

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

CONDOMINIUM PROJECT NAME:	HAPPY VALLEY TARO CONDOMINIUM
PROJECT ADDRESS:	5-5851 Kuhio Highway Hanalei, Kauai, Hawaii 96714
REGISTRATION NUMBER:	6464 (Partial Conversion)
EFFECTIVE DATE OF REPORT:	April 2, 2008
MUST BE READ TOGETHER WITH DEVELOPER'S PUBLIC REPORT DATED:	October 24, 2007
DEVELOPER(S):	RICHARD G. LEIBOW and NAOMI LEIBOW, Trustees of the Leibow Family Trust

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 Developer's 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 (a) 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 the applicable common law.

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 or pertinent changes about the project have been fully or adequately disclosed; and (3) is not the

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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 or the project, unit, or property being offered or proposed 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:

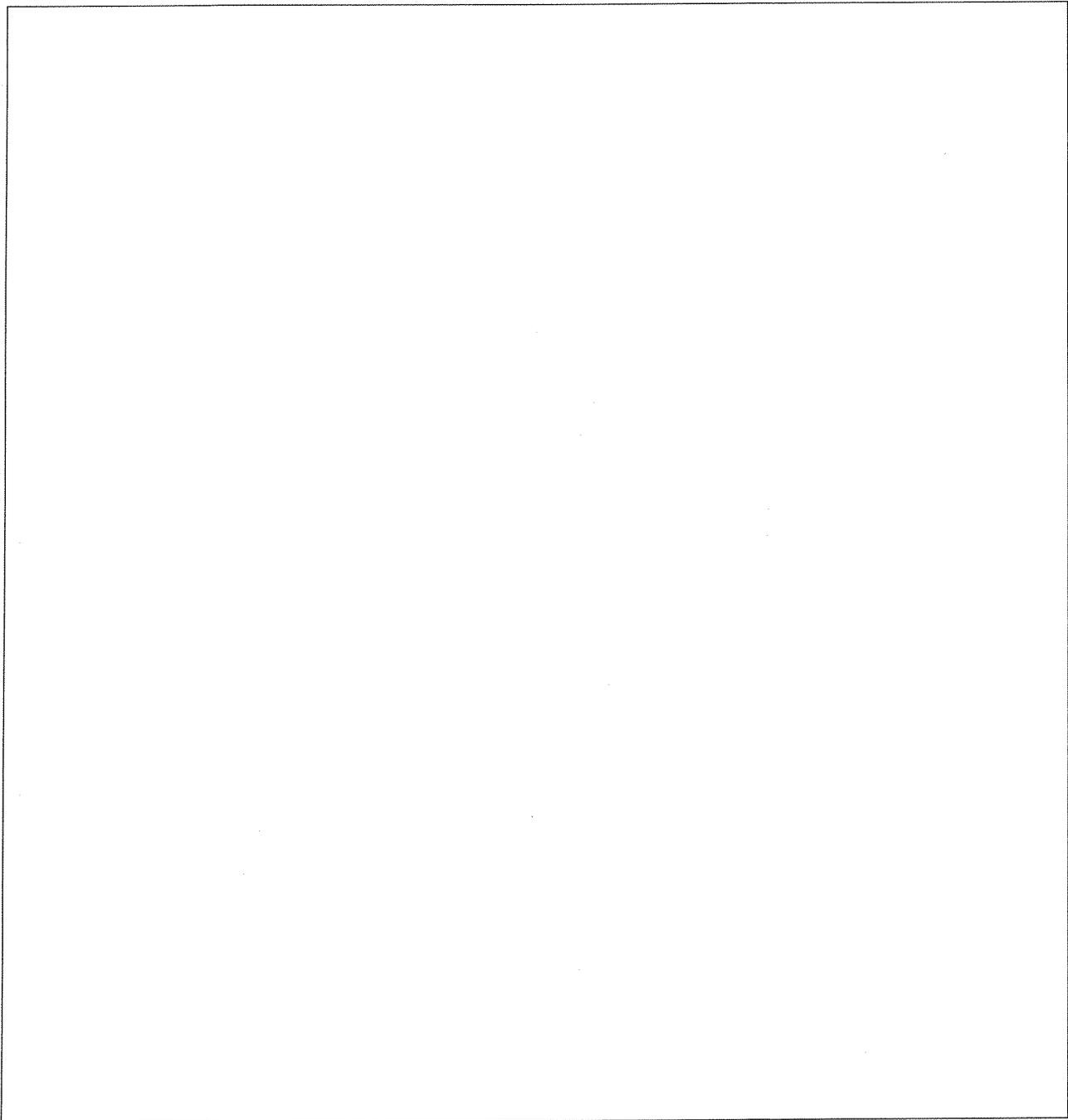
This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public 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 either a description of what the change is and page number and or exhibit alphabet or number; additional pages may be used):

1. Pages 1 and 9 have been changed to reflect that Laurence Powell McIntosh is no longer an Owner or Developer associated with the project; and,
2. Page 18 has been changed to reflect that the entitlement to construct a Guest House has been assigned from Unit B to Unit A.

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Changes continued:



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0610.REC DPRA

**DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME	HAPPY VALLEY TARO CONDOMINIUM
Project Address	5-5851 Kuhio Highway Hanalei, Kauai, Hawaii 96714
Registration Number	6464 (Partial Conversion)
Effective Date of Report	
Developer(s)	Richard G. Leibow and Naomi Leibow Trustees of the Leibow Family Trust

Preparation of this Report

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

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

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

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, 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.

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2. PERSONS CONNECTED WITH THE PROJECT

<p>2.1 Developer</p>	<p>Name: Richard G. Leibow & Naomi Leibow, Trustees of the Leibow Family Trust</p> <p>Business Address: c/o Kuleana Development, LLC 4365 Kukui Grove Street, Suite 103 Lihue, Kauai, Hawaii 96766</p> <p>Business Phone Number: (808) 245-7212 E-mail Address: hm.rodgers.kauai@hawaiiantel.net</p>
<p>Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).</p>	<p>Not applicable</p>
<p>2.2 Real Estate Broker</p>	<p>Name: None selected, see Disclosure on Page 18</p> <p>Business Phone Number: N/A E-mail Address: N/A</p>
<p>2.3 Escrow Depository</p>	<p>Name: Title Guaranty Escrow Services, Inc. Business Address: 235 Queen Street, 1st Floor Honolulu, HI 96813</p> <p>Business Phone Number: (808) 533-6261</p>
<p>2.4 General Contractor</p>	<p>Name: not applicable Business Address:</p> <p>Business Phone Number:</p>
<p>2.5 Condominium Managing Agent</p>	<p>Name: Self managed by the Association</p> <p>Business Address:</p> <p>Business Phone Number:</p>
<p>2.6 Attorney for Developer</p>	<p>Name:</p> <p>Business Address: This report was prepared by the Developer pro se and his agent</p> <p>Business Phone Number:</p>

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

This is a condominium project, not a subdivision. Units purchased are not subdivided lots. To determine whether your expectations can be realized, you should carefully review the contents of this Report, especially the recorded restrictive covenants (if any) for the subdivision within which this project is located. You should also conduct your own investigations and ascertain the validity of information provided.

Except as limited specifically by the condominium documents and subdivision restrictive covenants (if any), all uses permitted in the agricultural zone are permitted. Uses in one zone are not the same as in the other, and the prospective purchaser should consult the appropriate county agency for information on uses and construction in the respective zones.

A buyer should understand that all development and use of the property shall be in compliance with County codes and ordinances, that owners in this condominium project will not necessarily receive the same County benefits as owners of approved subdivided lots and that owners who develop their limited common element later than others may find that land use and zoning changes or insufficient utility capacities may thwart their expectations.

The units in the Project shall be occupied and used only for agricultural uses and, where permitted, as private residential dwellings by the respective owners thereof, their families, domestic servants, personal guests and tenants, and for no other purposes. Residential uses currently require execution of a Farm Dwelling Agreement with the County of Kauai, as contemplated by Hawaii state law regarding use of agricultural lands for residential purposes. Hawaii law requires that the family occupying a residence on agricultural land derive income from farming activities conducted on the land.

Unit B has is entitled to the existing residence and any other associated structures permitted in an agriculturally zoned district. Unit A has been assigned Unit B's right to construct a Guest House. Therefore Unit B is no longer entitled to apply for an Additional Dwelling Unit as previously provided.

DISCLOSURE RE: NON SELECTION OF REAL ESTATE BROKER

As of the effective date of this Developer's Public report, the Developer has not executed a listing agreement for the sale of this condominium project with any duly licensed Hawaii real estate broker. Thus, the Developer cannot offer to sell or sell any units in this registered condominium project until: the Developer executes a listing agreement for the sale of this condominium project, 2) amends this Developer's Public report to reflect the new information, and 3) delivers this Public Report and amendment to the prospective purchaser. The conditions for binding sales contract are listed on pages 16-17 paragraph 5.8.1.

EXHIBIT F, ENCUMBRANCES AGAINST TITLE

An updated title report submitted by the Developer indicates that there has been no change to said Exhibit since the date of the original public report.