

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

CONDOMINIUM PROJECT NAME	KALAPAKI 2
Project Address	4538 Hoomana Road, Lihue, HI 96766, Maalo Road, Kuhio Highway,
Registration Number	6702
Effective Date of Report	June 24, 2009
Developer(s)	Grove Farm Company, Incorporated, a Hawaii corporation/Visionary, LLC, a Virginia 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 (808) 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.]

All references to the "Declaration" shall mean the Declaration of Condominium Property Regime of Kalapaki 2. All capitalized terms used below shall have the meanings assigned to them in the Declaration.

1. (a) **Unit 1.** Without limitation of the foregoing, Grove Farm Company, Incorporated ("GFCI") is the co-owner of the Land pursuant to the that certain instrument recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2006-238638 and has at the date of Recordation of the Declaration and will hereafter have the right to use that portion of the Land comprising Unit 1 and the Limited Common Elements and Private Yard Area appurtenant to Unit 1. From and after the date of Recordation of the Declaration GFCI shall be the sole and exclusive fee owner of Unit 1.

(b) **Unit 2.** Without limitation of the foregoing, Visionary LLC ("Visionary") is the co-owner of the Land pursuant to the that certain instrument recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2006-238638 and has at the date of recordation of this Declaration and will hereafter have the right to use that portion of the Land comprising Unit 2 and the Limited Common Elements and Private Yard Area appurtenant to Unit 2. From and after the date of recordation of the Declaration, Visionary shall be the sole and exclusive fee owner of Unit 2.

2. GFCI and Visionary are each a Declarant under the Declaration.

3. GFCI, with respect only and exclusively to Unit 1 and the Limited Common Element appurtenant thereto, and Visionary, with respect only and exclusively to Unit 2 and the Limited Common Element appurtenant thereto, reserve those rights set forth at Section E of the Declaration of Condominium Property Regime of Kalapaki 2 including, without limitation, the right to grant easements, the right to conduct extensive sales activities and the right and an easement, in favor of the Declarant and its successors and assigns, to enter upon, use, remove, replace, add to, or otherwise alter the Limited Common Elements appurtenant to Declarant's respective Unit and to do all things reasonably necessary, desirable or useful to develop any number of additional units (including Spatial Units), to relocate Units (including but not limited to Spatial Units) which have not been sold and the conveyance thereof Recorded, to reduce the number of Units, and for designing, developing, constructing or completing any additional Units (including but not limited to Spatial Units) in addition to and other than those currently identified in the Declaration, connecting any such additional or relocated Units to the roads and utility installations, and selling the Units, including without limitation the right to consolidate any parcel(s) of land within the Unit with any other parcel(s) of land in connection with the addition or deletion of Units; 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 Declarant and consistent with maintaining the progress of the design, development, construction, completion and sale of the additional Unit, to minimize interference with the Owners' use and enjoyment of the Property.

4. As reserved to each Declarant pursuant to Section E of the Declaration, it is the Declarants' intent, and by the acquisition of a Unit in the Community it is the agreement of every successor to the Declarant as an Owner of a Unit, that subject to all applicable governmental permits and authorizations, Units 1 and 2 shall be allowed to be developed by the respective Owners of Units 1 and 2 under separate development plans, without the necessity of either Owner having to obtain the consent or approval of the other Owner.

5. The Community is subject to the agricultural requirements of HRS Chapter 205, as set forth in the Declaration of Restrictive Covenants, attached as Exhibit "R".

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General Information On Condominiums

A condominium is a special form of ownership of real property. To create a condominium in Hawaii after July 1, 2006, the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, must be followed. In addition, certain requirements and approvals of the county in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land and/or the building(s) and other improvements are leased to the purchaser. The lease for the land usually requires that at the end of the lease term, the lessees (unit owners) deliver their interest in the land to the lessor (fee property owner).

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

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

Your unit will, however, be part of the group of units that comprise the condominium project. Study the project's Declaration of Condominium Property Regime, Bylaws of the Association of Unit Owners, Condominium Map and House Rules, if any, which are 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	<input checked="" type="checkbox"/> Fee Simple	<input type="checkbox"/> Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Fee Owner's Name if Developer is not the Fee Owner		
Address of Project	4538 Hoomana Road, Lihue, HI 96766, Maalo Road, Kuhio Highway. TMK (4) 3-8-004-006 does not have an address.	
Address of Project is expected to change because		
Tax Map Key (TMK)	(4) 3-8-004-001; (4) 3-8-002-002; (4) 3-8-003-001; (4) 3-8-004-006	
Tax Map Key is expected to change because		
Land Area	867.443 acres	
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	N/A	

1.2 Buildings and Other Improvements

Number of Buildings	2
Floors Per Building	1
Number of New Building(s)	2
Number of Converted Building(s)	0
Principal Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Wood, metal, cloth

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.						

2	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 Exhibit ____ 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 Buildable Area.	

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 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

<u>Common Interest</u> : 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: See Exhibit D .

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

<input type="checkbox"/>	Swimming pool
<input type="checkbox"/>	Laundry Area
<input type="checkbox"/>	Storage Area
<input type="checkbox"/>	Tennis Court
<input type="checkbox"/>	Recreation Area
<input type="checkbox"/>	Trash Chute/Enclosure(s)
<input type="checkbox"/>	Exercise Room
<input type="checkbox"/>	Security Gate
<input type="checkbox"/>	Playground
<input checked="" type="checkbox"/>	Other (describe): None at this time

1.9 Common Elements

<p>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.</p>	
<p>Described in Exhibit E.</p>	
<p>Described as follows:</p> <p>See Exhibit E.</p>	
Common Element	Number
Elevators	N/A
Stairways	N/A
Trash Chutes	N/A

1.10 Limited Common Elements

<p>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.</p>
<p>Described in Exhibit F.</p>
<p>Described as follows:</p> <p>See Exhibit F.</p>

1.11 Special Use Restrictions

<p>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.</p>	
<input checked="" type="checkbox"/>	Pets: See Exhibit G.
<input checked="" type="checkbox"/>	Number of Occupants: Occupancy shall be in accordance with any limitations imposed by State or municipal law ordinances.
<input checked="" type="checkbox"/>	Other: See Exhibit G.
<input type="checkbox"/>	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 H describes the encumbrances against title contained in the title report described below.</p>
<p>Date of the title report: June 4, 2009</p>
<p>Company that issued the title report: First American Title Company, Inc.</p>

1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning:				
	Type of Use	No. of Units	Use Permitted by Zoning	Zoning
<input type="checkbox"/>	Residential		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Commercial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Mix Residential/Commercial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Hotel		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Timeshare		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Ohana		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Industrial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input checked="" type="checkbox"/>	Agricultural		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Agricultural
<input type="checkbox"/>	Recreational		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input checked="" type="checkbox"/>	Other (specify): Shed	2	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Agricultural
Is/Are this/these use(s) specifically permitted by the project's Declarations or Bylaws? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
Variances to zoning code have been granted. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
Describe any variances that have been granted to zoning code.				

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots
<p>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.</p> <p>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.</p> <p>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.</p>

	Conforming	Non-Conforming	Illegal
Uses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Structures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lot	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<p>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:</p>
--

1.15 Conversions

<p>Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.</p>	<p><input type="checkbox"/> Applicable</p> <p><input checked="" type="checkbox"/> Not Applicable</p>
<p>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:</p>	
<p>Developer's statement of the expected useful life of each item reported above:</p>	
<p>List of any outstanding notices of uncured violations of any building code or other county regulations:</p>	
<p>Estimated cost of curing any violations described above:</p>	

<p>Verified Statement from a County Official</p>
<p>Regarding any converted structures in the project, attached as Exhibit _____ is a verified statement signed by an appropriate county official which states that either:</p> <p>(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:</p> <ul style="list-style-type: none"> (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; <p>or</p> <p>(B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.</p>
<p>Other disclosures and information:</p>

1.16 Project In Agricultural District

<p>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.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the answer is "No", provide explanation.</p>	
<p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.</p>	
<p>Other disclosures and information:</p>	

1.17 Project with Assisted Living Facility

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

2. PERSONS CONNECTED WITH THE PROJECT

<p>2.1 Developer(s)</p>	<p>Name: See Exhibit J</p> <p>Business Address:</p> <p>Business Phone Number:</p> <p>E-mail Address:</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>See Exhibit J</p>
<p>2.2 Real Estate Broker</p>	<p>Name: none selected, see page 18/Exhibit Q.</p> <p>Business Address:</p> <p>Business Phone Number:</p> <p>E-mail Address:</p>
<p>2.3 Escrow Depository</p>	<p>Name: Title Guaranty Escrow Services, Inc.</p> <p>Business Address: 235 Queen Street Honolulu, HI 96813</p> <p>Business Phone Number: 808-521-0211</p>
<p>2.4 General Contractor</p>	<p>Name: N/A</p> <p>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>Dennis M. Lombardi, Esq. David G. Brittin, Esq.</p> <p>Business Address: 737 Bishop St, Suite 2600 Honolulu, Hawaii 96813</p> <p>Business Phone Number: (808) 547-5400 E-Mail Address: DML@caselombardi.com DGB@caselombardi.com</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 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
Declaration	September 9, 2008	2008-148679

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Amendment to Declaration	May 8, 2009	2009-070874

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
Bylaws	September 9, 2008	2008-141680

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number
Amended and Restated Bylaws	May 8, 2009	2009-070875

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	
Bureau of Conveyances Map Number	4706
Dates of Recordation of Amendments to the Condominium Map:	
May 8, 2009	

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	<input type="checkbox"/>
Have Been Adopted and Date of Adoption	<input type="checkbox"/>
Developer does not plan to adopt House Rules	<input checked="" type="checkbox"/>

3.5 Changes to the Condominium Documents

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

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

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

<input type="checkbox"/>	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
<input checked="" type="checkbox"/>	<p>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:</p> <p>See Exhibit L</p>

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

<p>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.</p>	
<p>The Initial Condominium Managing Agent for this project is (check one):</p>	
<input type="checkbox"/>	Not affiliated with the Developer
<input checked="" type="checkbox"/>	None (self-managed by the Association)
<input type="checkbox"/>	The Developer or an affiliate of the Developer
<input type="checkbox"/>	Other (explain)

4.2 Estimate of the Initial Maintenance Fees

<p>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.</p>
<p>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.</p>

4.3 Utility Charges to be Included in the Maintenance Fee

<p>If checked, the following utilities are included in the maintenance fee:</p>	
<input type="checkbox"/>	Electricity for the common elements
<input type="checkbox"/>	Gas for the common elements
<input type="checkbox"/>	Water
<input type="checkbox"/>	Sewer
<input type="checkbox"/>	TV cable
<input type="checkbox"/>	Other (specify)

4.4 Utilities to be Separately Billed to Unit Owner

<p>If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:</p>	
<input checked="" type="checkbox"/>	Electricity for the Unit only
<input type="checkbox"/>	Gas for the Unit only
<input checked="" type="checkbox"/>	Water
<input checked="" type="checkbox"/>	Sewer
<input checked="" type="checkbox"/>	TV cable
<input type="checkbox"/>	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:	
<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit <u> N </u> contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement dated: Name of Escrow Company: Exhibit <u> O </u> contains a summary of the pertinent provisions of the escrow agreement.
<input type="checkbox"/>	Other

5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants. *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 checked="" type="checkbox"/>	There are <u>no blanket liens</u> affecting title to the individual units.
<input type="checkbox"/>	There are <u>blanket liens</u> that may affect title to the individual units.

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

5.4 Construction Warranties

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

Building and Other Improvements: <i>N/A</i>
Appliances: <i>N/A</i>

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

Status of Construction: construction has not yet commenced
Completion Deadline: If a sales contract for a unit is signed before the construction of the unit has been completed, or, in the case of a conversion, completion of any repairs, does not occur by the completion deadline set forth below, one of the remedies available to a purchaser is a cancellation of the purchaser's sales contract. The sales contract may include a right of the Developer to extend the completion deadline for force majeure as defined in the sales contract. The sales contract may also provide additional remedies for the purchaser.
Completion Deadline for any unit not yet constructed, as set forth in the sales contract: June 11, 2011
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

<input checked="" type="checkbox"/>	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, which follow below, will not be applicable to the project.
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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):	
<input type="checkbox"/>	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
<input type="checkbox"/>	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):

<p>Box A <input type="checkbox"/></p>	<p>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.</p> <p>If Box A is checked, you should read and carefully consider the following notice, which is required by law:</p> <p><u>Important Notice Regarding Your Deposits:</u> 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.</p>
<p>Box B <input type="checkbox"/></p>	<p>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.</p> <p>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 <u>Important Notice Regarding Your Deposits</u> 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, <u>you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment.</u> (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.</p> <p>You should understand that, although the <u>Important Notice Regarding Your Deposits</u> 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.</p>

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:
See Schedule 1

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

1. 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 the 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: 1) 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 a binding sales contract or listed on pages 16-17 paragraph 5.8.1.

2. Requirements affecting agricultural use of the Project are set out in HRS §205-4.5(a), as referenced in the Declaration of Restrictive Covenants, dated 12/29/2005, attached hereto as Exhibit R.

3. See also 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.

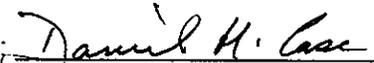
Grove Farm Company, Incorporated, a Hawaii corporation & Visinary, LLC, a Virginia limited liability company

Printed Name of Developer

By:  9/10/08
Duly Authorized Signatory* Date

Michael H. Tresler, Senior Vice President, Grove Farm Company, Incorporated

Printed Name & Title of Person Signing Above

By:  9/10/08
Duly Authorized Signatory* Date

Daniel H. Case, Chairman, Visionary, LLC

Printed Name & Title of Person Signing Above

***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.**

370610.04

Distribution:

Department of Finance, County of Kauai
Planning Department, County of Kauai

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, COMMUNITY RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE COMMUNITY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, COMMUNITY RULES OR OTHER DOCUMENTS OF THE COMMUNITY, 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 dimensions of each Unit are 4 feet long by 4 feet wide for a total of 16 square feet.

The approximate size of the Limited Common Element appurtenant to each Unit as shown on the Condominium Map is as follows:

<u>Unit</u>	<u>Net Living Area</u>	<u>Size of Limited Common Element</u>
1	16	570.433 Acres
2	16	295.488 Acres

UNIT TYPE

Each Unit consists of a shed with no utilities, as shown on the Condominium Map. The shed shall be constructed principally of wood, metal and cloth. The locations of the Units are shown on the Condominium Map.

ACCESS TO COMMON ELEMENTS

Each Unit has immediate access to the Common Elements of the Community.

ACCESS TO A PUBLIC STREET

Unit 1 has access over Kanakolu Street to Ehiku Street, and thereafter to Kuhio Highway and Unit 2 has access over Ehiku Street, and thereafter to Kuhio Highway. The access is reflected on the Condominium Map.

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, COMMUNITY RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE COMMUNITY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, COMMUNITY RULES OR OTHER DOCUMENTS OF THE COMMUNITY, 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

Each Unit shall include any Improvements made thereto by a Unit Owner and include all walls, columns and partitions (both load bearing and not load bearing) which are within the Unit's perimeter walls including without limitation the windows, sliding glass doors, screen doors, door frames and window frames, the air space within the Unit, the garage including its floor, foundation, ceiling, roof, doors and perimeter walls, the lanais, if any, to be shown on the Condominium Map, all rollers, locks, handles, tracks, and appurtenant hardware associated with all windows, doors and exterior automobile garage doors and all sliding or swinging screen doors and all glass window screens and all fixtures originally installed in the Unit, and all pipes, plumbing (including water heaters), wires, conduits and other utility or service lines and facilities servicing only the Unit. The Unit shall also include all load-bearing columns, girders, beams, building components and other elements included within each Unit. The Unit shall not include any pipes, shafts, wires, conduits or other utility or service lines running through a Unit which are utilized for or serve more than one Unit, all of which are deemed common elements as provided in the Declaration. If any wire, conduit, or any other fixture lies partially within and partially outside the designated boundaries of a Unit or the Limited Common Element appurtenant to such Unit, any portion thereof serving only that Unit is a Limited Common Element appurtenant solely to that Unit, and any portion thereof serving more than one Unit or any portion of thereof serving more than one Unit or any portion of the Common Elements is a part of the 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, COMMUNITY RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE COMMUNITY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, COMMUNITY RULES OR OTHER DOCUMENTS OF THE COMMUNITY, 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 by Owners.

(a) Except to the extent undertaken by one or the other of the Declarants in their respective Unit and appurtenant Limited Common Element or their respective assignee(s) as permitted under the Declaration, repair, reconstruction, restoration, and 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 and shall in all instances comply with the law. Except as 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.

(b) Notwithstanding the foregoing, and in addition to each Declarant's right to further develop their respective Unit, as more fully described in Section E, and provided that the Unit Owner satisfies the applicable law and obtains all of the necessary governmental permits, each Unit Owner shall have the right at his sole option at any time and from time to time, as hereinafter set forth, without the consent and/or approval of the Owner of any other Unit or any other persons or entity, to construct, reconstruct, repair, maintain, improve, renovate, remodel, make additions to, enlarge, remove, replace, alter or restore the improvements to or in his Unit or portions thereof or upon or within the land areas or Limited Common Elements or easements appurtenant to his Unit (collectively, the foregoing are referred to as "alterations"). Each Unit Owner who makes such alterations (hereinafter referred to as the "Altering Owner") shall have the right without the consent or joinder of any other person to amend the Declaration and the Condominium Map to accomplish any such alterations. If required by the Act, promptly upon completion of such alterations the Altering Owner shall duly record such amendment to the Declaration in the Bureau of Conveyances and/or in the Land Court, together with a complete set of floor plans of such Unit as so altered, certified by a registered architect or professional engineer to fully and accurately depict the altered portions of the property as built. All existing Unit Owners and all future Unit Owners and their mortgagees, by accepting an interest in a Unit, consent to all such alterations and agree to give and shall be deemed to have given the Altering Owner a power of attorney to execute an amendment to the Declaration solely for the purpose of describing the alterations to such Unit in the declaration so that the Altering Owner shall hereafter have a power of attorney from all the other Unit Owners to execute such amendment to the Declaration. This power of attorney shall be deemed coupled

with each Owner's interest in his Unit (including his common interest) and shall be irrevocable. If, despite the provisions of this paragraph, any governmental agency shall require some or all of the Owner(s) of Unit(s) in the Community (other than the Altering Owner) to sign the necessary governmental permit application or related documents, then all of the other Unit Owner(s) shall be required to sign any such permit applications or related documents (including authorizations allowing the Altering Owner to sign such governmental permits on behalf of such other Owners) as may be necessary to allow a Unit Owner to obtain the governmental permit authorized by this paragraph. Any such Unit Owner who wrongfully refuses to sign such permits or provide the Altering Owner with the necessary authorizations shall be liable to the Altering Owner for all such damages (including costs and attorneys' fees) incurred by the Altering Owner as a result of such refusal, and shall be subject to such other legal and/or equitable remedies as may be available to the Altering Owner.

2. Limitations. Any alteration of a Unit pursuant to Section L shall be subject to the following conditions:

(a) All such alterations shall conform with all applicable governmental regulations, laws and ordinances.

(b) Such alterations may decrease or increase the size of the affected Unit, provided that no alteration shall extend or place Improvements outside of the limits of the Unit's Buildable Area. All Improvements within a Unit's Private Yard Area shall conform with all applicable setback requirements of the County (treating the boundary of the Limited Common Area appurtenant to the Unit as if such were a lot boundary). Specifically, but without limitation, yard setbacks and the height of all Improvements on each Private Yard Area shall comply with any and all applicable zoning requirements, including, without limitation, any applicable requirements of the ordinances promulgated by the County, and rules, regulations and laws of the State of Hawaii.

(c) All such alterations shall be at the sole expense of the Unit Owner making the change and shall be undertaken in a manner that will not unreasonably interfere with the other Unit Owner's use of his Unit or Land Area.

(d) With the prior consent of the Members of the Association, the Owner of the altered Unit, at such Owner's sole expense, shall have the right to: utilize, relocate, construct, reconstruct, realign and/or develop additional, central and appurtenant installations for services to the Unit affected by such alteration for electricity, sewer and other utilities and services; and when necessary, add, delete, relocate, realign, designate and grant easements and rights-of-way over, under and on the Common Elements as necessary or desirable in connection therewith; provided, however, that no work done pursuant to this paragraph shall cause any unreasonable interruption in the service of such utilities to any other part of the Community, nor shall it unreasonably interfere with any other Unit Owner's use or enjoyment of his Unit or Private Yard Area.

3. Declarant's Rights - Generally. Each and every conveyance, lease and mortgage or other lien made or created on any Unit and all common interests, limited common elements, and other appurtenances thereto shall be subject to the provisions of this paragraph and any lease of a Unit shall reserve to the Declarants the rights set forth in this paragraph with respect to their respective Units. Any other provision in the Declaration to the contrary notwithstanding and without limitation of the rights reserved to Declarant in other sections of the Declaration, including, without limitation Declarant's rights to alter Units and/or the Community in the Declaration, prior to and following (i) the time that all Units in the Community have been sold and the conveyance thereof Recorded, and (ii) the filing by Declarant of the "as built" verified statement (with plans, if applicable) required by Section 514B 34 of the Act, Declarants, acting jointly, 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 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. Further Development of Units As reserved to each Declarant pursuant to Section E of the Declaration, it is the Declarants' intent, and by the acquisition of a Unit in the Community it is the agreement of every successor to the Declarant as an Owner of a Unit, that subject to all applicable governmental permits and authorizations, Units 1 and 2 shall be allowed to be developed by the respective Owners of Units 1 and 2 under separate development plans, without the necessity of either Owner having to obtain the consent or approval of the other Owner. Section L shall be construed and interpreted so as to allow the Owner of either Unit 1 or Unit 2 to accomplish its own development objectives as long as such objectives are consistent with all applicable governmental laws, ordinances, rules, regulations and agreements and do not violate the terms and conditions of the Declaration. Section L.4 shall supersede any other provision of the Declaration or the Community Documents that are or may be inconsistent with this Section. In that regard, the Owner of Unit 1 is authorized, without the consent or joinder of any other person, Unit Owner or other Declarant, to file, execute, record, pursue, and obtain such applications, permits, authorizations, agreements, petitions and other instruments, and to take any and all other actions, in furtherance of any proposed subdivision and development, provided that such applications, etc. do not (a) adversely affect Unit 2 or the intended development or zoning entitlements appurtenant to Unit 2, (b) are consistent with all applicable governmental laws, ordinances, rules, regulations and agreements, and (c) are consistent with the terms and conditions of the Declaration. Further, the Owner of Unit 2 is authorized, without the consent or joinder of any other person, Unit Owner or other Declarant, to file, execute, record, pursue, and obtain such applications, permits, authorizations, agreements, petitions and other instruments, and to take any and all other actions, in furtherance of any proposed subdivision and development, provided that such applications, etc. do not (a) adversely affect Unit 1 or the intended development or zoning entitlements appurtenant to Unit 1, (b) are consistent with all applicable governmental laws, ordinances, rules, regulations and agreements, and (c) are consistent with the terms and conditions of the Declaration. In furtherance of the foregoing, the Owner of each Unit and all future Owners of a Unit and their respective mortgagees, by accepting an interest in such Unit, consent to all such applications, permits, authorizations, agreements, petitions and other instruments, and all such other actions, and shall be deemed to have given to the Owner of the other Unit a power of attorney to execute any and all such applications, etc. and to take all such other actions solely for the purposes described herein. This power of attorney shall be deemed coupled with each Unit Owner's interest in its Unit (including its common interest) and shall be irrevocable. The Owner of each Unit agrees, if requested by another Unit Owner, to sign and deliver a separate written power of attorney in recordable form consistent with the terms of this paragraph. If, despite the provisions of this paragraph, any governmental agency shall require the Owner of a Unit to sign any necessary governmental permit applications, petitions or related documents, then the Owner of Unit shall be required to sign any such permit applications, petitions or related documents (including an authorization allowing the acting Unit Owner to sign any such governmental permits, petitions or other related documents on its behalf) as may be necessary or desirable to allow the acting Unit Owner to obtain any governmental permit or approval authorized by this paragraph. If the Unit Owner requested to sign such permits, petitions or related documents or provide the Owner of Unit 1 with the necessary authorization, wrongfully refuses, such refusing Unit Owner shall be liable to the requesting Unit Owner for all damages (including costs and attorneys' fees) incurred by the Owner of Unit 1 as a result of such refusal and shall be subject to such other legal and/or equitable remedies as may be available to the requesting Unit Owner.

5. Government Regulations. If there is any conflict between the requirements or actions of the Unit Owner and the mandatory regulations or ordinances of any governmental entity relating to the Community, the government regulation or ordinance, to the extent that such regulations and ordinances are more restrictive, shall control, and the Unit Owner shall modify its requirements or actions to conform to the government regulation or ordinance; provided, however, that if the governmental rules or regulations are less restrictive, the provisions of the Declaration shall nonetheless apply.

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, COMMUNITY RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE COMMUNITY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, COMMUNITY RULES OR OTHER DOCUMENTS OF THE COMMUNITY, 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 the following common interest in the Association:

Unit	Common Interest
1.	50.0%
2.	50.0%
Total	100.0%

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, COMMUNITY RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE COMMUNITY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, COMMUNITY RULES OR OTHER DOCUMENTS OF THE COMMUNITY, 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 Community 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 Community roads, roadway easements, any common area landscaping and similar improvements;
2. All the benefits, if any, inuring to the Land or the Community 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 Community.
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 Community 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 Community necessary or convenient to its existence, maintenance or safety, or normally in common use;
9. All other parts of the Community not included in the definition of a Unit, not within a Unit or designated as a limited Common Element.

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, COMMUNITY RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE COMMUNITY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, COMMUNITY RULES OR OTHER DOCUMENTS OF THE COMMUNITY, 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 Members of the Association 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. Buildable Area – the area designated on certain Units for construction of a Farm Dwelling Unit, which area has been determined by the specific characteristics of each Unit, setback criteria and the planning and design objectives. The Buildable Areas are not legally subdivided lots.
2. Private Yard Areas – the land area appurtenant to each Unit, as described in the Declaration. The Private Yard Areas are not legally subdivided lots. A Private Yard Area includes the Buildable Area appurtenant to the Unit and the land area, if any, as demarked on the Condominium Map. Any and each Private Yard Area appurtenant to a Unit shall be described by metes and bounds in a Supplemental Declaration.
3. Any other area designated as a Limited Common Element for the exclusive use of specific Unit Owners.

<u>Unit</u>	<u>Size (Acres) of Limited Common Elements</u>
1	570.433 Acres
2	295.488 Acres

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, COMMUNITY RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE COMMUNITY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, COMMUNITY RULES OR OTHER DOCUMENTS OF THE COMMUNITY, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

Certain special use restrictions applicable to Units in the Community, as set forth in this Exhibit G, are contained in the Declaration of Covenants, Conditions, Restrictions and Easements Of Kalapaki 2. All capitalized terms used in this Exhibit G shall have the same meanings as used in the Master Declaration, unless otherwise expressly defined in the Declaration.

1. No Limitation of Transfer of Short Term Ownership. The Owners shall have the absolute right to sell, lease, rent or otherwise transfer their respective Units subject to all provisions of the Act, all applicable laws, and the Community Documents. Any lease or rental agreement of a Unit shall be in writing and shall provide that it shall be subject in all respects to the provisions of the Community Documents and that the failure of the lessee or tenant to comply with the terms of the Community Documents shall be a default under the lease or rental agreement.

2. Use of Unit. An Owner shall not use his or her Unit and/or any appurtenant Limited Common Element for any purpose which will injure the reputation of the Community or suffer anything to be done or kept in his or her Unit or elsewhere in the Community which will (a) jeopardize the soundness of any building in the Community, (b) create a nuisance or interfere with or unreasonably disturb the rights of other Owners and occupants, (c) increase the rate of fire insurance on any structure or the contents of any structure, or (d) reduce the value of the Community or any structure in the Community.

3. No Warranty for Common Elements. DECLARANT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE COMMUNITY OR CONSUMER PRODUCTS OR OTHER THINGS WHICH MAY BE INSTALLED OR WHICH ARE CONTAINED IN THE COMMUNITY, INCLUDING BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR USE.

4. Agricultural Use. An Owner shall use his or her Unit and/or any appurtenant Limited Common Element for agricultural uses permitted by law so long as the Land constituting the Unit remains within the State's agricultural district. Each Unit is located in the State's agricultural district and therefore, accordingly, absent redistricting of the Land, each Unit must comply with the agricultural uses described in Chapter 205 of the Hawaii Revised Statutes. Agricultural activities and uses of the Unit include the cultivation of crops, including but not limited to flowers, vegetables, foliage, and fruit, orchards, forage, forestry and farming activities or the raising of livestock. Farm dwelling units, which term is defined as a single-family dwelling located on and used in connection with a farm, and other ancillary improvements are permitted on each Unit. If required by the County, each Owner shall execute any farm dwelling unit agreement required by the County. Without limitation of the foregoing, so long as the Land and the Units remain within the State's agricultural district, the Units and the Land may be used only in accordance with the uses described in the HRS, 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 class B shall be restricted to the following permitted uses as permitted by HRS Section 205-4.5(a) (2007):

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

(ii) Game and fish propagation;

(iii) 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;

(iv) 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;

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

(vi) 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;

(vii) 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 like structures;

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

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

(x) 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 HRS Section 205-2(d);

(xi) Agricultural parks;

(xii) 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;

(xiii) Agricultural tourism conducted on a working farm, or a farming operation as defined in HRS Section 165-2, 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 HRS Section 205-5; or

(xiv) 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;

(xv) Biofuel processing facilities, including the appurtenances associated with the production and refining of biofuels that is normally considered directly accessory and secondary to the growing of the energy feedstock; provided that biofuels processing facilities and appurtenances do not adversely impact agricultural land and other agricultural uses in the vicinity.

For the purposes of this paragraph:

"Appurtenances" means operational infrastructure of the appropriate type and scale for economic commercial storage and distribution, and other similar handling of feedstock, fuels, and other products of biofuels processing facilities.

"Biofuel processing facility" means a facility that produces liquid or gaseous fuels from organic sources such as biomass crops, agricultural residues, and oil crops, including palm, canola, soybean, and waste cooking oils; grease; food wastes; and animal residues and wastes that can be used to generate energy; or

(xvi) Construction and operation of wireless communication antennas; provided that, for the purposes of this paragraph, "wireless communication antenna" means communications equipment that is either freestanding or placed upon or attached to an already existing structure and that transmits and receives electromagnetic radio signals used in the provision of all types of wireless communications services; provided further that nothing in this paragraph shall be construed to permit the construction of any new structure that is not deemed a permitted use under this subsection.

(b) Lands with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class C, D, E or U 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 HRS Section 205-2(d):

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

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

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

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

(v) Biofuel production as described in HRS Section 205-4.5(a)(15) for public, private, and commercial use;

(vi) 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 HRS Section 205-4.5(a)(4), 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 HRS Section 205- 4.5(a)(12);

(vii) Wind machines and wind farms;

(viii) 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;

(ix) Agricultural parks;

(x) Agricultural tourism conducted on a working farm, or a farming operation as defined in HRS Section 165-2, 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 HRS Section 205-5; and

(xi) Open area recreational facilities.

Agricultural districts shall not include golf courses and golf driving ranges, except as provided in HRS Section 205-4.5(d). 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.

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, COMMUNITY RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE COMMUNITY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, COMMUNITY RULES OR OTHER DOCUMENTS OF THE COMMUNITY, 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. Title to all mineral and metallic mines reserved to the State of Hawaii.
3. Rights of Native Tenants, as reserved in Royal Patent No. 4480, and in Royal Patent Grant No. 188.
4. Rights of others thereto entitled in and to the continued uninterrupted flow of the Hanamaulu Stream, and various other unnamed streams, as shown on tax map.
5. All customary and traditional rights, of native Hawaiians as provided for by law, for subsistence, cultural and religious purposes, which rights may involve access to the subject property.
6. Matters arising out of, including any utility and access rights in favor of, the parcel described as Royal Patent Number 3819, Land Commission Award Number 3248, Apana 1 to Hanale.
7. Water rights, claims or title to water, whether or not shown by the public records.
8. Existing roadways and Cane Haul Roads, including Hoomana Road and Ehiku Street, as shown on Tax Map.
9. Pipe & Tunnel Line(s), as shown on Tax Map.
10. Hanamaulu Ditch and other ditches, as shown on Tax Map.
11. Railroad Track, as shown on Tax (Section) Map.
12. Rights which may exist in favor of others in/to that certain portion of the subject property which is identified on the Tax Map, and on the "Island School Expansion" maps, dated November 2, 2005 and December 12, 2007, respectively, as "Molokawaa Cistern".
13. Easement 8 (area of 47,460 square feet), as shown on Tax Map.
14. Easement 9 (area of 3,820 square feet), as shown on Tax Map.
15. Cemetery, and various roads, as set shown on the map attached as Exhibit E to that certain Deed recorded June 17, 1964 as Book 4771 Page 541 of Official Records.

16. A right of way for vehicular traffic, appurtenant to Tax Keys (4) 3-8-005-011 and (4) 3-8-005-012, to use in common with the grantor, etc., over and across the existing roads of the grantor described therein, as set forth or disclosed by the Deed recorded June 17, 1964 as Book 4771 Page 541 of Official Records.

17. A Grant of Easement for underground water pipeline(s) and overhead electrical control lines as shown on the map attached thereto, together with the right of ingress and egress to and from the said easement area, in favor of the State of Hawaii, by its Board of Land and Natural Resources, recorded June 17, 1964 as Book 4771 Page 552 of Official Records.

18. An undefined roadway easement for ingress and egress in favor of the County of Kauai, a political subdivision of the State of Hawaii, its successors and assigns, for the use and benefit of the Board of Water Supply, County of Kauai, for purposes of construction, installation, maintenance, repairs, replacement, removal and operation of water tanks pipelines, as granted and being more fully set forth in that certain Quitclaim Deed recorded August 1, 1969 as Book 6622 Page 425 of Official Records, amended by instrument recorded April 4, 1986 as Book 19401 Page 571 of Official Records.

19. A License for Electric Power Line, granting an easement to build, construct, reconstruct, repair, maintain and operate an electric power line within a right-of-way 60 feet wide, as shown on the maps attached thereto, in favor of McBryde Sugar Company, Limited, a Hawaiian corporation, for a term of 50 years beginning January 1, 1950, to and including December 31, 1999, recorded October 15, 1969 as Book 6727 Page 420 of Official Records.

Said License was amended by instrument recorded as Book 8214 Page 141 of Official Records, and assigned to Citizens Utilities Company, a Delaware corporation, by instrument recorded June 30, 1993 as Regular System Document No. 93-106356 of Official Records.

Said License was further amended by that certain Extension of Electric Power Line License Agreement, recorded June 30, 1993 as Regular System Document No. 93-106358 of Official Records, whereby the term of said license was extended for an additional 50 years, commencing on January 1, 2000, and terminating on December 31, 2049.

Said License was further assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Assignment of Listed Easements, recorded October 31, 2002 as Regular System Document No. 2002-194848 of Official Records.

20. A non-exclusive right to use all roads or future roads that may be constructed leading to that certain parcel described as the "easement area", in favor of Kauai Electric Company, its successors and assigns, as granted and being more fully set forth in that certain Grant of Easement recorded March 14, 1972 as Book 8186 Page 231 of Official Records.

The foregoing grant was assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Assignment Transmission Line and Electrical Easements, and by the Assignment of Listed Easements, recorded October 31, 2002 as Regular System Document Nos. 2002-194846 and 2002-194848, respectively, of Official Records.

21. An undefined access easement for ingress and egress in favor of the County of Kauai, through its Board of Water Supply, their respective successors and assigns, for the construction, installation, maintenance, repair, replacement or removal of pipelines or the operation of Well Site "C" and the Lihue Million Gallon Water Tank, as granted and being more fully set forth in that Easement Grant, recorded September 9, 1977 as Book 12424 Page 1 of Official Records, as corrected by that certain Correction to Easement Grant, recorded October 7, 1977 as Book 12480 Page 356 of Official Records.

22. An undefined access easement for ingress and egress in favor of the County of Kauai, through its Board of Water Supply, Citizens Utilities Company, a Delaware corporation, and Hawaiian Telephone Company, a Hawaii corporation (now Hawaiian Telcom, Inc.), their respective successors and assigns, for the construction, installation, maintenance, repair, replacement or removal of pipelines, electrical and telephone facilities, as granted and being more fully set forth in that certain Grant of Easement, recorded September 9, 1985 as Book 18918 Page 248 of Official Records.

The interest of Citizens Communications Company, formerly known as Citizens Utilities Company, in and to the foregoing grant was assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Assignment of Listed Easements, recorded October 31, 2002 as Regular System Document No. 2002-194848 of Official Records.

23. An undefined access easement for ingress and egress in favor of the Board of Water Supply of the County of Kauai, Kauai Electric Division, Citizens Utilities Company, a Delaware corporation, and Hawaiian Telephone Company, a Hawaii corporation (now Hawaiian Telcom, Inc.), their respective successors and assigns, for the construction, installation, maintenance, repair, replacement or removal of pipelines, electrical and telephone facilities, or the operation of Well Site "G", as granted and being more fully set forth in that certain Grant of Easement, recorded January 27, 1987 as Book 20312 Page 392 of Official Records.

The interest of Citizens Communications Company, formerly known as Citizens Utilities Company, in and to the foregoing grant was assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Assignment of Listed Easements, recorded October 31, 2002 as Regular System Document No. 2002-194848 of Official Records.

24. A right of entry in favor of Citizens Utilities Company, a Delaware corporation, its successors and assigns, upon the premises adjacent to the easement areas described in that certain Grant of Easement, recorded June 1, 1995 as Regular System Document No. 95-072361 of Official Records.

The interest of Citizens Communications Company, formerly known as Citizens Utilities Company, in and to the foregoing grant was assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Blanket Assignment of Easements and Rights of Entry, recorded October 31, 2002 as Regular System Document No. 2002-194849 of Official Records.

25. Easements "1", "2", "3" and "4" for non-exclusive access purposes, as shown on that certain map entitled "H.S.S. Plat 3104", dated March 19, 1998, prepared by Randall M. Hashimoto - State Land Surveyor.

Note: The aforesaid easements are also shown on that certain survey map prepared by James Thompson, Licensed Professional Land Surveyor with Walter P. Thompson, Inc., dated June 29, 2001, as disclosed in the Deed and Reservation of Rights and Easements, recorded July 6, 2001 as Regular System Document No. 2001-103875 of Official Records.

26. A right of entry upon the easement area designated Easement "U-1" in favor of Citizens Utilities Company, a Delaware corporation, its successors and assigns, as granted and more fully described, together with provisions for relocation of the same, in that certain Grant of Easement recorded June 30, 1999 as Regular System Document No. 99-104648 of Official Records.

The interest of Citizens Communications Company, formerly known as Citizens Utilities Company, in and to the foregoing grant was assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Blanket Assignment of Easements and Rights of Entry, recorded October 31, 2002 as Regular System Document No. 2002-194849 of Official Records.

27. The following easements, shown on that certain survey map dated January 21, 2001, prepared by Ronald Casuga, Licensed Professional Land Surveyor, with Kodani and Associates, Inc., and being also disclosed in the Deed and Reservation of Rights and Easements, recorded July 6, 2001 as Regular System Document No. 2001-103875 of Official Records:

- a. Easement 1 (60 feet wide, area of 99,471 square feet) for roadway and access purposes;
- b. Easement 10 (50 feet wide, area 3,136 square feet) for utility purposes.

28. Easement B-1-A for transmission line and utility purposes, made appurtenant to Lot 2-A (Lihue Switchyard), and granted in favor of Citizens Utilities Company, Kauai Electric Division, its successors and assigns, as described and more fully set forth in that certain Limited Warranty Deed, recorded September 6, 2000 as Regular System Document No. 2000-123492 of Official Records.

The interest of Citizens Communications Company, formerly known as Citizens Utilities Company, was assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Assignment Transmission Line and Electrical Easements, and by the Assignment of Listed Easements, recorded October 31, 2002 as Regular System Document Nos. 2002-194846 and 2002-194848, respectively, of Official Records.

29. Terms, provisions, reservations, covenants, conditions and restrictions, but deleting any of the aforementioned indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Chapter 515 of the Hawaii Revised Statutes, as contained in the Declaration of Restrictions, recorded June 29, 2001 as Regular System Document No. 2001-099830 of Official Records.

30. A Grant of Easement for roadway access and utility purposes within Easement 2, being more particularly described therein, in favor of Citizens Communications Company, a Delaware corporation, its successors and assigns, recorded June 29, 2001 as Regular System Document No. 2001-099832 of Official Records.

The foregoing grant was assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Blanket Assignment of Easements and Rights of Entry, recorded October 31, 2002 as Regular System Document No. 2002-194849 of Official Records.

31. The terms and provisions contained in the Grant of Drainage Easement, granting a right of entry in favor of Citizens Communications Company, a Delaware corporation, its successors and assigns, over, upon, and across the premises adjoining Easement 5 (being particularly described therein), recorded June 29, 2001 as Regular System Document No. 2001-099834 of Official Records.

The foregoing grant was assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Blanket Assignment of Easements and Rights of Entry, recorded October 31, 2002 as Regular System Document No. 2002-194849 of Official Records.

32. A Grant of Easement for transmission and distribution line purposes within Easement 7, together with a right of entry over, upon, and across the premises adjoining said easement area, all as more fully set forth therein, in favor of Citizens Communications Company, a Delaware corporation, its successors and assigns, recorded June 29, 2001 as Regular System Document No. 2001-099836 of Official Records. The interest of Citizens Communications Company, formerly known as Citizens Utilities Company, was assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Assignment Transmission Line and Electrical Easements, and by the Assignment of Grants of Easements (Lihue Energy Service Center and Hydro Facilities), recorded October 31, 2002 as Regular System Document Nos. 2002-194846 and 2002-194847, respectively, of Official Records.

33. A Grant of Easement for roadway access and utility purposes within Easement 9 (area of 52,429 square feet), and to dispose of cooling water and process discharge water into "DeMello Reservoir", all as more fully set forth therein, in favor of Citizens Communications Company, a Delaware corporation, its successors and assigns, recorded June 29, 2001 as Regular System Document No. 2001-099838 of Official Records.

The interest of Citizens Communications Company, formerly known as Citizens Utilities Company, was assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Assignment of Grants of Easements (Lihue Energy Service Center and Hydro Facilities), recorded October 31, 2002 as Regular System Document No. 2002-194847 of Official Records.

34. The terms and provisions contained in the Grant of Easements and Right-of-Entry; Grant of Water Withdrawal and Use Rights, recorded July 5, 2001 as Regular System Document No. 2001-103122 of Official Records.

The interest of Citizens Communications Company (formerly known as Citizens Utilities Company) in and to the foregoing document, was assigned to Kauai Island Utility Co-op (now known as Kauai Island Utility Cooperative), a Hawaii cooperative association, by that certain Assignment of Grants of Easements (Lihue Energy Service Center and Hydro Facilities), recorded October 31, 2002 as Regular System Document No. 2002-194847 of Official Records.

35. Terms, provisions, reservations, covenants, conditions and restrictions, but deleting any of the aforementioned indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Chapter 515 of the Hawaii Revised Statutes, as contained in the Deed and Reservation of Rights and Easements, recorded July 6, 2001 as Regular System Document No. 2001-103875 of Official Records.

36. The terms and provisions contained in the unrecorded Property Purchase Agreement dated as of May 8, 2001, and the Second Amended and Restated Power Purchase Agreement dated January 10, 2001, both as disclosed in that certain Grant of Easements, recorded July 6, 2001 as Regular System Document No. 2001-103877 of Official Records.

37. A Grant of Easement for access, utility, drainage and other purposes, over, under and across portions of the grantor's property necessary or convenient for continued operation and maintenance of the LPCo Power Plant, approximately as shown on the map referred to therein, all as more fully set forth in said grant, in favor of the Lihue Plantation Company, Limited, its successors and assigns, recorded July 6, 2001 as Regular System Document No. 2001-103877 of Official Records.

Note: The name of the aforesaid grantee was changed to LPC Corporation, on December 9, 2002.

Said LPC Corporation, a Hawaii corporation, filed Articles of Dissolution on December 28, 2007 with the Department of Commerce and Consumer Affairs of the State of Hawaii.

38. Terms and conditions as set forth in the Notice of Dedication, wherein Visionary LLC dedicates the premises described herein for agricultural use for a period of 10 years effective January 1, 2002. Said Notice was recorded December 28, 2001 as Regular System Document No. 2001-205822 of Official Records.

39. Terms and conditions as set forth in the Notice of Dedication, wherein Visionary LLC dedicates the premises described herein for agricultural use for a period of 10 years effective January 1, 2002. Said Notice was recorded December 28, 2001 as Regular System Document No. 2001-205823 of Official Records.

40. Terms and conditions as set forth in the Notice of Dedication, wherein Visionary LLC dedicates the premises described herein for agricultural use for a period of 10 years effective January 1, 2002. Said Notice was recorded December 28, 2001 as Regular System Document No. 2001-205824 of Official Records.

41. The terms and provisions contained in the Right-of-Entry Agreement, in favor of the County of Kauai, a political subdivision of the State of Hawaii, recorded June 23, 2004 as Regular System Document No. 2004-126936 of Official Records.

42. The terms and provisions contained in the Memorandum of License (Water Treatment Plant Site), in favor of Grove Farm Properties, Inc., a Hawaii corporation, for a term of 15 years from March 1, 2004, unless sooner terminated, recorded July 6, 2004 as Regular System Document No. 2004-136876 of Official Records.

The interest of the aforesaid Licensee is encumbered by the following:

a. A mortgage to secure an original principal indebtedness of \$8,000,000.00, and any other amounts or obligations secured thereby.

Dated: April 19, 2004
Mortgagor: Grove Farm Properties, Inc., a Hawaii corporation
Mortgagee: Central Pacific Bank, a Hawaii corporation
Recorded July 6, 2004 as Regular System Document No. 2004-136877 of Official Records.

b. A financing statement

Debtor: Grove Farm Properties, Inc.
Secured Party: Central Pacific Bank
Recorded July 6, 2004 as Regular System Document No. 2004-136878 of Official Records.

43. The terms and provisions contained in the Right-of-Entry, in favor of Kauai Island Utility Cooperative, recorded November 16, 2004 as Regular System Document No. 2004-230845 of Official Records.

44. Easement 10, as shown on that certain "Map Showing Lot 2 (Upper Powerhouse) and Lot 3 (Lower Powerhouse) and Designation of Existing Cane Haul Road Easement (20 ft. wide) for Access Purposes", dated February 2, 2004, prepared by Ronald Casuga, Licensed Professional Land Surveyor No. 4332, with Kodani & Associates, Inc., disclosed in the Affidavit of Subdivision, recorded January 4, 2005, as Regular System Document No. 2005-001210 of Official Records.

45. The following easements, as shown on the map entitled, "Island School Expansion Consolidation of Lot 1-A-1 and Remainder of L. C. Aw. 7713:2, Part 2, Being Also Portions of Grant 188:1 and Resubdivision of said Consolidation into Lots 1-A-2 and 1-A-3", dated November 2, 2005:

- a. Existing roads;
- b. Easement 8 for roadway access and utility purposes (20 feet wide);
- c. Easement 9 for Pump Station Site.

Note: The foregoing are also shown on the map entitled, "Island School Expansion Consolidation of Lot 1-A-1 and Portion of R. P. 4478 L. C. Aw. 7713:2, Part 2, to V. Kamamalu Being Also Portions of R. P. Grant 188:1 to William L. Lee and Resubdivision of said Consolidation into Lots 1-A-2 and 1-A-3 also Lots 1-A-4, 1-A-5, 1-A-6, 1-A-7, 1-A-8, 1-A-9, 1-A-10 and 1-A-11 Being Portions of L. C. Aw. 7713:2, Parts 1 & 7 to V. Kamamalu Being Also Portions of R. P. Grant 188:1 to William L. Lee and All of L. C. Aw. 3248:1", dated and revised December 12, 2007.

46. Terms, provisions, reservations, covenants, conditions and restrictions, but deleting any of the aforementioned indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Chapter 515 of the Hawaii Revised Statutes, as contained in the Declaration of Restrictive Covenants, recorded December 29, 2005 as Regular System Document No. 2005-265793 of Official Records.

47. Terms, provisions, reservations, covenants, conditions and restrictions, but deleting any of the aforementioned indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Chapter 515 of the Hawaii Revised Statutes, as contained in the Limited Warranty Deed and Reservation of Right, recorded December 28, 2006 as Regular System Document No. 2006-238638 of Official Records.

48. Any and all leases, subleases and/or tenancy agreements, the rights thereunder and encumbrances thereto.

49. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.

50. Easements, claims of easement or encumbrances which are not shown by the public records.

51. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.

52. Covenants, conditions, restrictions, reservations, agreements, obligations, easements and other provisions as set forth in the

DECLARATION OF CONDOMINIUM PROPERTY REGIME OF KALPAKI 2

DATED : September 9, 2008
RECORDED : Document No. 2008-141679

53. Covenants, conditions, restrictions, reservations, agreements, obligations, easements and other provisions as set forth in the

BYLAWS OF THE ASSOCIATION OF UNIT OWNERS OF KALPAKI 2

DATED : September 9, 2008
RECORDED : Document No. 2008-141680

54. CONDOMINIUM MAP 4706, as amended.

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 Community is agricultural. Uses permitted in this zoning designation include those specified in the Kauai County Code, Chapter 8, Article 7 for agricultural districts, which provides as follows:

A. PERMITTED USES FOR UNITS 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.

Pursuant to Chapter 205 of the Hawaii Revised Statutes, single family dwelling units must be farm dwelling units. Farm dwelling 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.

END OF EXHIBIT I

EXHIBIT J

Section 2 -- Persons Connected with the Community

<p>Developer(s)</p>	<p>Name: GROVE FARM COMPANY, INCORPORATED & VISIONARY LLC</p> <p>Business Address: P.O. Box 662069, Lihue, Hawaii 96766-7069</p> <p>Business Phone Number: 808-533-7824</p> <p>E-mail Address: dhinazumi@grovefarm.com</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>The authorized signatories for Grove Farm Company Incorporated in the absence of the special specific authorization are:</p> <p>One signature:</p> <p>Warren H. Haruki, President</p> <p>Any two signatures:</p> <p>Michael H. Tresler, Senior Vice President Marissa Sandblom, Vice President Blanche R. Yoshida, Treasurer Sharyl E. Lam Yuen, Secretary Shawn L. Shimabukuro, Assistant Secretary David K. Hinazumi, Assistant Secretary James M. Cribley, Assistant Secretary</p> <p>The authorized signatories for Visionary, LLC in the absence of the special specific authorization are:</p> <p>One signature:</p> <p>Ka Po'e Hana, LLC a Virginia Limited Liability Company</p> <p>Its Manager</p> <p>By John Richardson Its Manager</p> <p>Warren H. Haruki, President</p> <p>Any two signatures:</p> <p>Michael H. Tresler, Senior Vice President Marissa Sandblom, Vice President Blanche R. Yoshida, Treasurer Sharyl E. Lam Yuen, Secretary Shawn L. Shimabukuro, Assistant Secretary</p>

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

AMENDMENT TO DECLARATION OF CONDOMINIUM PROPERTY REGIME

Pursuant to Paragraph P of the Declaration:

1. Amendment of Declaration by Future Owners. Except as otherwise expressly provided in the Declaration or in the Act, the Declaration 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 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 P, shall be required to materially amend any provision of the Declaration, or to add any material provisions hereto, 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 Property or any part thereof (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of same; and
- (f) Amend any provision of the Declaration 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 Declarant 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.

2. Amendment of Declaration by Declarant. Any provision of Section P to the contrary notwithstanding, Declarant may amend the Declaration, the Bylaws and/or 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, 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 Declarant; 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 Declarant to File an As Built Certificate. Any provision of Section P to the contrary notwithstanding, Declarant 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 Declarant, 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 Declarant is permitted to make pursuant to the Declaration.

4. Amendment of the Declaration by Declarant in the Exercise of Reserved Rights. Any provision of Section P to the contrary notwithstanding, Declarant may amend the Declaration (and when appropriate the Condominium Map) as provided in Sections E, L, and S or otherwise in the Declaration without the approval, consent or joinder of any person or group of persons, including the Association, any Owner, the other Declarant where so indicated, or any mortgagee, lienholder, or any other person who may have an interest in the Community or in any Unit. In connection with any such amendment, either Declarant may supplement and expand the provisions of the Declaration by Supplemental Declaration in any manner and to any extent the acting Declarant elects, in its sole and absolute discretion, provided the scope and affect of such Supplemental Declaration is limited to the acting Declarant's respective Unit and appurtenant Limited Common Elements and the Improvements therein.

5. Votes Required. Any provision of Section P to the contrary notwithstanding, any amendment affecting any provision of the Declaration 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 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 P. Except to the extent such rights are specifically reserved by the Declarant 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:

(a) Prior written notice of any proposed amendment to the Declaration or the 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;

(b) Prior written notice of any proposed termination of the Community;

(c) 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;

(d) 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;

(e) A copy of any bond required to be posted before commencing or permitting construction of any Improvements on or to the Property;

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

(g) Notice of any default by the Owner of the Unit involved which is not cured within sixty days;

(h) Upon request therefore, a certificate of any then unpaid assessments for common expenses due from the Owner of the Unit involved;

(i) A copy of all pleadings filed in any lawsuit, administrative proceedings, or other action affecting the Property, or any portion thereof, upon specific written request and at such Person's expense;

(j) 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;

(k) Prior written notice of a lapse, cancellation, or material modification of any insurance policy required to be maintained by the Association; and

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

6. No Impairment or Diminishment of Declarant's Rights. Any provision of the Declaration to the contrary notwithstanding, and in addition to such other approval requirements as are set forth in Section P, to the extent permitted by Section 514B-106(d) of the Act, the prior written approval of Declarant is required before any amendment which would impair or diminish the rights of Declarant 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, the following actions, before being undertaken by the Association, shall first be approved in writing by Declarant:

(a) Mortgagee Approval. Any amendment or action requiring the approval of Mortgagees pursuant to the Declaration;

(b) Capital Improvement Assessment. The levy of a Capital Improvement Assessment for the construction of new facilities not constructed in the Common Elements by Declarant;

(c) Reduction in Services. Subject to any restrictions contained in the Bylaws regarding limitations on general assessment increases, any significant reduction of Association maintenance, repair, upkeep, or other services;

(d) Assessments. Alteration in the method of fixing and collecting assessments or any increases in assessments;

(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, or any other maintenance obligations of the Association set forth in the Declaration;

(f) Common Elements. Conveyance or dedication by the 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; or

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

AMENDMENT TO BYLAWS

Pursuant to Section 6.2 of the Bylaws:

(a) Vote or Consent Requirements. Except as otherwise expressly provided in the Declaration, the Bylaws, or in the Act, the Bylaws may be amended in any respect not inconsistent with law or the Declaration by the affirmative vote or written consent of not less than sixty-seven percent (67%) of the Owners.

(b) Amendment by Declarant. Declarants acting jointly may amend the Bylaws without the joinder or consent of any other party or Owner.

(c) 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 Community 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, COMMUNITY 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. Rights of Visionary With Respect to Unit 2 and Rights of GFCI With Respect to Unit 1. GFCI, with respect only and exclusively to Unit 1 and the Limited Common Elements appurtenant to Unit 1, and Visionary, with respect only and exclusively Unit 2 and the Limited Common Elements appurtenant to Unit 2, reserve the following rights (in each instance both GFCI and Visionary may be described as Declarant):

(a) Easement and Reserved Rights Exercisable by Declarant. Declarant shall have the right to designate, grant, convey, transfer, cancel, relocate and otherwise deal with any easements over, under, across or through the Common Elements and their respective Units or Private Yard Areas for any reasonable purpose, which may include, but shall not be limited to, those purposes which are necessary for the operation, care, upkeep, maintenance or repair of any Unit, or any easements for utilities or for any public purpose. Notwithstanding anything to the contrary contained in the Declaration, Declarant may exercise rights reserved to it under the Declaration without the requirement that it satisfy conditions applicable to the exercise of any right available to the Association.

(b) Declarant's Reserved Rights Concerning Easements. Declarant shall have the right to designate, grant, convey, transfer, cancel, relocate, reserve or otherwise deal with any easements, licenses, and rights of way at any time for any purpose and for utilities, any public-type facility (mailboxes and the like), private sanitary and storm sewers, cable television transmission facilities, party walls, refuse disposal, landscape, maintenance, driveways, parking areas, access roadways and other similar purposes, on, over, across, under and through the Unit and the Private Yard Area. Without limiting the generality of the foregoing, Declarant reserves the right to utilize any roadway and utility facilities (including without limitation water, private sewer, electrical, telephone, and cable) described in the prior sentence (such as, but not limited to, waterlines, private sewer lines, 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, access roadways and the like, whether located in designated easement areas or otherwise, together with the right of entry to construct, 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, homeowner'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). Declarant 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 Declarant include specifically without limitation the right to utilize any utility service to their respective Unit to complete such construction, to serve adjacent and separate developments outside of

the Community provided Declarant with respect to such separate and/or adjacent communities submeters such use, and may use roadways in the Limited Common Area appurtenant to their respective Unit 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 (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 Declarant without payment of additional consideration.

(c) Declarant's Easement to Conduct Extensive Sales Activities. Declarant, and its agents, successors, mortgagees and assigns, shall for the benefit of any development either Declarant may undertake within their respective Unit or Limited Common Element appurtenant thereto, have the right and an easement to conduct extensive sales activities on, at or within the Unit or Limited Common Element appurtenant thereto, including the use of any new Unit created and owned by Declarant (and any other Unit, with the express permission of the Owner of such Unit) for model homes, 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, Declarant reserves, for itself and its successors and assigns, the right during the course of Declarant's 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 Declarant 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, Declarant may supplement and amend its public report applicable to the Community, which modification shall not be deemed material in any respect.

(d) Declarant's Right for Roadway and Utility Purposes. To the extent a Community Access Road is reflected on the Condominium Map, such Declarant hereby reserves an easement for roadway and utility purposes on and over any Community Access Road as shown on the Condominium Map. Without limitation of Declarant's rights under the Declaration, Declarant further reserves the right to grant to the County or Kauai Island Utility Cooperative ("KIUC"), the County Board of Water Supply, any private water supplier, any utility provider, 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, without joinder or consent of, or notice to, the Association, any Owner, or any Owner's mortgagee.

(e) Declarant's Right to Alter Common Elements and Limited Common Elements to Relocate Units and to Increase or to Decrease the Number of Units and Modify Common Interests.

(i) The Declarant or its authorized representatives shall have the right and an easement, in favor of the Declarant and its successors and assigns, at Declarant's separate and sole cost, and without the consent or joinder of, or notice to, any party having any interest in the Community, to enter upon, use, remove, replace, add to, or otherwise alter the Limited Common Elements appurtenant to Declarant's respective Unit and to do all things reasonably necessary, desirable or useful to develop any number of additional units (including Spatial Units), to relocate Units (including but not limited to Spatial Units) which have not been sold and the conveyance thereof Recorded, to reduce the number of Units, and for designing, developing, constructing or completing any additional Units (including but not limited to Spatial Units) in addition to and other than those currently identified in the Declaration, connecting any such additional or relocated Units to the roads and utility installations, and selling the Units, including without limitation the right to consolidate any parcel(s) of land within the Unit with any other parcel(s) of land in connection with the addition or deletion of Units; 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 Declarant and consistent with maintaining the progress of the design, development,

construction, completion and sale of the additional Unit, to minimize interference with the Owners' use and enjoyment of the Property. Declarant shall have the right to develop any additional units so created in legal phases. Each such phase shall be separately registered with the Real Estate Commission of the State of Hawaii, and Declarant shall obtain a Final Public Report for each phase. Declarant reserves the right to merge such phases. Declarant 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 additional Units, and without the consent or joinder of, or notice to, any party having any interest in the Community, including the other Declarant, easements over, under, across, along, upon and through the Common Elements of the Community, if any, for ingress and egress purposes, access purposes, electrical, gas, communications and other utility purposes, private sanitary sewer drainage and drainline, waterline, and flowage purposes, and all other purposes, to the State of Hawaii, the County, the County Board of Water Supply, 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.

(ii) In order to effect the rights of Declarant with respect to their respective Units, Declarant shall have the right file or cause to be filed an amendment to the Declaration describing (a) the revised description of Units and/or buildings created by Declarant; and (b) the undivided percentage common interest appurtenant to the Units resulting from the reduction or increase in the total number of Units. The common interest appurtenant to each Unit created by either Declarant shall be calculated generally by assigning a prorata equal share applicable to an existing Unit to each resulting Unit created by Declarant (e.g., $1/\text{total number of existing and new Units created within Declarants' respective Units}$ divided by the common interest allocable to the existing Unit); provided, however, that the Declarant shall have the right, in its sole and absolute discretion, to round the result of such calculations so that the sum of the percentages of all new Units and existing Units equals exactly one hundred percent (100%).

(iii) **Consequences of Adding or Removing Units.** Upon the creation or removal of Units by Declarant, the following shall apply:

- (a) Upon the addition of any Units and merger with the Community, the Units shall become full members of the Association with all of the rights and obligations appurtenant thereto. Each Owner, by accepting a deed to a Unit, acknowledges and agrees to such a dilution in his/hers/its voting power in the Association. Upon the removal of any Units, each Owner, by accepting a deed to a Unit, acknowledges and agrees to an increase in his/hers/its voting power in the Association.
- (b) The addition of Units to the Community may have an impact on traffic within the Community, may increase wear and tear on the infrastructure of the community, including without limitation the roads and utilities, causing increased maintenance costs, and may cause an increase in noise within the Community.
- (c) In connection with the creation or removal of Units, Declarant shall have the right to enter upon the Project, and the Limited Common Elements, as may be necessary or convenient to design, develop, construct, add, remove or sell interest in the Units, and shall also have the right to create noise, dust, earthshock, vibrations, soot, ash, odor, vapors, surface water runoff, and other various hazards.

(f) **No Limitation to Right to Construct Improvements.** Nothing in the Declaration shall be deemed to or otherwise limit or inhibit either Declarant's ability to construct Improvements within their respective Unit as may be permitted at law.

(g) Right to File Amendment to Declaration, Condominium Map and Bylaws. In the exercise of the foregoing rights reserved to each Declarant individually with respect to their respective Units, each Declarant shall have the right to file or cause to be filed an amendment to the Declaration, Condominium Map, and Bylaws, as required, without joinder or consent of any other person, the other Declarant, any Owner, or their mortgagees, evidencing the exercise of such reserved right and describing the effect of such exercise, including without limitation, a description of any such easement created or granted and/or any improvement made. Without limitation of the foregoing, any such amendment may provide for the administration of newly created Units in accordance with Part VI of Chapter 514B, the establishment of a board of directors to administer newly created Units within Unit 1 or Unit 2, as appropriate, and the establishment of common expense assessments of such newly created Units, all without prejudice to the rights of the other Declarant to take such actions with respect to the other Declarant's Unit.

2. Nonexclusive Easements. Each Unit shall have appurtenant thereto nonexclusive easements in the Common Elements designed for such purposes for ingress to, egress from, utility services for and support of, maintenance and repair of each such Unit and for use of the other Common Elements according to their respective purposes, subject always to the exclusive use of the Limited Common Elements as provided herein.

3. Encroachments. If any part of the Common Elements now or hereafter encroaches upon a Unit or Limited Common Element appurtenant to a Unit, or if a Unit or any Improvement thereon now or hereafter encroaches upon another Unit, the Limited Common Element appurtenant to another Unit or upon a portion of the Common Elements, an easement shall exist for such encroachment and its maintenance for so long as the encroachment continues. If any Improvements of the Community are partially or totally destroyed and then rebuilt, or if a minor shift or settlement of an Improvement occurs, easements shall exist for minor encroachments by parts of the Common Elements upon a Unit or Limited Common Element or by a Unit or Limited Common Element upon parts of the Common Elements and for their maintenance for so long as the encroachments continue.

4. Access to Units and/or Limited Common Elements. The Association shall have the irrevocable right, exercisable by the Members of the Association or the Managing Agent, to have access to and enter each Unit and/or the Limited Common Elements from time to time during normal hours as may be necessary for the operation of the Community or for the installation, repair, maintenance or replacement of any Common Elements, or at any time for making emergency repairs which may be necessary to prevent damage to any Unit or the Common Elements.

5. Easements in Common. Each Owner shall have an easement in common with the Owners of all of the other Units to use all pipes, wires, ducts, cables, conduits and public utility lines and other Common Elements located in another Unit and serving such Owner's Unit. Each Unit shall be subject to an easement for necessary and reasonable access to any Common Elements located in the Unit in favor of the Owners of all other Units served by such Common Elements.

6. Community Access Road(s). To the extent that a Community Access Road is reflected on the Condominium Map, each Owner shall have a non exclusive right to enter upon and use for ingress and egress purposes the Community Access Road(s) serving the Community. Declarant hereby discloses and each Owner acknowledges that (i) the Community Access Roads will serve the Association Community Improvements and agricultural endeavors on adjacent lands, (ii) the Declarant intends and shall have the reserved right to use the Community Access Road(s) to conduct and perform its construction and sales activities within the Community and within the Association Community until all of the Units have been completed and sold, and (iii) the Community Access Road(s) will be used for access and utilities 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 road(s). The provisions of the Declaration shall apply to and govern each Owner's use of the road(s) 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, which right is reserved to Declarant. However, notwithstanding the Declarant's reservation of the right to dedicate such roads, such

road(s) may not be dedicated and the road(s) may not be constructed with the intent to dedicate. Each Owner shall indemnify and hold harmless Declarant, 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 Declarant to such Owner.

7. 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 Declarant or subsequently in accordance with the terms of the Declaration) 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).

8. Enforcement. If any one or more of the provisions of Section E shall be declared to be contrary to law, then such provision or provisions shall be null and void and shall be deemed separable from the remaining provisions of Section E and shall in no way affect the enforceability of any other provision hereof.

9. Assignment of Declarant's Rights. The rights of the Declarant under Section E shall extend to the Declarant and its respective successors and assigns. Without limitation of the foregoing, either Declarant may, by Recorded instruments or by Supplemental Declaration, assign or partially assign, while retaining equivalent rights to Declarant, to any assignee, including without limitation the Association, any one or more of the rights and easements reserved to Declarant under Section E and its subparts or otherwise reserved to Declarant in the Declaration.

10. Amendment by Declarant. Declarant reserves and shall have each of those rights to amend the Declaration and Condominium Map specified in Section E. Further, Declarant 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 or provide notice to any Unit Owner, lien holder, or other persons, to amend the Declaration and the Condominium Map as necessary or convenient to describe any new Improvements constructed on the Property in accordance with the Declaration and to make such amendments to the Declaration as are appropriate in accordance with Section E.

11. No Amendment by Others. The Declaration cannot be amended to modify or eliminate the easements or other rights reserved to Declarant by this or any other Section of the Declaration without the prior written consent of Declarant, and any attempt to do so shall have no effect and shall be void ab initio.

12. Declarants' Reserved Right to Remove the Community From the Act. Declarants reserve and shall have the right, or their respective authorized representatives shall have the right, in their respective joint and absolute discretion and without being required to obtain the consent or joinder of, or provide notice to, any person or group of persons, except a Unit purchaser(s) to remove this Community from the purview of the Act and terminate the condominium property regime, by Recording an instrument to that effect at any time prior to the Recording of the first Unit conveyance.

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, COMMUNITY RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE COMMUNITY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, COMMUNITY RULES OR OTHER DOCUMENTS OF THE COMMUNITY, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE

The estimate of the initial annual maintenance fees and monthly estimated Maintenance fees are \$0.0. Each Unit Owner shall be responsible for the maintenance of its own Unit

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 form Purchase Contract (formerly known as the Deposit, Receipt, Offer and Acceptance) approved by the Hawaii Association of Realtors will be used for the sale of Units in the Community. The Purchase Contract contains the price and other terms and conditions under which a purchaser will agree to buy a Unit in the Community. Among other things, the Purchase 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) The agency disclosure in Section A.
- (c) The Closing conditions and escrow in paragraphs C-5 through C-11A. The Purchase Contract provides that time is of the essence.
- (d) The financing contingencies in paragraphs C-24 through C-26. Purchaser's obligation to buy the Unit is contingent upon Purchaser obtaining the loan described in the Purchase Contract. Purchaser shall act in good faith to obtain the loan as described in this Purchase Contract. Should Purchaser fail to satisfy any financing obligation within the time period specified, Seller shall have the right to terminate the Purchase Contract. A Purchaser's failure to meet financing obligations is not grounds for extending the closing date.
- (e) The termination provisions in paragraphs C-28 through 31. If a matter arises that had not been previously known, and the parties are unable to reach an agreement on a remedy, then the Purchase Contract may be terminated with neither party being "at fault." This allows the parties to terminate the contract without any further liability.
- (f) If any dispute or claim arises out of the agreement, the parties agree to non-binding mediate and arbitration, as specified in paragraphs C-32 through 34.
- (g) That a Preliminary Title Report will be delivered to Purchaser by Seller, as specified in paragraphs C-35 through 37.
- (h) That Seller will make required disclosures about the Unit and the Community, pursuant to paragraphs C-44 through C-50.
- (i) That the Seller will provide Purchaser with all applicable documents listed in paragraph C-64.

The Purchase Contract contains various other important provisions relating to the purchase of a Unit in the Community. Purchasers and prospective purchasers should carefully read the specimen Purchase Contract 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 Contract.

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, Developer will get all of the interest earned on Purchaser's deposits. 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 Community, the following provision shall apply:

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

(ii) If closing is to occur prior to the expiration of the applicable mechanic's lien period, Seller shall provide Buyer with a mechanic's lien endorsement to Buyer's owner's title insurance policy that protects Buyer against all future mechanic's and materialmen's liens. Further, Seller shall confirm to Escrow that Seller has provided the Real Estate Commission with a release by the general contractor of the contractor's lien rights and shall further provide to Escrow all applicable indemnities required by the title insurance company that protects against all future mechanic's and materialmen's liens.

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, COMMUNITY RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE COMMUNITY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, COMMUNITY RULES OR OTHER DOCUMENTS OF THE COMMUNITY, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

None

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, COMMUNITY RULES AND OTHER CONDOMINIUM DOCUMENTS. WHILE A PURCHASER CAN USE THIS AS A GENERAL SUMMARY, PURCHASERS SHOULD REFER TO THE CONSTITUENT DOCUMENTS OF THE COMMUNITY. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS EXHIBIT AND THE DECLARATION, BYLAWS, CONDOMINIUM MAP, COMMUNITY RULES OR OTHER DOCUMENTS OF THE COMMUNITY, SUCH DOCUMENTS WILL CONTROL. CAPITALIZED TERMS USED HEREIN, UNLESS OTHERWISE DEFINED HEREIN, SHALL HAVE THE MEANINGS GIVEN TO THEM IN THE DECLARATION.

Certain capitalized terms used in this Exhibit Q shall have the same meanings given them in the Declaration of Covenants, Conditions, Restrictions and Easements for Kalapaki 2 ("Declaration"), if expressly defined therein.

1. **Agricultural Licenses.** Declarant has entered into certain agricultural licenses allowing use of certain portions of the Project. The agricultural licenses are terminable upon six (6) months written notice to the licensee. Upon a sale of a Unit, the Purchaser shall elect to either accept an assignment of the agricultural licenses affecting the Unit from Declarant, or shall request that Declarant terminate the licenses. If the latter option is chosen, the sale of the Unit shall not close until the end of the six-month termination period.

2. **Reserved Right to Modify Community to Comply with Law.** Declarant 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, 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 Declarant with laws which apply to the Community, including, without limitation, State and County land use laws, the Fair Housing Act, as amended, 42 U.S.C. §§ 3601 et seq., including any and all rules and regulations promulgated thereunder, the Americans With Disabilities Act, as amended, 42 U.S.C. §§ 12101 et seq., including any and all rules and regulations promulgated thereunder and any applicable law, rule, regulation, statute or ordinance of the State of Hawaii or the County of Kauai and their respective agencies. The rights of Declarant under **Section S** may be assigned to the Association.

3. **Security.** Declarant shall not in any way be considered insurers or guarantors of security within or relating to the Community, including any community areas or facilities in which the Association may have an interest or obligation, and Declarant shall not be held liable for any loss or damage by reason of any failure to provide adequate security or any ineffectiveness of security measures undertaken. Each Owner, for such Owner and for the family, lessees, tenants and guest of such Owner acknowledges and understands that neither Declarant, nor the Board are insurers of the safety or well being of Owners or occupants of the Community or their property, and that each Owner assumes all risks for loss or damage to persons, the Units, the Common Elements and environs of the Community and to the contents of Improvements located thereon, and further acknowledges that neither Declarant, nor the Board has made any representations or warranties nor has any Owner or occupant of the Community relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to the security of the Community and the surrounding areas, including the surrounding areas, any community areas or facilities in which the

Association may have an interest or obligation, or any security measures undertaken within such community areas or facilities.

4. **Invalidity.** If any provision of the Declaration shall be declared invalid, all other provisions of the Declaration shall continue in full force and effect as if the invalid provision had not been included.

5. **Transfer of Declarant's Rights** Any or all of the rights, reservations, and easements of Declarant may be transferred, in part or in whole, without prejudice to the retention of such rights by Declarant and while retaining equivalent rights to Declarant, to any other person, provided no such transfer shall be effective unless it is in a written instrument signed by Declarant and Recorded. Any such transfer of Declarant's rights shall be subject to and comply with Section 514B-136 of the Act.

6. **Owners May Incorporate.** All of the rights, powers, obligations and duties of the Owners imposed by the Declaration and the Bylaws may be exercised and enforced by a nonprofit membership corporation formed by the Owners under the laws of the State of Hawaii for the purposes herein set forth. The formation of such corporation shall in no way alter the covenants, conditions and restrictions set forth in the Declaration or in the Bylaws, and the Articles of Incorporation and the Bylaws of such corporation shall be subordinated to and controlled by the Declaration and the Bylaws of the Association. Any action taken by such corporation in violation of any or all of the covenants, conditions and restrictions contained in the Declaration or in the Bylaws of the Association shall be void and of no effect.

7. **Further Development of Units.**

(a) As reserved to each Declarant pursuant to **Section E** of the Declaration, it is the Declarants' intent, and by the acquisition of a Unit in the Community it is the agreement of every successor to the Declarant as an Owner of a Unit, that subject to all applicable governmental permits and authorizations, Units 1 and 2 shall be allowed to be developed by the respective Owners of Units 1 and 2 under separate development plans, without the necessity of either Owner having to obtain the consent or approval of the other Owner. **Section L** shall be construed and interpreted so as to allow the Owner of either Unit 1 or Unit 2 to accomplish its own development objectives as long as such objectives are consistent with all applicable governmental laws, ordinances, rules, regulations and agreements and do not violate the terms and conditions of the Declaration. **Section L.4** shall supersede any other provision of the Declaration or the Community Documents that are or may be inconsistent with this Section. In that regard, the Owner of Unit 1 is authorized, without the consent or joinder of any other person, Unit Owner or other Declarant, to file, execute, record, pursue, and obtain such applications, permits, authorizations, agreements, petitions and other instruments, and to take any and all other actions, in furtherance of any proposed subdivision and development, provided that such applications, etc. do not (a) adversely affect Unit 2 or the intended development or zoning entitlements appurtenant to Unit 2, (b) are consistent with all applicable governmental laws, ordinances, rules, regulations and agreements, and (c) are consistent with the terms and conditions of the Declaration. Further, the Owner of Unit 2 is authorized, without the consent or joinder of any other person, Unit Owner or other Declarant, to file, execute, record, pursue, and obtain such applications, permits, authorizations, agreements, petitions and other instruments, and to take any and all other actions, in furtherance of any proposed subdivision and development, provided that such applications, etc. do not (a) adversely affect Unit 1 or the intended development or zoning entitlements appurtenant to Unit 1, (b) are consistent with all applicable governmental laws, ordinances, rules, regulations and agreements, and (c) are consistent with the terms and conditions of the Declaration. In furtherance of the foregoing, the Owner of each Unit and all future Owners of a Unit and their respective mortgagees, by accepting an interest in such Unit, consent to all such applications, permits, authorizations, agreements, petitions and other instruments, and all such other actions, and shall be deemed to have given to the Owner of the other Unit a power of attorney to execute any and all such applications, etc. and to take all such other actions solely for the purposes described herein. This power of attorney shall be deemed coupled with each Unit Owner's interest in its Unit (including its common interest) and shall be irrevocable. The Owner of each Unit agrees, if requested by another Unit Owner, to sign and deliver a separate written power of attorney in recordable form consistent with the terms of this

paragraph. If, despite the provisions of this paragraph, any governmental agency shall require the Owner of a Unit to sign any necessary governmental permit applications, petitions or related documents, then the Owner of Unit shall be required to sign any such permit applications, petitions or related documents (including an authorization allowing the acting Unit Owner to sign any such governmental permits, petitions or other related documents on its behalf) as may be necessary or desirable to allow the acting Unit Owner to obtain any governmental permit or approval authorized by this paragraph. If the Unit Owner requested to sign such permits, petitions or related documents or provide the Owner of Unit 1 with the necessary authorization, wrongfully refuses, such refusing Unit Owner shall be liable to the requesting Unit Owner for all damages (including costs and attorneys' fees) incurred by the Owner of Unit 1 as a result of such refusal and shall be subject to such other legal and/or equitable remedies as may be available to the requesting Unit Owner.

(b) In order to effect the rights of Declarant with respect to their respective Units, Declarant shall have the right file or cause to be filed an amendment to this Declaration describing (a) the revised description of Units and/or buildings created by Declarant; and (b) the undivided percentage common interest appurtenant to the Units resulting from the reduction or increase in the total number of Units. The common interest appurtenant to each Unit created by either Declarant shall be calculated generally by assigning a prorata equal share applicable to an existing Unit to each resulting Unit created by Declarant (e.g., $1/\text{total number of existing and new Units created within Declarants' respective Units}$ divided by the common interest allocable to the existing Unit); provided, however, that the Declarant shall have the right, in its sole and absolute discretion, to round the result of such calculations so that the sum of the percentages of all new Units and existing Units equals exactly one hundred percent (100%). For example, if Declarant created three (3) units out of Unit 1, the common interest for each Unit would be $1/3$ of 50% or 16.66666%. The common interest of Unit 2, or any units created therefrom, would be unaffected. In addition, each new unit would be responsible for the payment of all fees and assessments in proportion to its common interest.

8. **Government Regulations.** If there is any conflict between the requirements or actions of the Unit Owner and the mandatory regulations or ordinances of any governmental entity relating to the Community, the government regulation or ordinance, to the extent that such regulations and ordinances are more restrictive, shall control, and the Unit Owner shall modify its requirements or actions to conform to the government regulation or ordinance; provided, however, that if the governmental rules or regulations are less restrictive, the provisions of the Declaration shall nonetheless apply.

9. **Tax Map Key Number.** As of the date of the Title Report, a new Tax Map Key Number ("TMK") has not been assigned to the Project. A new TMK will be assigned by the County of Kauai Real Property Department in due course.

10. **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 Declarant in the Declaration, 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 pursuant to 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 Declarant, 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 Declarant's reserved rights as set forth in the Declaration and shall not be affected by the disability of any such Owner or acquiring party.

END OF EXHIBIT Q

EXHIBIT R

Declaration of Restrictive Covenants

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c

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R-1105 STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED
DEC 29, 2005 10:30 AM
Doc No(s) 2005-265793



/s/ CARL T. WATANABE
REGISTRAR OF CONVEYANCES

20 1/3 29

kb

AFTER RECORDATION MAIL [] PICKUP [] TO:
Case Bigelow & Lombardi (DML)
737 Bishop Street, Suite 2600
Honolulu, HI 96813
Telephone: 547-5400 Total Pages: 9

TITLE OF DOCUMENT:

DECLARATION OF RESTRICTIVE COVENANTS

PARTIES TO DOCUMENT:

Declarant: VISIONARY LLC
3-1850 Kaunualii Highway
Lihue, Hawaii, 96766

PROPERTY DESCRIPTION:

See Exhibits "A", "B" and "A-1"

LIBER/PAGE:

DOCUMENT NO.:
TRANSFER CERTIFICATE OF
TITLE NO(S):

DECLARATION OF RESTRICTIVE COVENANTS

THIS DECLARATION OF RESTRICTIVE COVENANTS ("Declaration") is made this 22nd day of December, 2005, by VISIONARY LLC, a Virginia limited liability company, whose principal place of business is 3-1850 Kaunualii Highway, Lihue, Hawaii, 96766 and whose post office address is P. O. Box 662069, Lihue, Hawaii, 96766 ("Declarant").

WITNESSETH:

A. The Declarant is the owner and developer in fee simple of the property described in Exhibits "A" and "B" and shown on Exhibit "A-1" (hereinafter the "Property"), which is situated in Nawiliwili, Lihue, Kauai, Hawaii

B. The Declarant hereby acknowledges and declares that the Property is within the State's agricultural district as classified by the State Land Use Commission and contains lands with soil classified by the land study bureau's detailed land classification as overall (master) productivity rating class A or B, 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 HRS § 205-4.5(a) (2001):

- (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 activity 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 which 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, or treatment plants, or corporation yards, or other like 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; or
 - (12) 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.

C. Declaration Runs with Property. This Declaration shall run with the Property and shall be binding upon all parties having or hereafter acquiring any right, title or interest in and to the Property or any portion thereof, and the provisions and requirements of this Declaration shall inure to the benefit of Declarant and its successors and assigns.

D. Amendments. This Declaration may be amended or modified by Declarant at any time, but only with the prior written consent of Owner. No joinder or consent of Owner's mortgagee shall be required for any such amendment.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed the day and year first above written.

VISIONARY, LLC,
a Virginia limited liability company

By Warren H. Haruki
Name: Warren H. Haruki
Title: President and Chief Executive Officer

By Sandra L. Day
Name: Sandra L. Day
Title: Treasurer

"Declarant"

STATE OF HAWAII)
COUNTY OF KAUAI) SS:

On this 22nd day of December, 2005, before me appeared Warren H. Haruki and Sandra L. Day, to me personally known, who, being by me duly sworn, did say that they are the President and Chief Executive Officer and Treasurer, respectively, of VISIONARY, LLC, a Virginia limited liability company, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation; and that the instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and the said officers acknowledged the instrument to be the free act and deed of said corporation. *ely/n.p.*

Sharyl E. Lam Yuen *LS*
Type or print name: Sharyl E. Lam Yuen
Notary Public, State of Hawaii
My commission expires: 12-16-2009

Exhibit "A"

All that certain real property described as Lot 1-A-3, being a portion of Land Court Award 7713:2, Part 2, and also being portions of Grant 188:1, the same having been created by the consolidation of L.C. Aw. 7713:2, part 2, and portions of Grant 188:1 with Lot 1-A-1, and reflected on that certain map entitled "Island School Expansion Consolidation of Lot 1-A-1 and Remainder of L.C. Aw. 7713-2, Part 2, Being Also A Portions of Grant 188:1 and Subdivision of Said Consolidation into Lots 1-A-2 and 1-A-3" approved by the County of Kauai on December 14, 2005, and shown on Exhibit A-1.

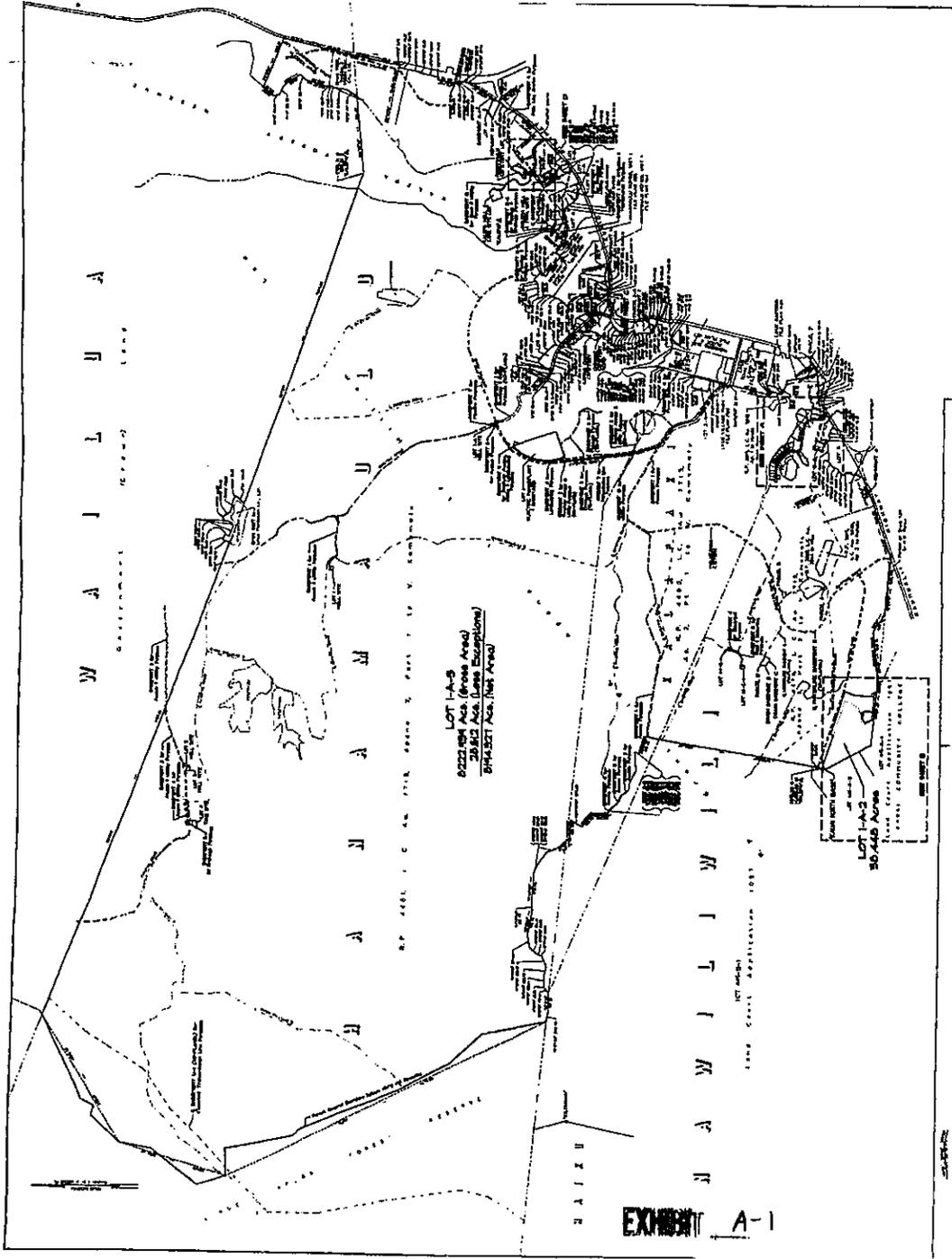


EXHIBIT A-1

LOT 1-A-2

LAND SITUATED AT NAWILIWILI, LIHUE, KAUAI, HAWAII

Being a Portion of L. C. Aw. 7713:2, Part 2 to V. Kamamalu
Being Also a Portion of Grant 188:1

Beginning at the north corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KALEPA" being 8,898.35 feet South and 14,888.66 feet West, thence running by azimuths measured clockwise from true South:

1.	287° 00'	1000.00	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
2.	197° 00'	75.00	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
3.	287° 00'	1220.82	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
4.	20° 00'	287.17	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
5.	3° 28' 40"	507.42	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
6.	95° 28'	433.11	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
7.	199° 00'	90.33	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
8.	179° 00'	79.00	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
9.	161° 00'	158.18	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
10.	58° 00'	71.31	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
11.	90° 00'	91.76	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);

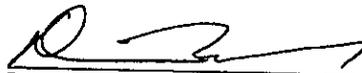
EXHIBIT B

12.	53° 11'	162.23	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
13.	329° 00'	254.94	feet along the remainder of L. C. Aw. 7713:2, Part 2 (Grant 188:1);
14.	95° 28'	735.97	feet along Land Court Application 1087;
15.	149° 00'	1360.30	feet along Land Court Application 1087;
16.	190° 41' 30"	118.17	feet along Land Court Application 1087, passing over North Base Triangulation Station at 98.95 feet, to the point of beginning and containing an area of 38.448 acres.



Lihue, Hawaii
December 2005

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.


Dennis M. Esaki
Licensed Professional Land Surveyor
Certificate Number 4383

SCHEDULE 1

1. Declaration of Restrictive Covenants, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2005-265793.
2. Agricultural Licenses affecting the Project:

GROVE FARM CO, INC.

3-8-002-002	<u>Use</u>
AT&T	Antenna Site
Atkins, Fred	Building-yard space license
Ednilao, Ben	Diversified Ag
Fagarang, Fred	Diversified Ag
Fostanes, Cy	Diversified Ag
Kauai BackCountry Adv	Recreational Tours (eco-tourism)
Pali View Ranch	Livestock Pasture
Pioneer Hi-Bred (Lihue)	Seed Corn
Sakugawa Brothers	Livestock Pasture

VISIONARY LLC

3-8-003-001	
Buddingh, Butch	Diversified Ag
Jacinto, Julius	Diversified Ag
Kauai BackCountry Adv	Recreational Tours (eco-tourism)
Kauai Farm Bureau Dev Corp	Diversified Ag
Pioneer Hi-Bred (Lihue)	Seed Corn
Sebastian, Mateo	Diversified Ag
3-8-004-001	
Aggasid, Baltazar	Diversified Ag
AJAR, Inc	Baseyard
Eugenio, Remie	Diversified Ag
Kauai Invasive Species (KISC)	Building-yard space license
Lee's Towing	Building-yard space license
Pacific Concrete Cutting & Coring (PCCC)	Stockpile
Pioneer Hi-Bred (Lihue)	Seed Corn
Rice Experiment Station	Diversified Ag
Rivera, Marvin & Karen	Diversified Ag
Sagucio, Jay Jay	Diversified Ag