR 211	0.1280%	0.1528%	0.3082%
SR 212	0.1280%	0.1528%	0.3082%
SR 213	0.0814%	0.0973%	0.1961%
SR 301	0.2664%	0.3182%	0.6416%
SR 302	0.2600%	0.3106%	0.6262%
SR 303	0.2257%	0.2696%	0.5436%
SR 304	0.2257%	0.2696%	0.5436%
SR 305	0.1280%	0.1528%	0.3082%
SR 306	0.1442%	0.1723%	0.3474%
SR 308	0.0814%	0.0973%	0.1961%
SR 309	0.1512%	0.1806%	0.3643%
SR 310	0.1280%	0.1528%	0.3082%
SR 311	0.1280%	0.1528%	0.3082%
SR 312	0.1280%	0.1528%	0.3082%
SR 313	0.0814%	0.0973%	0.1961%
SR 401	0.2664%	0.3182%	0.6416%
SR 402	0.2600%	0.3106%	0.6262%
SR 403	0.2257%	0.2696%	0.5436%
SR 404	0.2257%	0.2696%	0.5436%
SR 405	0.1280%	0.1528%	0.3082%
SR 406	0.1442%	0.1723%	0.3474%
SR 408	0.0814%	0.0973%	0.1961%
SR 409	0.1512%	0.1806%	0.3643%
SR 410	0.1280%	0.1528%	0.3082%
SR 411	0.1280%	0.1528%	0.3082%
SR 412	0.1280%	0.1528%	0.3082%
SR 413	0.0814%	0.0973%	0.1961%
SR 501	0.3082%	0.3682%	0.7425%
SR 503	0.2257%	0.2696%	0.5436%
SR 504	0.2257%	0.2696%	0.5436%
SR 505	0.1280%	0.1528%	0.3082%
SR 506	0.1442%	0.1723%	0.3474%
SR 508	0.0814%	0.0973%	0.1961%
SR 509	0.1512%	0.1806%	0.3643%
SR 510	0.1280%	0.1528%	0.3082%
SR 511	0.1280%	0.1528%	0.3082%
SR 512	0.1280%	0.1528%	0.3082%
SR 513	0.0814%	0.0973%	0.1961%
SR 601	0.3082%	0.3682%	0.7425%
SR 603	0.2257%	0.2696%	0.5436%
SR 604	0.2257%	0.2696%	0.5436%
SR 605	0.1280%	0.1528%	0.3082%
SR 606	0.1442%	0.1723%	0.3474%
SR 608	0.0814%	0.0973%	0.1961%
SR 609	0.1512%	0.1806%	0.3643%
SR 610	0.1280%	0.1528%	0.3082%
SR 611	0.1280%	0.1528%	0.3082%
SR 612	0.1280%	0.1528%	0.3082%
SR 613	0.0814%	0.0973%	0.1961%
SR 708	0.0814%	0.0973%	0.1961%
SR 709	0.1512%	0.1806%	0.3643%

<u>Unit No.</u>	<u>Common Interest</u>	<u>Share of Common Expenses</u>	<u>Share of Limited Common Element Expenses for SE-B</u>
SR 710	0.1280%	0.1528%	0.3082%
SR 711	0.1280%	0.1528%	0.3082%
SR 712	0.1280%	0.1528%	0.3082%
SR 713	0.0814%	0.0973%	0.1961%

As Certificates of Occupancy are issued for additional units in the Honua Kai Condominium, the shares of Common Expenses for the foregoing units will be adjusted to reflect the additional units.

(D) In order to carry out the provisions of or exercise the rights, powers or privileges reserved in Section 8.07 of the Declaration, Developer may file amendments to the Declaration, Bylaws and/or Condominium Map for the Honua Kai Condominium to describe any changes to the units or Common Elements therein described at any time, notwithstanding the lease, sale or conveyance of any or all of the units in the Honua Kai Condominium, and Developer may execute, file and deliver any such amendment to the Declaration, Bylaws and/or the Condominium Map for the Honua Kai Condominium and to such Deeds as may have been issued, and any and all other instruments necessary or desirable.

EXHIBIT G

ENCUMBRANCES AGAINST TITLE

The following are the encumbrances against title to the Honua Kai Condominium that are contained in the title report dated as of June 24, 2010 and issued by Title Guaranty of Hawaii, Inc.:

1. Real property taxes which may be due and owing. Reference is made to the tax assessor's office, County of Maui.

2. Claims arising out of rights customarily and traditionally exercised for subsistence, cultural, religious, access or gathering purposes as provided for in the Hawaii Constitution or the Hawaii Revised Statutes.

3. As to Lots 103 and 104 only:

(A) Reservation in favor of the State of Hawaii of all mineral or metallic mines of every description; said reservation, however, being subject to that certain covenant that neither the State of Hawaii nor persons authorized by it will enter, occupy or use the said land for the exercise of the reserved mineral and mining rights for a period of 75 years from January 1, 1960, as contained in that certain instrument dated January 29, 1960, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 3822, Page 37.

(B) Shoreline setbacks: "Shoreline setbacks established pursuant to the laws of the State of Hawaii, or any political subdivision thereof, and any ordinances, rules or regulations adopted or promulgated by any governmental authority pursuant to such laws."

(C) Seaward boundary: "Determination of the seaward boundary of the land described herein pursuant to the laws of the State of Hawaii."

(D) Private Water System Agreement dated October 2, 1991 recorded in said Bureau as Document No. 91-136263, by and between Amfac Property Investment Corp., a Hawaii corporation, Tobishima Pacific, Inc., a Hawaii corporation, and the Department of Water Supply of the County of Maui.

Said Agreement was amended by instrument dated October 14, 1992, recorded in said Bureau as Document No. 92-169921.

(The foregoing Agreement and amendment were not noted on said Land Court Certificate of Title No. 658,559.)

(E) Terms, provisions, covenants, conditions and reservations as contained in that certain Unilateral and Irrevocable Declaration of Perpetual Rights and Uses and Perpetual Restrictions (North Beach Shoreline Setback Area) dated December 29, 1998 (effective December 14, 1998), recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 2513420, and also recorded in said Bureau as Document No. 99-005138.

The foregoing was amended by instrument dated December 6, 2000, recorded in said Office as Document No. 2668965, and also recorded in said Bureau as Document No. 2000-170916 (re: Exhibit "B" attached to said Unilateral and Irrevocable Declaration of Perpetual Rights and Uses and Perpetual Restrictions (North Beach Shoreline Setback Area) is deleted in its entirety and replaced with the new Exhibit "B" attached thereto). (Easements 259 and 260, affecting Lots 103 and 104, as shown on Map 86 of Land Court Application 1744.)

(F) Reservations of the State of Hawaii, as set forth in Land Court Order No. 138359, recorded in said Office on May 8, 2000.

(G) As to Lot 103 only: Easement "259", as shown on Map 86, for shoreline setback purposes, as set forth by Land Court Order No. 138359, recorded in said Office on May 8, 2000.

(H) As to Lot 104 only: Easement "260", as shown on Map 86, for shoreline setback purposes, as set forth by Land Court Order No. 138359, recorded in said Office on May 8, 2000.

4. As to Lots 10-B-2-A and 10-B-2-B only:

15. Covenants, conditions and restrictions as set forth in Declaration of Restrictions (Lot 4 Unit Count) dated August 5, 2003, filed in said Office as Document No. 2972197, and also recorded in said Bureau as Document No. 2003-162030.
16. Unilateral Agreement relating to the SMA Permit, dated June 13, 2005, recorded in said Bureau as Document No. 2005-170923, by Maui Beach Resort Limited Partnership, a Delaware limited partnership authorized to do business in the State of Hawaii, "Declarant". (Note: Affects TMK(s) 4-4-014-006 & 008 (Parcels First and Second)).
17. Grant of Easement (Parking Purposes) dated September 28, 2005, filed in said Office as Document No. 3333452, and recorded in said Bureau as Document No. 2005-196561, by and between SVO Pacific, Inc., a Florida corporation, "Grantor", and Maui Beach Resort Limited Partnership, a Delaware limited partnership ("MBRLP"), "Grantee".
18. Grant of Easement and Agreement (Fire Lane Access Purposes) dated September 28, 2005, filed in said Office as Document Nos. 3333453 and 3333454, and recorded in said Bureau as Document Nos. 2005-196562 and 2005-196563, by and between SVO Pacific, Inc., a Florida corporation ("SVOP"), and MBRLP.
19. Declaration of Covenants, Conditions and Restrictions dated September 28, 2005, filed in said Office as Document No. 3333455, and also recorded in said Bureau as Document No. 2005-196564.
20. Declaration of Condominium Property Regime of Honua Kai, dated October 12, 2005, filed in said Office as Document No. 3340058, and recorded in said Bureau as Document No. 2005-207370, as amended by the First Amendment to Declaration of Condominium Property Regime of Honua Kai, dated May 5, 2006, filed in said Office as Document No. 3426175 and recorded in said Bureau as Document No. 2006-086974, as further amended by Second Amendment to Declaration of Condominium Property Regime of Honua Kai, dated August 21, 2006, recorded in said Bureau as Document No. 2006-153694 and filed in said Office as Document No. 3470597, as further amended by Third Amendment to Declaration of Condominium Property Regime of Honua Kai, dated September 22, 2006, recorded in said Bureau as Document No. 2006-175500, and filed in said Office as Document No. 3487373, as further amended by Amended and Restated Declaration of Condominium Property Regime of Honua Kai, dated October 5, 2006, recorded in said Bureau as Document No. 2006-211550 and filed in said Office as Document No. 3515521, as further amended by First Amendment to the Amended and Restated Declaration of Condominium Property Regime of Honua Kai, dated April 20, 2007, recorded in said Bureau as Document No. 2007-071572 and filed in said Office as Document No. 3591264, as further amended by Second Amendment to the Amended and Restated Declaration of Condominium Property Regime of Honua Kai, dated August 29, 2008, recorded in said Bureau as Document No. 2008-139671 and filed in said Office as Document No. 3786276, as further amended by the Third Amendment to the Amended and Restated Declaration of Condominium Property Regime of Honua Kai, dated June 10, 2009, recorded in said Bureau as Document No. 2009-091288 and filed in said Office as Document No. 3868536, as further amended by the Fourth Amendment to the Amended and Restated Declaration of Condominium Property Regime of Honua Kai, dated June 16, 2009, recorded in said Bureau as Document No. 2009-095422 and filed in said Office as Document No. 3871076, as further amended by the Fifth Amendment to the Amended and Restated Declaration of Condominium Property Regime of Honua Kai, dated September 3, 2009, recorded in said Bureau as Document No. 2009-158739 and filed in said Office as Document No. 3907356, and as further amended by the Sixth Amendment to the Amended and Restated Declaration of Condominium Property Regime of Honua Kai, dated February 9, 2010, recorded in said Bureau as Document No. 2010-019644 and filed in said Office as Document No. 3939586.
21. Bylaws of the Honua Kai Condominium Association, Inc., recorded in said Bureau as Document No. 2005-207371, and filed in said Office as Document No. 3340059, as amended by the First Amendment to Bylaws of the Honua Kai Condominium Association, Inc., dated May 5, 2006, recorded in said Bureau as Document No. 2006-086975, and filed in said Office as Document No. 3426176, as further amended by Second Amendment to Bylaws of the Honua Kai Condominium Association, Inc., dated August 21, 2006, recorded in said Bureau as Document No. 2006-153695 and filed in said Office as Document No. 3470598, as further amended by Amended and Restated Bylaws of the Honua Kai Condominium Association, Inc., dated October 5, 2006, recorded in said Bureau as Document No. 2006-211551 and filed in said Office as Document No. 3515522, as further amended by First Amendment to the Amended and Restated Bylaws of the Honua Kai Condominium Association, Inc., dated April 20, 2007 recorded in said Bureau as Document No. 2007-071573 and filed in said Office as Document No. 3591265, as further amended by Second Amendment to the Amended and Restated Bylaws of the Honua Kai Condominium Association, Inc. dated August 29, 2008, recorded in said Bureau as Document No. 2008-139672

28. Assignment of Leases and Rents recorded in said Bureau on June 30, 2006 as Document No. 2006-121910, executed by Maui Beach Resort Limited Partnership, a Delaware limited partnership, in favor of New York State Teachers' Retirement System.

The foregoing Mortgage, Financing Statement and Assignment of Leases and Rents (nos. 26, 27, and 28) are subject to that certain Subordination Agreement and Intercreditor Agreement dated October 23, 2006, filed in said Office as Document No. 3503804 and recorded in said Bureau as Document No. 2006-195132, made by and between New York State Teachers' Retirement System, a public pension system created and existing pursuant to and by virtue of Article 11 of the Education Law of the State of New York, and CDPQ Mortgage Corporation, a corporation incorporated under the Canada Business Corporations Act, as amended by the First Amendment of Subordination Agreement and Intercreditor Agreement dated as of June 30, 2008, recorded in said Bureau as Document No. 2008-113521, and filed in said Office as Document No. 3769669.

29. Mortgage dated October 23, 2006 filed in said Office as Document No. 3503802 and recorded in said Bureau as Document No. 2006-195128, executed by Maui Beach Resort Limited Partnership, a Delaware limited partnership, in favor of CDPQ Mortgage Corporation, a corporation incorporated under the Canada Business Corporations Act, as amended by Amendment to Real Property Mortgages, Security Agreements and Financing Statements dated March 26, 2010, recorded in said Bureau as Document No. 2010-071211, and filed in said Office as Document No. 3965690.

30. Financing Statement recorded in said Bureau on October 25, 2006 as Document No. 2006-195129, executed by Maui Beach Resort Limited Partnership in favor of CDPQ Mortgage Corporation.

UCC Financing Statement Amendment recorded in said Bureau on July 15, 2008 as Document No. 2008-113523, re change of name of Secured Party to CDPQ Mortgage Investment Corporation.

UCC Financing Statement Amendment recorded in said Bureau on July 15, 2008 as Document No. 2008-113524.

31. Assignment of Lessor's Interest in Leases and Rents recorded in said Bureau on October 25, 2006 as Document No. 2006-195130, executed by Maui Beach Resort Limited Partnership, a Delaware limited partnership, to CDPQ Mortgage Corporation, a corporation incorporated under the Canada Business Corporations Act, as amended by the First Amendment of Assignment of Lessor's Interest in Leases and Rents recorded in said Bureau on July 15, 2008 as Document No. 2008-113522.

32. Grant of Easement and Agreement Regarding Expansion of Retention Basins and Allocation of Retention Capacity dated November 30, 2006, recorded in said Bureau as Document No. 2006-222394, and filed in said Office as Document No. 3522688.

33. Memorandum of Lot 4 Amenities Agreement dated November 30, 2006, recorded in said Bureau as Document No. 2006-222395, and filed in said Office as Document No. 3522689, and Memorandum of First Amended and Restated Lot 4 Amenities Agreement dated August 26, 2009, recorded in said Bureau as Document No. 2009-131344, and filed in said Office as Document No. 3891989.

34. Additional Charge Real Property Mortgage, Security Agreement, and Financing Statement dated June 30, 2008 in said Bureau as Document No. 2008-113517, and filed in said Office as Document No. 3769667, executed by Maui Beach Resort Limited Partnership, a Delaware limited partnership, in favor of CDPQ Mortgage Investment Corporation, formerly known as CDPQ Mortgage Corporation, a corporation incorporated under the Canada Business Corporations Act, as amended by Amendment to Real Property Mortgages, Security Agreements and Financing Statements dated March 26, 2010, recorded in said Bureau as Document No. 2010-071211, and filed in said Office as Document No. 3965690.

35. Financing Statement recorded in said Bureau on July 15, 2008 as Document No. 2008-113518, executed by Maui Beach Resort Limited Partnership in favor of CDPQ Mortgage Investment Corporation.

36. Assignment of Lessor's Interest in Leases and Rents (Konea Loan) recorded in said Bureau on July 15, 2008 as Document No. 2008-113519, executed by Maui Beach Resort Limited Partnership, a Delaware limited partnership, to CDPQ Mortgage Investment Corporation, formerly known as CDPQ Mortgage Corporation, a corporation incorporated under the Canada Business Corporations Act.

38. Unilateral Agreement dated July 28, 2008, recorded in said Bureau as Document No. 2008-129576, by Maui Beach Resort Limited Partnership, a Delaware limited partnership, and Charles James Nunes, Jr., Trustee under that certain unrecorded revocable trust of Charles James Nunes, Jr., dated March 12, 1989 and Angela Marie Nunes, Trustee under that certain unrecorded revocable trust of Angela Marie Nunes dated March 12, 1989, "Declarant". (Note: Affects TMK(s) (2) 4-4-014-008 (portion) & 010 (portion)).
39. Easement dated January 9, 2009, in favor of The Gas Company, LLC, a Hawaii limited liability company, filed in said Office as Document No. 3847306.
40. Grant of Waterline Easement dated May 20, 2009, recorded in said Bureau as Document No. 2009-079589, and filed in said Office as Document No. 3861460, by and between SVO Pacific, Inc., a Florida corporation, "Grantor," and Maui Beach Resort Limited Partnership, a Delaware limited partnership, "Grantee."
41. Grant of Easement dated August 18, 2009, recorded in said Bureau as Document No. 2009-131345, and filed in said Office as Document No. 3891990, by and between Charles Nunes, Jr., Trustee under that certain unrecorded revocable trust of Charles James Nunes, Jr., dated March 12, 1989 and Angela Marie Nunes, Trustee under that certain unrecorded revocable trust of Angela Marie Nunes dated March 12, 1989, collectively, "Grantor," and Maui Beach Resort Limited Partnership, a Delaware limited partnership, "Grantee."
42. The terms and provisions contained in that certain Unilateral Declaration dated August 6, 2009, recorded in said Bureau as Document No. 2009-180934, made by Maui Beach Resort Limited Partnership, a Delaware limited partnership authorized to do business in the State of Hawaii, "Declarant."
43. Developer intends to record an additional mortgage securing another mezzanine loan in an amount not to exceed \$75,000,000.

EXHIBIT K

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

NOTE: DEVELOPER ADVISES THAT COSTS AND EXPENSES OF MAINTENANCE AND OPERATIONS OF A CONDOMINIUM PROJECT 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. THE PURCHASER SHOULD EXAMINE THE MAINTENANCE CHARGE SCHEDULE TO SEE WHAT SERVICES ARE INCLUDED IN THE SCHEDULE.

<u>Unit No.</u>	<u>Monthly Common Fee</u>	<u>Annual Common Fee</u>	<u>Monthly SE-B LCE Fee</u>	<u>Annual SE-B LCE Fee</u>	<u>Total Monthly SE-B</u>	<u>Total Annual SE-B</u>
SR 101*	935.87	11,230.49	1,299.09	15,589.02	2,234.96	26,819.51
SR 102*	919.52	11,034.22	1,276.16	15,313.89	2,195.68	26,348.11
SR 103*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 104*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 105	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 106	512.40	6,148.76	711.16	8,533.92	1,223.56	14,682.68
SR 108	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 109	537.08	6,444.95	745.76	8,949.07	1,282.84	15,394.02
SR 110	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 111	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 112	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 113	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 201*	946.28	11,355.40	1,313.41	15,760.98	2,259.70	27,116.37
SR 202*	923.68	11,084.18	1,281.89	15,382.67	2,205.57	26,466.85
SR 203*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 204*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 205	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 206	512.40	6,148.76	711.16	8,533.92	1,223.56	14,682.68
SR 208	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 209	537.08	6,444.95	745.76	8,949.07	1,282.84	15,394.02
SR 210	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 211	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 212	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 213	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 301*	946.28	11,355.40	1,313.41	15,760.98	2,259.70	27,116.37
SR 302*	923.68	11,084.18	1,281.89	15,382.67	2,205.57	26,466.85
SR 303*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 304*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 305	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 306	512.40	6,148.76	711.16	8,533.92	1,223.56	14,682.68
SR 308	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 309	537.08	6,444.95	745.76	8,949.07	1,282.84	15,394.02
SR 310	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 311	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 312	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 313	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 401*	946.28	11,355.40	1,313.41	15,760.98	2,259.70	27,116.37
SR 402*	923.68	11,084.18	1,281.89	15,382.67	2,205.57	26,466.85
SR 403*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 404*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 405	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84

<u>Unit No.</u>	<u>Monthly Common Fee</u>	<u>Annual Common Fee</u>	<u>Monthly SE-B LCE Fee</u>	<u>Annual SE-B LCE Fee</u>	<u>Total Monthly SE-B</u>	<u>Total Annual SE-B</u>
SR 406	512.40	6,148.76	711.16	8,533.92	1,223.56	14,682.68
SR 408	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 409	537.08	6,444.95	745.76	8,949.07	1,282.84	15,394.02
SR 410	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 411	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 412	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 413	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 501*	1,094.98	13,139.71	1,519.97	18,239.60	2,614.94	31,379.31
SR 503*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 504*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 505	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 506	512.40	6,148.76	711.16	8,533.92	1,223.56	14,682.68
SR 508	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 509	537.08	6,444.95	745.76	8,949.07	1,282.84	15,394.02
SR 510	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 511	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 512	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 513	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 601*	1,094.98	13,139.71	1,519.97	18,239.60	2,614.94	31,379.31
SR 603*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 604*	801.75	9,621.04	1,112.80	13,353.60	1,914.55	22,974.63
SR 605	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 606	512.40	6,148.76	711.16	8,533.92	1,223.56	14,682.68
SR 608	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 609	537.08	6,444.95	745.76	8,949.07	1,282.84	15,394.02
SR 610	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 611	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 612	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 613	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 708	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50
SR 709*	537.08	6,444.95	745.76	8,949.07	1,282.84	15,394.02
SR 710	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 711	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 712	454.41	5,452.87	630.91	7,570.97	1,085.32	13,023.84
SR 713	289.36	3,472.28	401.43	4,817.22	690.79	8,289.50

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

*Units receiving gas service (see budget on next page for cost of gas service for all Hokulani Enclave Units on a monthly and annual basis).

**HONU KAI - HOKULANI ENCLAVE
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS****

	MONTHLY COMMON	ANNUAL COMMON	SOUTH MONTHLY LCE TOTAL	SOUTH ANNUAL LCE TOTAL
OPERATING EXPENSES				
UTILITIES				
Cable T.V.	0.00	0.00	5,500.00	66,000.00
Electricity - Enclaves	0.00	0.00	41,000.00	492,000.00
Electricity - Common Areas	28,000.00	336,000.00	0.00	0.00
Gas - Tower Enclaves - Pools	11,214.00	134,568.00	0.00	0.00
Gas - Residences with Gas Appliances	0.00	0.00	1,820.00	21,840.00
Gas Reimbursement - Residences with Gas	0.00	0.00	-1,820.00	-21,840.00
Water - Potable	6,121.00	73,452.00	5,042.00	60,504.00
Sewer	514.00	6,168.00	13,000.00	156,000.00
Communications	1,134.00	13,608.00	0.00	0.00
Water - Irrigation	13,716.00	164,592.00	0.00	0.00
TOTAL UTILITIES	60,699.00	728,388.00	64,542.00	774,504.00
PAYROLL				
Salaries & Wages - Admin	22,594.00	271,128.00	0.00	0.00
Salaries & Wages - Maintenance	2,000.00	24,000.00	19,426.00	233,112.00
Salaries & Wages - Watchmen	26,040.00	312,480.00	13,020.00	156,240.00
Salaries & Wages - LCE Housekeeping	0.00	0.00	19,426.00	233,112.00
Salaries & Wages - Landscaping	0.00	0.00	0.00	0.00
Salaries & Wages - Pools & Water Features	12,552.00	150,624.00	0.00	0.00
BAM Pool Service Agreement	21,347.00	256,164.00	0.00	0.00
Contract Housekeeping Admin & Overhead	0.00	0.00	4,694.00	56,328.00
Payroll Preparation Fees	760.00	9,120.00	325.00	3,900.00
Payroll Burden 30%	18,955.80	227,469.60	15,561.60	186,739.20
TOTAL PAYROLL	104,248.80	1,250,985.60	72,452.60	869,431.20
MAINTENANCE EXPENSE				
Bldg Maintenance Consultants RDH	0.00	0.00	2,084.00	25,008.00
Air Conditioning R&M	0.00	0.00	0.00	0.00
Air Conditioning Service Agreement (D.Leis)	0.00	0.00	0.00	0.00
Building R&M	2,034.00	24,408.00	6,990.00	83,880.00
Elevator R&M (Non-contract Services)	0.00	0.00	317.00	3,804.00
Equipment R&M	134.00	1,608.00	231.00	2,772.00
Equipment Rental	28.00	336.00	34.00	408.00
Grounds Materials	996.00	11,952.00	0.00	0.00
Painting & Waterproofing	226.00	2,712.00	950.00	11,400.00
Pool R&M	3,266.00	39,192.00	0.00	0.00
Water Feature R&M	3,266.00	39,192.00	0.00	0.00
Recreation Amenity R&M	1,100.00	13,200.00	0.00	0.00
Sewer Cleaning	80.00	960.00	363.00	4,356.00
Window Clean/Caulk (Contract)	0.00	0.00	6,250.00	75,000.00
Elevator (Contract)	0.00	0.00	4,167.00	50,004.00
Fire Sprinkler/Extinguisher Service (Contract)	0.00	0.00	140.00	1,680.00
Ground Service (Contract)	57,335.00	688,020.00	0.00	0.00
Maintenance Townhouse Area	3,000.00	36,000.00	0.00	0.00
Vehicle Gate Service (Contract)	500.00	6,000.00	0.00	0.00
Parking & Parking Structure Maintenance	400.00	4,800.00	100.00	1,200.00

Tree Trimming	3,214.00	38,568.00	0.00	0.00
Pest Control (Contract)	358.00	4,296.00	1,540.00	18,480.00
Refuse Collection (Contract)	1,390.00	16,680.00	5,730.00	68,760.00
TOTAL MAINTENANCE	<u>77,327.00</u>	<u>927,924.00</u>	<u>28,896.00</u>	<u>346,752.00</u>
ADMINISTRATIVE EXPENSES				
Shop Lease with IHM	0.00	0.00	0.00	0.00
Accounting & Audit Service	602.00	7,224.00	0.00	0.00
Auto/Golf Cart Expense	1,050.00	12,600.00	0.00	0.00
Dues, Education and Subscriptions	520.00	6,240.00	0.00	0.00
Legal	2,200.00	26,400.00	0.00	0.00
Office & Admin	3,200.00	38,400.00	0.00	0.00
AOAO Meeting Expense	250.00	3,000.00	0.00	0.00
Outside Services	160.00	1,920.00	0.00	0.00
Property Management	26,483.00	317,796.00	0.00	0.00
Security Supplies & Equipment	750.00	9,000.00	0.00	0.00
Taxes - State Income	210.00	2,520.00	0.00	0.00
Taxes - General Excise Tax (GET)	150.00	1,800.00	0.00	0.00
Taxes - Federal Income	300.00	3,600.00	0.00	0.00
Computer/Supplies	500.00	6,000.00	0.00	0.00
Uniform Replacement	586.00	7,032.00	0.00	0.00
TOTAL ADMINISTRATION	<u>36,961.00</u>	<u>443,532.00</u>	<u>0.00</u>	<u>0.00</u>
OTHER EXPENSES				
Insurance - Property Incl. Hurricane	0.00	0.00	20,834.00	250,008.00
Comprehensive General Liability (CGL)	4,333.00	51,996.00	0.00	0.00
Umbrella Liability	1,000.00	12,000.00	0.00	0.00
Directors & Officers Liability	500.00	6,000.00	0.00	0.00
Boiler & Machinery Insurance	0.00	0.00	1,100.00	13,200.00
Fidelity Insurance	83.00	996.00	0.00	0.00
Flood Insurance	0.00	0.00	3,376.00	40,512.00
Inland Marine Coverage	450.00	5,400.00	0.00	0.00
Off-Site Drainage Maintenance	1,667.00	20,004.00	0.00	0.00
Dune, Park & Wetland Management	2,500.00	30,000.00	0.00	0.00
Lobby Floral	0.00	0.00	1,105.00	13,260.00
Sewage Lift Station	509.00	6,108.00	0.00	0.00
North Beach Association Fees	16,250.00	195,000.00	0.00	0.00
TOTAL OTHER EXPENSES	<u>27,292.00</u>	<u>327,504.00</u>	<u>26,415.00</u>	<u>316,980.00</u>
TOTAL OPERATING EXPENSES				
	<u>306,527.80</u>	<u>3,678,333.60</u>	<u>192,305.60</u>	<u>2,307,667.20</u>
RESERVES [†]				
Capital Improvement Reserves	642.68	7,712.16	384.61	4,615.33
Replacement Reserves	26,599.73	319,196.76	15,769.06	189,228.71
TOTAL RESERVES	<u>27,242.41</u>	<u>326,908.92</u>	<u>16,153.67</u>	<u>193,844.04</u>
TOTAL EXPENDITURES				
	<u>333,770.21</u>	<u>4,005,242.52</u>	<u>208,459.27</u>	<u>2,501,511.24</u>
Less:				
Other Income - IHM Work Order Reimbursement	0.00	0.00	3,750.00	45,000.00
Other Income - Parking & Other Sources	36,384.00	436,608.00	0.00	0.00
Net Expenses After Other Income	<u>297,386.21</u>	<u>3,568,634.52</u>	<u>204,709.27</u>	<u>2,456,511.24</u>

****Budget for (i) Buildings SE-A, SE-B and SE-C in the Hukulani Enclave, (ii) Buildings NE-A, NE-B and NE-C in the Konea Enclave, and (iii) Restaurant Condominium Unit.**

I, David A. Ferguson, employed by Intrawest Honua Kai Hospitality Management, LLC, the condominium managing agent for the Honua Kai 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.



Signature

July 6, 2010

Date

† Developer discloses that a reserve study was conducted on January 14, 2010 in accordance with §514B-148, HRS, and replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules.

Pursuant to §514B-148, HRS, the Honua Kai Association began collecting replacement reserves on January 1, 2010.

EXHIBIT L

SUMMARY OF SALES CONTRACTS

There are two types of specimen Sales Contracts: one for Residences and one for Suites. The type of Sales Contract to be executed by Purchasers depends on whether a Residence or Suite unit is purchased. The Suite Sales Contract includes a furniture package in the Purchase Price of the Suite unit.

Residence Sales Contract

The specimen Residence Sales Contract, filed with the Commission, provides for, among other things, a description of the unit to be sold, the purchase price, the closing costs, the time, manner and place of payment, the Purchaser's obligations regarding financing, the Seller's warranties and disclaimers regarding the Condominium Map and the Project, and the remedies of the Seller and of the Purchaser in the event of a default under the Residence Sales Contract.

Among other provisions the specimen Residence Sales Contract provides:

1. That the Residence Sales Contract shall be binding when: (a) Seller delivers to Purchaser (i) a true copy of the Public Report with an effective date issued by the Real Estate Commission and all amendments thereto, and (ii) the Notice of Right to Cancel; and (b) Purchaser either (i) affirmatively waives Purchaser's right to cancel the Sales Contract, or (ii) is deemed to have waived the right to cancel.
2. The Seller has entered into an Escrow Agreement with Title Guaranty Escrow Services, Inc. ("Escrow"), covering the deposit with the Escrow of all funds paid by the Purchaser under the Residence Sales Contract and the disbursement of the funds by Escrow.
3. The Residence Sales Contract requires the Purchaser to pay the Total Purchase Price by a series of payments prior to Closing, as follows: Purchaser shall make an initial payment when Purchaser signs the Residence Sales Contract. Purchaser shall make a second deposit by a date to be determined by the Seller, with the balance due four (4) days prior to closing.
4. The Residence Sales Contract provides that all deposits will be held in Escrow in interest bearing accounts with all income derived from said account, and all interest paid thereon, credited to the account of Seller.
5. The Residence Sales Contract provides that closing costs and expenses shall be allocated as follows: Purchaser shall pay the premium for the Title Policy, and any additional costs relating to the issuance of an extended coverage policy (including a lender's policy), the cost of drafting of any revisions or addenda to the Residence Sales Contract in addition to those addenda listed in Section C.3 of the Residence Sales Contract, if any, the cost of obtaining Purchaser's consents, if any, Purchaser's notary fees, all recording fees, Escrow fees, any mortgage fees, conveyance taxes, and Hawaii General Excise Tax. Seller shall pay the cost of drafting of conveyance documents and Seller's notary fees. The Residence Sales Contract also provides that at Closing Purchaser shall pay (a) one (1) month's maintenance fee for the Honua Kai Condominium Owner's Association, and (b) a non-refundable, non-transferable start-up fee to the Honua Kai Condominium Owner's Association in the amount equal to three (3) months' maintenance fee assessments. These start-up fees are one-time assessments at Closing and are not advance payments of common expenses or assessments, and shall be in addition to the normal monthly assessments.
6. The Residence Sales Contract provides that it may not be assigned by Purchaser, in whole or in part, without the prior written consent of the Seller, which consent may be granted or withheld in its sole discretion, and which may be conditioned upon the consent of the construction lender.
7. The Residence Sales Contract provides that any dispute by or between Seller and Purchaser arising out of or incident to the Residence Sales Contract, or the development or management of the Project, the sale of the unit or the use or occupancy thereof, or any other aspect of the relationship between Seller and Purchaser regarding the Project 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

Residence Sales Contract. The Residence Sales Contract also provides that any dispute by or between Seller and Purchaser arising out of or incident to the Residence Sales Contract that is raised or otherwise asserted before Closing need not be submitted to arbitration, and Seller and Purchaser shall be free to pursue such dispute, as otherwise provided herein, in proceedings in a court of competent jurisdiction, provided that any judicial proceedings initiated shall be conducted in Honolulu, Hawaii.

The foregoing is only a summary of some of the key terms of the Residence Sales Contract. It is incumbent upon a prospective Purchaser to read the full text of the Residence Sales Contract with care.

Suite Sales Contract

The specimen Suite Sales Contract, filed with the Commission, provides for, among other things, a description of the unit to be sold, the purchase price, the closing costs, the time, manner and place of payment, the Purchaser's obligations regarding financing, the Seller's warranties and disclaimers regarding the Condominium Map and the Project, and the remedies of the Seller and of the Purchaser in the event of a default under the Suite Sales Contract.

Among other provisions the specimen Suite Sales Contract provides:

1. That the Suite Sales Contract shall be binding when: (a) Seller delivers to Purchaser (i) a true copy of the Public Report with an effective date issued by the Real Estate Commission and all amendments thereto, and (ii) the Notice of Right to Cancel; and (b) Purchaser either (i) affirmatively waives Purchaser's right to cancel the Sales Contract, or (ii) is deemed to have waived the right to cancel.

2. The Seller has entered into an Escrow Agreement with Title Guaranty Escrow Services, Inc. ("Escrow"), covering the deposit with the Escrow of all funds paid by the Purchaser under the Suite Sales Contract and the disbursement of the funds by Escrow.

3. The Suite Sales Contract requires the Purchaser to pay the Total Purchase Price by a series of payments prior to Closing, as follows: Purchaser shall make an initial payment when Purchaser signs the Suite Sales Contract. Purchaser shall make a second deposit by a date to be determined by the Seller, with the balance due four (4) days prior to closing.

4. The Suite Sales Contract provides that all deposits will be held in Escrow in interest bearing accounts with all income derived from said account, and all interest paid thereon, credited to the account of Seller.

5. The Suite Sales Contract provides that closing costs and expenses shall be allocated as follows: Purchaser shall pay the premium for the Title Policy, and any additional costs relating to the issuance of an extended coverage policy (including a lender's policy), the cost of drafting of any revisions or addenda to the Suite Sales Contract in addition to those addenda listed in Section C.3 of the Suite Sales Contract, if any, the cost of obtaining Purchaser's consents, if any, Purchaser's notary fees, all recording fees, Escrow fees, any mortgage fees, conveyance taxes, and Hawaii General Excise Tax. Seller shall pay the cost of drafting of conveyance documents and Seller's notary fees. The Suite Sales Contract also provides that at Closing Purchaser shall pay (a) one (1) month's maintenance fee for the Honua Kai Condominium Owners' Association, and (b) a non-refundable, non-transferable start-up fee to the Honua Kai Condominium Owners' Association in the amount equal to three (3) months' maintenance fee assessments. These start-up fees are one-time assessments at Closing and are not advance payments of common expenses or assessments, and shall be in addition to the normal monthly assessments.

6. The Suite units include a furniture package in the purchase price.

7. The Suite Sales Contract provides that it may not be assigned by Purchaser, in whole or in part, without the prior written consent of the Seller, which consent may be granted or withheld in its sole discretion, and which may be conditioned upon the consent of the Construction Lender.

8. The Suite Sales Contract provides that any dispute by or between Seller and Purchaser arising out of or incident to the Suite Sales Contract, or the development or management of the Project, the sale of

the unit or the use or occupancy thereof, or any other aspect of the relationship between Seller and Purchaser regarding the Project 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 Suite Sales Contract. The Suite Sales Contract also provides that any dispute by or between Seller and Purchaser arising out of or incident to the Suite Sales Contract that is raised or otherwise asserted before Closing need not be submitted to arbitration, and Seller and Purchaser shall be free to pursue such dispute, as otherwise provided herein, in proceedings in a court of competent jurisdiction, provided that any judicial proceedings initiated shall be conducted in Honolulu, Hawaii.

The foregoing is only a summary of some of the key terms of the Suite Sales Contract. It is incumbent upon a prospective purchaser to read the full text of the Suite Sales Contract with care.

EXHIBIT O
[RESERVED]