DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM

CONDOMINIUM PROJECT NAME	THE PINES AT KOELE
Project Address	Kauna`oa Drive Lanai City, Hawaii 96763
Registration Number	6846
Effective Date of Report	**September 1, 2009**
Developer(s)	Castle & Cooke Resorts, LLC

Preparation of this Report

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

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

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

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, including any omitted material facts, together with such supporting information as may be required by the Commission. In addition, the Developer may choose at any time to change or update the information in this report. Annually, at least thirty days prior to the anniversary date of the Effective Date of this report, the Developer shall file an annual report to update the material contained in this report. If there are no changes, the Developer is required to state that there are no changes. The Developer's obligation to amend this report or to file annual reports ends when the initial sales of all units in the project have been completed.

Purchasers are encouraged to read this report carefully and to seek professional advice before signing a sales contract for the purchase of a unit in the project.

Signing a sales contract may legally bind a purchaser to purchase a unit in the project, though a purchaser may have rights to cancel or rescind a sales contract under particular circumstances that may arise.

SPECIAL ATTENTION

A. The Developer has disclosed that the land of the Project is a portion of a larger lot that is in the process of being subdivided. The County of Maui has granted preliminary subdivision approval of the subdivision application. Upon final approval of the subdivision application and notation of approved subdivision in the Land Court records, the Developer plans to file the Condominium Map, the Declaration and the By-Laws in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and to adopt the Rules and Regulations. The condominium property regime will not be created until the Condominium Map, the Declaration and the By-Laws are filed in the Office of the Assistant Registrar.

B. The Developer has disclosed that if at the time buyer and Developer sign the Sales Agreement, the subdivision described above has not been completed or the Condominium Map, the Declaration and the By-Laws have not been filed in the Office of the Assistant Registrar, the Sales Agreement will not be binding on either buyer or Developer. In that case, the Sales Agreement will only be a "reservation", not a binding contract, and Developer does not have to sell and buyer does not have to buy the property. A "reservation" may be canceled for any reason at any time before it becomes a binding contract by either buyer or Developer. If the "reservation" is canceled, Developer will instruct escrow to return all of buyer's payments. If buyer cancels the "reservation", then escrow will deduct from the refund to buyer the escrow cancellation fee and all other costs associated with the purchase, up to a maximum of $250.

The Sales Agreement will become a binding contract when, (i) Developer has delivered to buyer the Public Report, a copy of the recorded Declaration, a copy of the recorded By-Laws, a copy of the executed Rules and Regulations, a letter-sized Condominium Map (or a notice that it is impractical to include a letter-sized Condominium Map and that the purchaser has the opportunity to examine the Condominium Map), the Receipt for the Public Report, and the Notice of Right to Cancel Sales Contract which contains the thirty-day cancellation right, and (ii) either buyer has waived buyer's right to cancel the Sales Agreement or buyer is deemed to have waived buyer's right to cancel the Sales Agreement. However, if buyer's waiver of such cancellation right shall have occurred in any manner other than by waiver of the right to cancel on the Notice of Right to Cancel Sales Contract, the Sales Agreement shall not become binding as a contract for the purchase and sale of the property unless and until buyer has executed an agreement confirming or reaffirming that buyer has accepted and is bound by the Sales Agreement.

C. This public report does not constitute approval of the Project by the Real Estate Commission, or any other government agency, nor does it ensure that all applicable County codes, ordinances and subdivision requirements have been complied with.

D. Facilities and improvements normally associated with County approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for, and services such as County street maintenance and trash collection will not be available for interior roads and driveways.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

TABLE OF CONTENTS

Page

Preparation of this Report 1

General Information on Condominiums 2

Operation of the Condominium Project 2

1. THE CONDOMINIUM PROJECT 3

- 1.1 The Underlying Land 3
- 1.2 Buildings and Other Improvements 3
- 1.3 Unit Types and Sizes of Units 3
- 1.4 Parking Stalls 4
- 1.5 Boundaries of the Units 4
- 1.6 Permitted Alterations to the Units 4
- 1.7 Common Interest 4
- 1.8 Recreational and Other Common Facilities 4
- 1.9 Common Elements 5
- 1.10 Limited Common Elements 5
- 1.11 Special Use Restrictions 5
- 1.12 Encumbrances Against Title 5
- 1.13 Uses Permitted by Zoning and Zoning Compliance Matters 6
- 1.14 Other Zoning Compliance Matters 6
- 1.15 Conversions 7
- 1.16 Project In Agricultural District 8
- 1.17 Project with Assisted Living Facility 8

2. PERSONS CONNECTED WITH THE PROJECT 9

- 2.1 Developer 9
- 2.2 Real Estate Broker 9
- 2.3 Escrow Depository 9
- 2.4 General Contractor 9
- 2.5 Condominium Managing Agent 9
- 2.6 Attorney for Developer 9

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS 10

- 3.1 Declaration of Condominium Property Regime 10
- 3.2 Bylaws of the Association of Unit Owners 10
- 3.3 Condominium Map 10
- 3.4 House Rules 11
- 3.5 Changes to the Condominium Documents 11
- 3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents 11

4. CONDOMINIUM MANAGEMENT 12

- 4.1 Management of the Common Elements 12
- 4.2 Estimate of the Initial Maintenance Fees 12
- 4.3 Utility Charges to be Included in the Maintenance Fee 12
- 4.4 Utilities to be Separately Billed to Unit Owner 12

5. SALES DOCUMENTS 13

- 5.1 Sales Documents Filed with the Real Estate Commission 13
- 5.2 Sales to Owner-Occupants 13
- 5.3 Blanket Liens 13
- 5.4 Construction Warranties 13
- 5.5 Status of Construction, Date of Completion or Estimated Date of Completion 14

TABLE OF CONTENTS

Page

5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance 14

5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance 14
5.6.2 Purchaser Deposits Will Be Disbursed Before Closing 14
5.7 Rights Under the Sales Contract 16
5.8 Purchaser's Right to Cancel or Rescind a Sales Contract 16
5.8.1 Purchaser's 30-Day Right to Cancel a Sales Contract 16
5.8.2 Right to Cancel a Sales Contract if Completion Deadline Missed 17
5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change ..17

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT 18

EXHIBIT A: UNIT TYPES AND SIZES OF UNITS
EXHIBIT B: COMMON INTERESTS AND LIMITED COMMON ELEMENT ASSIGNMENTS
EXHIBIT C: BOUNDARIES OF THE UNITS
EXHIBIT D: PERMITTED ALTERATIONS TO THE UNITS
EXHIBIT E: COMMON ELEMENTS
EXHIBIT F: LIMITED COMMON ELEMENTS
EXHIBIT G: ENCUMBRANCES AGAINST TITLE
EXHIBIT H: OFFICERS OF THE DEVELOPER, ETC.
EXHIBIT I: ESTIMATE OF INITIAL MAINTENANCE FEES
EXHIBIT J: SUMMARY OF SALES AGREEMENT
EXHIBIT K: SUMMARY OF ESCROW AGREEMENT
EXHIBIT L: CONSTRUCTION WARRANTIES

General Information On Condominiums

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

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

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

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

Your unit will, however, be part of the group of units that comprise the condominium project. Study the project's Declaration of Condominium Property Regime, Bylaws of the Association of Unit Owners, Condominium Map and House Rules, if any, which are being concurrently delivered to you with this report. These documents contain important information on the use and occupancy of the units and the common elements of the project, as well as the rules and regulations of conduct for unit owners, tenants and guests.

Operation of the Condominium Project

The Association of Unit Owners is the entity through which unit owners may take action with regard to the administration, management and operation of the condominium project. Each unit owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as a unit owner. The Board and officers can take certain actions without the vote of the unit owners. For example, the Board may hire and fire employees, increase or decrease maintenance fees, adopt budgets for revenues, expenses and reserves and regulate the use, maintenance, repair and replacement of common elements. Some of these actions may significantly impact the unit owners.

Until there is a sufficient number of purchasers of units to elect a majority of the Board, it is likely at first that the Developer will effectively control the affairs of the Association. It is frequently necessary for the Developer to do so during the early stages of development and the Developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective purchasers should understand that it is important to all unit owners that the transition of control from the Developer to the unit owners be accomplished in an orderly manner and in a spirit of cooperation.

1. THE CONDOMINIUM PROJECT

1.1 The Underlying Land

Fee Simple or Leasehold Project	☒ Fee Simple ☐ Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	☒ Yes ☐ No
Fee Owner's Name if Developer is not the Fee Owner	Not Applicable
Address of Project	Kauna`oa Drive, Lanai City, Hawaii
Address of Project is expected to change because	Not Applicable
Tax Map Key (TMK)	(2) 4-9-021-006 and 007
Tax Map Key is expected to change because	The land is in the process of being subdivided.
Land Area	1.326 acres - The land of the Project presently is part of a larger lot, consisting of approximately 3.607 acres.
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	Not Applicable

1.2 Buildings and Other Improvements

Number of Buildings	6
Floors Per Building	Unit Nos. 1, 2, 3 – 1 floor; Unit Nos. 4, 5, 6 – 2 floors
Number of New Building(s)	6
Number of Converted Building(s)	0
Principal Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Wood, galvanized light gauge steel, gypsum board, composition siding, standing seam metal roof, glass and other allied construction materials.

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 .						

6	**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:	6
Number of Guest Stalls in the Project:	0
Number of Parking Stalls Assigned to Each Unit:	6 (Each unit will have at least 1 parking stall assigned to it. In addition, each unit will include a one-car garage.)
Attach Exhibit B 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. The Declaration may amend the Declaration to change the designation of parking stalls which are appurtenant to units owned by the Developer.	

1.5 Boundaries of the Units

Boundaries of the unit: See Exhibit C

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 D

1.7 Common Interest

Common Interest: Each unit will have a percentage interest in the common elements appurtenant to each unit. This interest is called the "common interest". It is used to determine each unit's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by unit owners. The common interest for each unit in this project, as described in Declaration, is:
Described in Exhibit B.
As follows:

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

☐	Swimming pool
☐	Laundry Area
☐	Storage Area
☐	Tennis Court
☐	Recreation Area
☐	Trash Chute/Enclosure(s)
☐	Exercise Room
☐	Security Gate
☐	Playground
☐	Other (describe):

1.9 Common Elements

Common Elements: Common elements are those parts of the condominium project other than the individual units and any other real estate for the benefit of unit owners. Although the common elements are owned jointly by all unit owners, those portions of the common elements that are designated as limited common elements (see Section 1.10 below) may be used only by those units to which they are assigned. In addition to the common facilities described in Section 1.8 above, the common elements for this project, as described in the Declaration, are set forth below.
Described in Exhibit _E_.
Described as follows:

Common Element	Number
Elevators	0
Stairways	1 in each 2-story building
Trash Chutes	0

1.10 Limited Common Elements

Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.
Described in Exhibit _F_.
Described as follows:

1.11 Special Use Restrictions

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include, but are not limited to, those described below.	
☒	Pets: No animals allowed, except that dogs, cats, fish, tropical birds and other household pets (as determined by the Board of Directors) in reasonable number and size as determined by the Board of Directors (but not to exceed a total of 3 such animals (except for aquarium fish) per unit) may be kept in the unit. Notwithstanding any of the foregoing provisions to the contrary, in no event may a unit owner or occupant allow or keep more than 2 dogs in his unit.
☐	Number of Occupants:
☐	Other:
☐	There are no special use restrictions.

1.12 Encumbrances Against Title

An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit (see Section 5.3 on Blanket Liens).
Exhibit _G_ describes the encumbrances against title contained in the title report described below.
Date of the title report: February 2, 2009
Company that issued the title report: Title Guaranty of Hawaii, Incorporated

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
☒	Residential	6	☒ Yes ☐ No	Lanai PD2 (Koele) Multi-family
☐	Commercial		☐ Yes ☐ No	
☐	Mix Residential/Commercial		☐ Yes ☐ No	
☐	Hotel		☐ Yes ☐ No	
☐	Timeshare		☐ Yes ☐ No	
☐	Ohana		☐ Yes ☐ No	
☐	Industrial		☐ Yes ☐ No	
☐	Agricultural		☐ Yes ☐ No	
☐	Recreational		☐ Yes ☐ No	
☐	Other(specify)		☐ Yes ☐ No	
Is/Are this/these use(s) specifically permitted by the project's Declarations or Bylaws?			☒ Yes ☐ No	
Variances to zoning code have been granted.			☐ Yes ☒ No	
Describe any variances that have been granted to zoning code.				

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots
In general, a non-conforming use, structure or lot is a use, structure or lot that was lawful at one time but that does not now conform to present zoning requirements. Under present zoning requirements, limitations may apply to extending, enlarging or continuing the non-conformity and to altering and repairing non-conforming structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed. If a variance has been granted or if uses, structures or lots are either non-conforming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above. A purchaser may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure or lot.

	Conforming	Non-Conforming	Illegal
Uses	☒	☐	☐
Structures	☒	☐	☐
Lot	☒	☐	☐

If a non-conforming use, structure or lot exists in this project, this is what will happen under existing laws or codes if the structure is damaged or destroyed:

1.15 Conversions

Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.	☐ **Applicable** ☒ **Not Applicable**
Developer's statement, based upon a report prepared by a Hawaii-licensed architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units:	
Developer's statement of the expected useful life of each item reported above:	
List of any outstanding notices of uncured violations of any building code or other county regulations:	
Estimated cost of curing any violations described above:	

Verified Statement from a County Official
Regarding any converted structures in the project, attached as Exhibit ___ is a verified statement signed by an appropriate county official which states that either: (A) The structures are in compliance with all zoning and building ordinances and codes applicable to the project at the time it was built, and specifying, if applicable: (i) Any variances or other permits that have been granted to achieve compliance; (ii) Whether the project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes; and (iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the structure into compliance; or (B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.
Other disclosures and information:

1.16 Project In Agricultural District

Is the project in an agricultural district as designated by the land use laws of the State of Hawaii? **If answer is "Yes", provide information below.**	☐ **Yes** ☒ **No**
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable state and county land use laws? ☐ Yes ☐ No If the answer is "No", provide explanation.	
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable county real property tax laws? ☐ Yes ☐ No If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.	
Other disclosures and information:	

1.17 Project with Assisted Living Facility

Does the project contain any assisted living facility units subject to Section 321-11(10), HRS? **If answer is "Yes", provide information below.**	☐ **Yes** ☒ **No**
Licensing requirements and the impact of the requirements on the costs, operations, management and governance of the project.	
The nature and the scope of services to be provided.	
Additional costs, directly attributable to the services, to be included in the association's common expenses.	
The duration of the provision of the services.	
Other possible impacts on the project resulting from the provision of the services.	
Other disclosures and information.	

2. PERSONS CONNECTED WITH THE PROJECT

2.1 Developer	Name: Castle & Cooke Resorts, LLC Business Address: 100 Kahelu Avenue, 2nd Floor Mililani, Hawaii 96789 Business Phone Number: (808) 548-4811 E-mail Address:
Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).	Please see Exhibit H for additional information.
2.2 Real Estate Broker	Name: Lanai Developers, LLC dba Island of Lanai Properties Business Address: 431 Seventh Street Lanai City, Hawaii 96763 Business Phone Number: (808) 565-4800 E-mail Address:
2.3 Escrow Depository	Name: Title Guaranty Escrow Services, Inc. Business Address: 235 Queen Street, 1st Floor Honolulu, Hawaii 96813 Business Phone Number: (808) 521-0211
2.4 General Contractor	Name: Lanai Builders, Inc. Business Address: 1311 Fraser Avenue Lanai City, Hawaii 96763 Business Phone Number: (808) 565-3000
2.5 Condominium Managing Agent	Name: Hawaiiana Management Company, Ltd. Business Address: 140 Hoohana Street, Suite 210 Kahului, Hawaii 96732 Business Phone Number: (808) 270-3218
2.6 Attorney for Developer	Name: Goodsill Anderson Quinn Stifel (Gail O. Ayabe) Business Address: 1099 Alakea Street, 18th Floor Honolulu, Hawaii 96813 Business Phone Number: (808) 547-5600

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
Land Court		

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

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court		

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

3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	
Bureau of Conveyances Map Number	
Dates of Recordation of Amendments to the Condominium Map:	

3.4 House Rules

The Board of Directors may adopt rules and regulations (commonly called "House Rules") to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the Developer. Changes to House Rules do not need to be recorded to be effective.

The House Rules for this project:		
Are Proposed	☒	
Have Been Adopted and Date of Adoption	☐	
Developer does not plan to adopt House Rules	☐	

3.5 Changes to the Condominium Documents

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

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

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

☐	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
☒	Developer has reserved the right to change the Declaration, Bylaws, Condominium Map and House rules (if any) and to add to or merge the project or to develop the project in one or more phases, and such rights are summarized as follows: The Developer may amend the Declaration, By-Laws and Condominium Map (a) at any time prior to the filing of the first unit conveyance to a party not signatory to the Declaration; (b) to make any amendments required by law, by the Real Estate Commission of the State of Hawaii, by any title insurer issuing title insurance on the Project or any of the units, by any institutional lender lending funds on the security of the Project or any of the units, by any purchaser, insurer or guarantor of loans, including, for example, the Federal Housing Administration, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable it to purchase, insure or guarantee a loan made on the security of the Project or any of the units, or by any governmental agency; and (c) to change the designation of parking stalls which are appurtenant to units owned by the Developer.

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

Management of the Common Elements: The Association of Unit Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

The Initial Condominium Managing Agent for this project is (check one):	
☒	Not affiliated with the Developer
☐	None (self-managed by the Association)
☐	The Developer or an affiliate of the Developer
☐	Other (explain)

4.2 Estimate of the Initial Maintenance Fees

Estimate of the Initial Maintenance Fees: The Association will make assessments against your unit to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your unit and the unit may be sold through a foreclosure proceeding. Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.
Exhibit _I_ contains a breakdown of the estimated annual maintenance fees and the monthly estimated maintenance fee for each unit, certified to have been based on generally accepted accounting principles, with the Developer's statement as to when a unit owner shall become obligated to start paying the unit owner's share of the common expenses.

4.3 Utility Charges to be Included in the Maintenance Fee

If checked, the following utilities are included in the maintenance fee:	
☒	Electricity for the common elements
☐	Gas for the common elements
☒	Water
☒	Sewer
☐	TV cable
☐	Other (specify)

4.4 Utilities to be Separately Billed to Unit Owner

If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:	
☒	Electricity for the Unit only
☒	Gas for the Unit only
☐	Water
☐	Sewer
☒	TV cable
☐	Other (specify)

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

☒	Specimen Sales Contract Exhibit J contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
☒	Escrow Agreement dated: November 10, 2008 Name of Escrow Company: Title Guaranty Escrow Services, Inc. Exhibit K contains a summary of the pertinent provisions of the escrow agreement.
☒	Other Disclosure of Real Property Condition Statement

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.

☒	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
☐	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit ____.
☒	Developer has or will designate the units for sale to Owner-Occupants by publication.

5.3 Blanket Liens

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

☐	There are no blanket liens affecting title to the individual units.
☒	There are blanket liens that may affect title to the individual units.

Type of Lien	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage lien(s) of Developer's lender(s)	Buyer's interest is specifically made subject and subordinate to such liens. If Developer defaults or the liens are foreclosed prior to conveyance, either the buyer will obtain title to buyer's unit upon payment under buyer's sales contract and performance of buyer's other obligations under buyer's sales contract, or the buyer, if the buyer has not received a full refund of buyer's deposits, may make a claim against the Developer for refund of buyer's deposits.

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: See Exhibit L
Appliances: See Exhibit L

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

Status of Construction: Construction of the Project is complete.
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: Not Applicable.
Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract: Not Applicable.

5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance

The Developer is required to deposit all moneys paid by purchasers in trust under a written escrow agreement with a Hawaii licensed escrow depository. Escrow shall not disburse purchaser deposits to the Developer or on behalf of the Developer prior to closing, except if a sales contract is canceled or if Developer has met certain requirements, which are described below.

5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance

☒	The Developer hereby declares by checking the box to the left that it shall use its own funds to complete the construction of the condominium project by the date indicated in Section 5.5 of this report, and the Developer, pursuant to its own analysis and calculations, certifies that it has sufficient funds to complete the construction of the condominium project. *If the box to the left is checked, Sections 5.6.2, which follow below, will not be applicable to the project.*

5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

Hawaii law provides that, if certain statutory requirements are met, purchaser deposits in escrow under a binding sales contract may be used before closing to pay for certain project costs. For this project, the Developer indicates that purchaser deposits may be used for the following purposes (check applicable box):	
☐	For new construction: to pay for project construction costs described in the Developer's budget and approved by the Developer's lender or an otherwise qualified, financially disinterested person; or
☐	For conversions: to pay for repairs necessary to cure violations of county zoning and building ordinances and codes, for architectural, engineering, finance and legal fees, and for other incidental expenses.

In connection with the use of purchaser deposits (check Box A or Box B):

Box A ☐	The Developer has submitted all information and documents required by law and the Commission prior to the disbursement of purchaser deposits before closing. This means that the Developer may use such deposits before closing. If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. If Box A is checked, you should read and carefully consider the following notice, which is required by law: **Important Notice Regarding Your Deposits: Deposits that you make under your sales contract for the purchase of the unit may be disbursed before closing of your purchase to pay for project costs, construction costs, project architectural, engineering, finance, and legal fees, and other incidental expenses of the project. While the developer has submitted satisfactory evidence that the project should be completed, it is possible that the project may not be completed. If your deposits are disbursed to pay project costs and the project is not completed, there is a risk that your deposits will not be refunded to you. You should carefully consider this risk in deciding whether to proceed with your purchase.**
Box B ☐	The Developer has **not** submitted all information and documents required by law and the Commission, and, until all such information and documents are submitted, thus, the Developer cannot use purchaser deposits. If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the **Important Notice Regarding Your Deposits** set forth immediately above will apply to all purchasers and will be restated in the amendment to this report or an amended developer's public report. When an effective date for such an amendment or an amended developer's public report is issued, **you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment**. (This, however, does not affect your right to rescind for material changes or any other right you may have to rescind or cancel the sales contract, as described in Section 5.8 below.) If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. You should understand that, although the **Important Notice Regarding Your Deposits** set forth above does not currently apply to you, it might apply to you in the future, and, therefore, you should read and carefully consider it now to ensure that you understand the risk involved in deciding whether to proceed with your purchase.

Material House Bond. If the Developer has submitted to the Commission a completion or performance bond issued by a material house instead of a surety as part of the information provided prior to the use of purchaser deposits prior to closing or conveyance of a unit, the Developer shall disclose the same below and disclose the impact of any restrictions on the Developer's use of purchaser deposits.

5.7 Rights Under the Sales Contract

Before signing the sales contract, prospective purchasers should carefully review all documents relating to the project. These include but are not limited to the documents listed below. Items 2, 3 and 4 are made a part of this public report, as well as Item 5, if any, and are being delivered to you with this report.	
1.	**Developer's Public Report**
2.	**Declaration of Condominium Property Regime (and any amendments)**
3.	**Bylaws of the Association of Unit Owners (and any amendments)**
4.	**Condominium Map (and any amendments)**
5.	House Rules, if any
6.	Escrow Agreement
7.	Hawaii's Condominium Property Act (Chapter 514B, HRS, as amended) and Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), provided that rules and regulations under Chapter 514B have not yet been adopted.
8.	Other: Koele Covenants.

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 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 30 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

A. KOELE COVENANTS.

1. The Declaration of Condominium Property Regime provides that all present and future unit owners, tenants and occupants of units shall be bound by and subject to the provisions of that certain Declaration of Covenants, Conditions and Restrictions for Koele dated December 22, 1994, filed as Document No. 2206277; as supplemented and amended from time to time (the "Koele Covenants"). The Koele Covenants provide, among other things, that each unit owner, by virtue of being such an owner, shall be a member of the Koele Homeowners Association and shall pay assessments to the Koele Homeowners Association, as set forth in the Koele Covenants.

2. Access to and use of certain real property and any improvements and facilities thereon located adjacent to, in the vicinity of, or within the property covered by the Koele Covenants, which are privately owned and operated by persons other than the Koele Homeowners Association for recreational and related purposes, on a club membership basis, use fee basis, or otherwise, and shall include, without limitation, the Golf Course Property (as defined in the Koele Covenants) (the "Private Amenities"), are strictly subject to the rules and procedures of the respective owners of the Private Amenities, and no person gains any right to enter or to use or to otherwise benefit from those facilities by virtue of membership in the Koele Homeowners Association or ownership or occupancy of a Lot, which shall include, without limitation, a condominium unit. No representations or warranties, either written or oral, express or implied, have been or are made by the Developer or any other person with regard to the nature or size of improvements to, or the continuing ownership or operation of, the Private Amenities.

B. REPAIR AND MAINTENANCE OF UNITS AND COMMON ELEMENTS. The By-Laws provide that every unit owner shall at his own expense at all times well and substantially repair, maintain, amend and keep his unit, including without limitation all doors, sliding glass doors (if any), windows, window fixtures, all internal installations within the unit such as water, electricity, gas (if any), telephone, sanitation, lights, and all other fixtures and accessories belonging to such unit, if any, and the interior decorated or finished surfaces of all walls, partitions, floors and ceilings of such unit, if any, the Air Conditioning System and the Water Heating System, with all necessary reparations and amendments whatsoever in good order and condition, except as otherwise provided by law or the Declaration, and shall be liable for all loss or damage whatsoever caused by his failure to perform any such work diligently, and in case of such failure after reasonable notice to perform shall reimburse to the Association promptly on demand all expenses incurred by it in performing any such work authorized by the Board of Directors or the Managing Agent.

Except as hereinabove expressly provided to the contrary, all maintenance, repairs and replacements to the common elements and the limited common elements, whether located inside or outside of the units, shall be made by the Board and be charged to all the owners as a common expense or a limited common expense; provided, however, that any such maintenance, repair or replacement necessitated by the negligence, misuse or neglect of a unit owner or occupant or any person under either of them, shall be charged to such unit owner or the unit owner of the unit of such occupant, as a special assessment constituting a lien against his interest in his unit which may be foreclosed by the Board or Managing Agent in the same manner as provided in the Condominium Property Act for unpaid common expenses.

C. NO MAIL DELIVERY. The United States Postal Services currently has no provision for home mail delivery to the Project. Owners of units in the Project may receive mail general delivery in Lanai City or may rent post office boxes in Lanai City.

D. ROADWAYS PROVIDING ACCESS TO THE PROJECT. Access to the Project from public roadways is provided over the following private roadways:

1. A portion of Ninth Street (Lot 213 as shown on Map 22 of Land Court Application No. 862 and Lot 43 as shown on Map 8 of Land Court Consolidation No. 170) located east of Queens Street,

which is presently owned by Castle & Cooke Resorts, LLC. Lot 213 and Lot 43 are presently maintained by Castle & Cooke Resorts, LLC, and buyers currently are not responsible for the cost of maintaining Lot 213 or Lot 43.

2. A portion of Kauna`oa Drive (Lot 44 as shown on Map 8 of Land Court Consolidation No. 170), which is presently owned by Castle & Cooke Resorts, LLC. Lot 44 is presently maintained by Castle & Cooke Resorts, LLC, and buyers currently are not responsible for the cost of maintaining Lot 44.

The roads providing access to the Project eventually may be conveyed to the Koele Homeowners Association, or Castle & Cooke Resorts, LLC may retain ownership of those roads or Castle & Cooke Resorts, LLC may convey the roads to the County of Maui or another third party. The various roads may not be handled in the same manner and title to the roads may be held by different owners. If one or more roads are conveyed to the Koele Homeowners Association, the Koele Homeowners Association will be responsible for the cost of maintaining said roads. If Castle & Cooke Resorts, LLC retains ownership of the roads or if Castle & Cooke Resorts, LLC conveys one or more roads to the County of Maui or another third party, the Koele Homeowners Association may share in the cost of maintaining said roads. If one or more roads are conveyed to the Koele Homeowners Association, or if the Koele Homeowners Association shares in the cost of maintaining one or more roads, as members of the Koele Homeowners Association, buyers would bear a portion of the maintenance costs of some or all of the roads.

E. FUTURE DEVELOPMENT. Future development, land uses and the population on the island of Lanai are subject to change and potential expansion, and the Developer intends to develop property on Lanai to its fullest potential within economic, regulatory and other parameters and constraints that may exist from time to time. Accordingly, over time, the population, appearance and uses of Lanai may change, and portions of Lanai now open to the public or buyers of the Project may be restricted or prohibited in the future. The Developer expressly disclaims any representations or warranties contrary to the foregoing.

F. RESTRICTIONS ON THE USE OF UNITS. The Declaration of Condominium Property Regime provides that no unit shall be used for bed and breakfast establishment purposes, boarding facilities, rooming or lodging houses, group living facilities, the promotion or sale of timeshare, fractional ownership, exchange (whether the program is based on direct exchange of occupancy rights, cash payments, reward programs or other point or accrual systems) or other membership programs, plans or arrangements through which a participant in the program, plan or arrangement acquires an ownership interest in the unit with attendant rights of periodic use and occupancy or acquires contract rights to such periodic use and occupancy of the unit or acquires contract rights to a portfolio of accommodations including the unit (an "Occupancy Plan"), or for the operation of any business that directly or indirectly promotes the sale of an Occupancy Plan.

G. WATER AND SEWER.

a. Water service for the Project will be provided by a private water company.

b. The sewer lines within the Project will be common elements of the Project and maintained by the Association of Unit Owners of the Project. The sewer lines from the Project to the public sewer system will be owned and maintained by the Koele Homeowners Association. As members of the Association of Unit Owners of the Project and the Koele Homeowners Association, buyers would bear a portion of the maintenance costs of the sewer lines within the Project and between the Project and the public sewer system. Wastewater from the Project will be treated by both the public sewer treatment facility and a private sewer treatment facility.

c. Water and sewer fees will be included in the maintenance fees for the Project. See Exhibit I for the estimated annual common expenses which include water and sewer fees.

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 Sections 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.

Castle & Cooke Resorts, LLC
Printed Name of Developer

By Castle & Cooke, Inc., its member

By: _____
Duly Authorized Signatory*

NOV 14 '08
Date

Harry A. Saunders, Senior Vice President
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Maui

Planning Department, County of Maui

***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.**

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT A

UNIT TYPES AND SIZES OF UNITS

Each Type 1 and Type 1R unit is a one-story unit which will have two (2) bedrooms, two and one-half (2½) bathrooms, a living/dining room, a kitchen, a utility room, a one-car garage and a lanai.

Each Type 2 unit is a two-story unit which will have four (4) bedrooms, three and one-half (3½) bathrooms, a living/dining room, a kitchen, a utility room, a one-car garage and a lanai. One bedroom, one bathroom, the powder room, the living/dining room, the kitchen, the utility room, the garage and the lanai are located on the first floor of the unit, and three bedrooms and two bathrooms are located on the second floor of the unit.

Each Type 2AR unit is a two-story unit which will have four (4) bedrooms, three and one-half (3½) bathrooms, a living/dining room, a kitchen, a utility room, a one-car garage and an enclosed lanai. One bedroom, one bathroom, the powder room, the living/dining room, the kitchen, the utility room, the garage and the enclosed lanai are located on the first floor of the unit, and three bedrooms and two bathrooms are located on the second floor of the unit.

Each Type 2BR unit is a two-story unit which will have four (4) bedrooms, three and one-half (3½) bathrooms, a living/dining room, a kitchen, a utility room, a one-car garage and a lanai. One bedroom, one bathroom, the powder room, the living/dining room, the kitchen, the utility room, the garage and the lanai are located on the first floor of the unit, and three bedrooms and two bathrooms are located on the second floor of the unit.

Each Type 3 unit is a one-story unit which will have three (3) bedrooms, three and one-half (3½) bathrooms, a living/dining room, a kitchen, a utility room, a one-car garage and a lanai.

Unit Type	Quantity	Bedroom/ Bath	Approx. Net Living Area in Sq. Ft.	Approx. Net Other Area in Sq. Ft.	Other Areas (lanai, garage, etc.)	Approx. Total Area in Sq. Ft.
1	1	2/2½	1,630	475	Garage, Lanai	2,105
1R	1	2/2½	1,630	475	Garage, Lanai	2,105
2	1	4/3½	2,166	467	Garage, Lanai	2,633
2AR	1	4/3½	2,166	467	Garage, Lanai	2,633
2BR	1	4/3½	2,166	467	Garage, Lanai	2,633
3	1	3/3½	1,630	475	Garage, Lanai	2,105

Total Units: 6

*Net Living Area is the floor area of the unit measured from the interior surface of the unit perimeter walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT B

COMMON INTERESTS AND LIMITED COMMON ELEMENT ASSIGNMENTS

Unit No.	Unit Type	Parking Stall No.	Lanai Extension Area No.	Common Interest
1	1	1	--	14.31331%
2	1R	2	--	14.31331%
3	3	3	LE-3	14.31331%
4	2AR	4	LE-4	19.02002%
5	2BR	5	--	19.02003%
6	2	6	LE-6	19.02002%

NOTE: All of the parking stalls are open, regular size stalls.

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT C

BOUNDARIES OF THE UNITS

Each unit consists of the spaces within the perimeter walls, floors and ceilings of the respective unit as shown on the Condominium Map. The respective units shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls or partitions, the foundations, columns, girders, beams, footings, floor slabs, supports and ceilings located within or at the perimeter of or surrounding such unit, any pipes, cables, conduits, chutes, flues, ducts, wires, vents, shafts, other utility or service lines or any other fixture running through or otherwise located within such unit which are utilized for or serve more than one unit, all of which are deemed common elements. Each unit shall be deemed to include all of the walls and partitions which are not load-bearing and which are within its perimeter walls; the inner decorated or finished surfaces of all walls, floors and ceilings; all windows, window frames, louvers (if any), shutters (if any), doors and door frames along the perimeter of the unit; the garage; the lanai, including any extension to such lanai as permitted under the Declaration; the barbecue, if any, located upon the lanai; and all of the fixtures and appliances originally installed therein (including the air conditioning system and all appurtenances thereto which shall include the ducts, pipes and condenser, whether located within the building or outside of the building in which the unit is located and the water heating system and all appurtenances thereto, whether located within the building or outside of the building in which the unit is located).

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT D

PERMITTED ALTERATIONS TO THE UNITS

Except as otherwise provided in the Declaration or in the By-Laws, restoration, repair or replacement of the Project or of any building or other facility or construction of any additional building or structural alteration or addition to any structure, different in any material respect from said Condominium Map of the Project, shall be undertaken by the Association or any unit owners only pursuant to an amendment of the Declaration, duly executed by or pursuant to the affirmative vote or written consent of sixty-seven percent (67%) of the unit owners and accompanied by the written consent of all unit owners whose units or appurtenant limited common elements are directly affected, as determined in a reasonable manner by the Board, and in accordance with all of the requirements of Paragraph 6 of Section I of the Declaration, and promptly upon completion of such restoration, replacement or construction, the Association shall duly file of record such amendment, together with a complete set of floor plans of the Project as so altered, certified as built by a registered architect or professional engineer; PROVIDED, HOWEVER, that notwithstanding any other provision in the Declaration to the contrary, the owner of a unit may make any alterations or additions within a unit. The alterations or additions permitted by the immediately preceding proviso shall require only the written approval thereof, including approval of the unit owner's plans therefor, by the holders of first mortgage liens affecting such unit (if the lien holders require such approval), by the appropriate agencies of the State of Hawaii and the County of Maui if such agencies so require, by the Board of Directors of the Association (which approval shall not be unreasonably or arbitrarily withheld or delayed), and such alterations or additions may be undertaken without an amendment to the Declaration or filing of a complete set of floor plans of the Project as so altered.

Notwithstanding any other provision in the Declaration to the contrary, a unit owner shall have the right to make alterations in the Project which consist of any one or more of the following: (a) with respect to the Type 2, Type 2AR and Type 3 units only, extending the lanai within the lanai extension area, if any, that is a limited common element appurtenant to such unit owner's unit; (b) with respect to the Type 1, Type 1R, Type 2 and Type 3 units only, enclosing the lanai in accordance with the lanai enclosure option as shown on the Condominium Map (the "Lanai Enclosure Option"); and/or (c) with respect to the Type 1, Type 1R, Type 2 and Type 3 units only, adding a barbecue within the lanai as shown on the Condominium Map (the "Barbecue Option"). The Lanai Enclosure Option and the Barbecue Option are alternative options; owners may not elect both options. The extension of the lanai, the enclosure of the lanai and/or the installation of the barbecue shall require only the written approval thereof, including approval of the

unit owner's plans therefor, by the mortgagees for such unit (if such mortgagees require such approval), by the appropriate agencies of the State of Hawaii and the County of Maui if such agencies so require, and by the Board of Directors, and such alterations may be undertaken without an amendment to the Declaration or filing of a complete set of floor plans of the Project as so altered. Notwithstanding any other provision in the Declaration to the contrary, (a) to the extent that a lanai is extended within the lanai extension area as provided in this section, the extended lanai shall be deemed to be part of the lanai that is included in the unit, and not a limited common element, and (b) to the extent that a lanai is enclosed as provided in this section, the lanai enclosure shall be treated as part of the original building and deemed to either be part of the unit, common elements or limited common elements as provided in Section D of the Declaration.

Notwithstanding any other provision in the Declaration to the contrary, the Board shall have the right to install or cause the installation of antennas, conduits, chases, cables, wires, and other television signal distribution and telecommunications equipment upon the common elements of the Project; provided that the same shall not be installed upon any limited common element without the consent of the owner or owners of the unit or units for the use of which the limited common element is appurtenant; and the installation of antennas, conduits, chases, cables, wires, and other television signal distribution and telecommunications equipment upon the common elements by the Board shall not be deemed to alter, impair, or diminish the common interest, common elements, and easements appurtenant to each unit, or to be a structural alteration or addition to any building constituting a material change in the plans of the Project filed in accordance with the Condominium Property Act; provided that no such installation shall directly affect any nonconsenting unit owner. Notwithstanding any other provision in the Declaration to the contrary, the Board shall have the right to abandon or change the use of any television signal distribution and telecommunications equipment due to technological or economic obsolescence or to provide an equivalent function by different means or methods. The abandonment or change of use of any television signal distribution or telecommunications equipment by the Board due to technological or economic obsolescence or to provide an equivalent function by different means or methods shall not be deemed to alter, impair or diminish the common interest, common elements, and easements appurtenant to each unit or to be a structural alteration or addition to any building different in any material respect from the plans of the Project filed in accordance with the Condominium Property Act. As used in this paragraph, "directly affect" means the installation of television signal distribution and telecommunications equipment in a manner which would specially, personally, and adversely affect a unit owner in a manner not common to the unit owners as a whole, and "television signal distribution" and "telecommunications equipment" shall be construed in their broadest possible senses in order to encompass all present and future forms of communications technology.

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT E

COMMON ELEMENTS

The common elements consist of all portions of the Project other than the units, including specifically, but not limited to:

(a) The Land in fee simple;

(b) All foundations, columns, girders, beams, footings, floor slabs, supports, unfinished perimeter, party and load-bearing walls and partitions, roofs, walkways, entrances, entryways and exits of all buildings of the Project;

(c) All walkways, roadways, sidewalks, perimeter walls, retaining walls, fences (if any), driveways, lanai extension areas, loading zones, yards, grounds, landscaping, trash enclosures, and mailboxes (if any);

(d) Those portions of any pipes, cables, conduits, chutes, flues, ducts, wires, vents, shafts, other utility or service lines or any other fixtures, sewage treatment equipment and facilities (if any), electrical equipment or other central and appurtenant transmission facilities and installations over, under and across the Project which serve more than one unit for services such as power, light, gas, sewer, water, telephone and television signal distribution (if any);

(e) The six (6) regular size, uncovered parking stalls, all as shown on the Condominium Map;

(f) Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use;

(g) The limited common elements described in Exhibit F attached hereto.

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT F

LIMITED COMMON ELEMENTS

(a) Each of the parking stalls shall be a limited common element appurtenant to and reserved for the exclusive use of the unit to which it is assigned, as set forth in Exhibit B attached hereto;

(b) Each of the lanai extension areas shall be a limited common element appurtenant to and reserved for the exclusive use of the unit to which it is assigned, as set forth in Exhibit B attached hereto;

(c) With respect to any pipe, cable, conduit, chute, flue, duct, wire, vent, shaft or other utility, service line and any other fixture which lies partially within and partially outside of a unit, those portions thereof serving only that unit shall be a limited common element appurtenant to and reserved for the exclusive use of such unit;

(d) Any walkway, stairway, entrance, exit, or steps which would normally be used only for the purposes of ingress to and egress from a specific unit or units shall be a limited common element appurtenant to and reserved for the exclusive use of such unit or units;

(e) Any mailbox assigned to a unit by the Developer or the Association of Unit Owners of the Project shall be a limited common element appurtenant to and reserved for the exclusive use of such unit.

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT G

ENCUMBRANCES AGAINST TITLE

1. For any real property taxes that may be due and owing, reference is made to the Office of the Tax Assessor of the County of Maui.

2. Subdivision Agreement (Large Lot) dated June 9, 1988, by and between Castle & Cooke, Inc., a Hawaii corporation, and the County of Maui, filed as Document No. 1558116.

3. Private Water System Agreement dated January 21, 1994, by and between Dole Food Company, Inc., a Hawaii corporation, and the Department of Water Supply of the County of Maui, filed as Document No. 2131648.

4. Hold-Harmless Agreement dated May 24, 1994, by and between the County of Maui, Lanai Resort Partners, a California general partnership, and Dole Food Company, Inc., a Hawaii corporation, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 94-118691.

5. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in that certain Declaration of Covenants, Conditions and Restrictions for Koele dated December 22, 1994, filed as Document No. 2206277, as supplemented by Annexation instrument dated August 11, 2005, filed as Document No. 3311829, as further supplemented and amended from time to time.

6. Designation of Easement 28, as shown on Map 8 of Land Court Consolidation No. 170, as set forth by Land Court Order No. 118636, filed November 9, 1994, for drainage purposes.

7. Designation of Easement 38, as shown on Map 8 of Land Court Consolidation No. 170, as set forth by Land Court Order No. 118636, filed November 9, 1994, for drainage purposes.

8. Designation of Easement 44, as shown on Map 8 of Land Court Consolidation No. 170, as set forth by Land Court Order No. 118636, filed November 9, 1994, for lake maintenance purposes.

9. Grant dated December 13, 1995, to Maui Electric Company, Limited and GTE Hawaiian Telephone Company Incorporated, now known as Hawaiian Telcom,

Inc., filed as Document No. 2285749, of a perpetual right and easement for utility purposes.

10. Mortgage, Assignment of Leases and Rents, Security Agreement and Financing Statement dated September 19, 2000, by and between Lanai Company, Inc., a Hawaii corporation, as Mortgagor, and Bankers Trust Company, a New York corporation, as administrative agent, as Mortgagee, filed as Document No. 2652427, and also recorded in said Bureau as Document No. 2000-132865, as amended by instrument dated December 27, 2001, filed as Document No. 2767925, and also recorded in said Bureau as Document No. 2002-003149, as further amended by instrument dated March 25, 2003, filed as Document No. 2910517, and also recorded in said Bureau as Document No. 2003-060018, as further amended by instrument dated December 22, 2003, filed as Document No. 3050188, and also recorded in said Bureau as Document No. 2003-290089, as further amended by instrument dated January 11, 2007, filed as Document No. 3543478, and also recorded in said Bureau as Document No. 2007-010920. Said Mortgage was assigned to Wells Fargo Bank, N. A., a national association, by instrument dated effective as of January 8, 2002, filed as Document No. 2767926, and also recorded in said Bureau as Document No. 2002-003150.

11. Assignment of Leases and Rents dated September 19, 2000, by and between Lanai Company, Inc., a Hawaii corporation, as Assignor, and Bankers Trust Company, a New York corporation, as administrative agent, as Assignee, filed as Document No. 2655490, and also recorded in said Bureau as Document No. 2000-139600, as amended by instrument dated December 27, 2001, filed as Document No. 2767927, and also recorded in said Bureau as Document No. 2002-003151, as further amended by instrument dated January 11, 2007, filed as Document No. 3543479, and also recorded as Document No. 2007-010921. Said Assignment of Leases and Rents was assigned to Wells Fargo Bank, N. A., a national association, by instrument dated effective as of January 8, 2002, filed as Document No. 2767928, and also recorded in said Bureau as Document No. 2002-003152.

12. Designation of Easement 189, as shown on Map 29 of Land Court Consolidation No. 170, as set forth by Land Court Order No. 169003, filed January 8, 2007.

13. Designation of Easement 190, as shown on Map 29 of Land Court Consolidation No. 170, as set forth by Land Court Order No. 169003, filed January 8, 2007.

14. Designation of Easement 191, as shown on Map 29 of Land Court Consolidation No. 170, as set forth by Land Court Order No. 169003, filed January 8, 2007.

15. Designation of Easement 192, as shown on Map 29 of Land Court Consolidation No. 170, as set forth by Land Court Order No. 169003, filed January 8, 2007.

16. Designation of Easement 193, as shown on Map 29 of Land Court Consolidation No. 170, as set forth by Land Court Order No. 169003, filed January 8, 2007.

NOTE: The land of the Project presently is part of a larger lot, consisting of approximately 3.607 acres. The encumbrances listed in this Exhibit G affect the larger lot. Upon subdivision of the lot that will comprise the land of the Project from the larger lot, the land of the Project may be subject to additional encumbrances against title not shown on this Exhibit G, and certain encumbrances shown on this Exhibit G may not affect the land of the Project.

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT H

OFFICERS OF THE DEVELOPER, ETC.

1. The Developer is a Hawaii limited liability company whose sole member is Castle & Cooke, Inc., a Hawaii corporation.

2. The names of the officers of the Developer are as follows:

David H. Murdock	Chief Executive Officer
Harry A. Saunders	President
Edward C. Roohan	Executive Vice President
William B. Barrett	Executive Vice President – Residential Operations
Steven M. Bumbar	Senior Vice President & General Manager
Jon Uchiyama	Senior Vice President & Controller
Rick H. Kline	Vice President & CFO
Richard K. Mirikitani	Vice President & Secretary
Henry N. Millner	Vice President & Treasurer
Mary J. Garnett	Vice President & Asst. Secretary
Gary M. Yokoyama	Vice President & Asst. Secretary
Rosalinda V. Oasay	Vice President & Asst. Treasurer
Philip M. Young	Vice President, Human Resources
Michael D. Schochet	Vice President - Owner's Representative
Mary Hakoda	Vice President – Sales
Richard Anzai	Assistant Controller

3. Lanai Builders, Inc. is the general contractor for the Project. Lanai Builders, Inc. is wholly-owned by the Developer. The Hawaii licensed Responsible Managing Employee for Lanai Builders, Inc., as general contractor for the Project, is Bert W. Peterka, Jr. (Hawaii Contractor's License No. 14271).

4. Lanai Developers, LLC is the real estate broker for the Project. Lanai Builders, Inc. has a 99% distributional interest in Lanai Developers, LLC.

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT I

ESTIMATE OF INITIAL MAINTENANCE FEES

1. BREAKDOWN OF ANNUAL MAINTENANCE CHARGES AND ESTIMATED COSTS FOR EACH UNIT:

Attached as Exhibit "1" is a breakdown of the annual maintenance charges and the monthly estimated cost for each unit in the Project, prepared by Hawaiian Management Company, Ltd., a Hawaii corporation, for the one-year period commencing January 1, 2009, and certified to have been based on generally accepted accounting principles. The attached breakdown of annual maintenance charges and the estimated cost for each unit are subject to change based on actual costs of the items listed. The Developer can make no assurances regarding the estimated maintenance assessments. Variables such as inflation, uninsured casualty loss or damage, increased or decreased services from those contemplated by the Developer, unit owner delinquencies and other factors may cause the maintenance assessments to be greater or less than the estimated maintenance assessments. The breakdown of the estimated cost for each unit contained in Exhibit "1" does not include the buyer's obligation for the payment of the Koele Homeowners Association dues or real property taxes, and does not include or otherwise take into account the one-time "start-up" fee required to be paid in addition to the normal maintenance charges. Estimates of the real property taxes will be provided by the Developer upon request.

NOTE: THE DEVELOPER ADVISES THAT COSTS AND EXPENSES OF MAINTENANCE AND OPERATION OF A CONDOMINIUM PROJECT ARE VERY DIFFICULT TO ESTIMATE INITIALLY AND EVEN IF SUCH MAINTENANCE CHARGES HAVE BEEN ACCURATELY ESTIMATED, SUCH CHARGES WILL TEND TO INCREASE IN AN INFLATIONARY ECONOMY AND AS THE IMPROVEMENTS AGE. MAINTENANCE CHARGES CAN VARY DEPENDING ON SERVICES DESIRED BY UNIT OWNERS. THE BUYER SHOULD EXAMINE THE MAINTENANCE CHARGE SCHEDULE TO SEE WHAT SERVICES ARE INCLUDED IN THE SCHEDULE.

2. TEMPORARY ASSUMPTION BY DEVELOPER OF ACTUAL COMMON EXPENSES:

The Developer will assume all the actual common expenses of the Project (and therefore a unit owner will not be obligated for the payment of his respective share of the common expenses) until such time as the Developer sends the owners written notice that, after a specified date, the unit owners shall be obligated to pay for the portion of common expenses that is allocated to their respective units. The Developer shall have no obligation to pay for any cash reserves or any other reserve amounts with respect to or attributable to the period during which the Developer assumes the actual common expenses of the Project.

3. KOELE HOMEOWNERS ASSOCIATION DUES:

Each unit owner will be required to be a member of the Koele Homeowners Association. As such member, each unit owner will be required to pay Koele Homeowners Association dues.

CERTIFICATE

I, the undersigned, duly sworn on oath, depose and affirm as follows:

1. That I am a Management Executive for Hawaiiana Management Company, Ltd., a Hawaii corporation, designated by the Developer of The Pines at Koele condominium project (the "Project") to act as the Managing Agent for the management and administration of the Project.

2. That I hereby certify that the breakdown of the annual maintenance charges and the monthly estimated cost for each unit in the Project, as set forth in Exhibit "1" attached hereto and hereby incorporated herein by reference, were determined pursuant to a reserve study conducted in accordance with Section 514B-148 of the Hawaii Revised Statutes and Chapter 107 of the Hawaii Administrative Rules, and are reasonable estimates for the one-year period commencing January 1, 2009, based on generally accepted accounting principles.

DATED: Kahului, Maui, Hawaii, this 17 day of February, 2009.

Douglas Jorg
Management Executive

This 3-page Certificate dated February 17., 2009, was subscribed and sworn to before me this 17th day of February, 2009, in the Second Circuit of the State of Hawaii, by Douglas Jorg.

Thelma M. Shimaoka
Typed or Printed Name: Thelma M. Shimaoka
Notary Public, State of Hawaii

My commission expires: 12/10/2009

KS

EXHIBIT "1"

THE PINES AT KOELE

Estimated Annual Common Expenses

	MONTHLY	ANNUAL
Utilities		
Electricity (common elements only)	$200.00	$2,400.00
Water	200.00	2,400.00
Sewer	260.00	3,120.00
Maintenance, Repairs and Supplies		
Maintenance (Grounds)	2,000.00	24,000.00
Exterminating	200.00	2,400.00
Rubbish Removal	215.00	2,580.00
Miscellaneous Repairs & Purchases	25.00	300.00
Management		
Management Fee	700.00	8,400.00
Administrative Expenses	250.00	3,000.00
Insurance	2,200.00	26,400.00
Reserves	500.00	6,000.00
Professional Services		
Legal	50.00	600.00
Other (Audit)	60.00	720.00
Travel Expense (Property Manager)	100.00	1,200.00
TOTAL DISBURSEMENTS	$6,960.00	$83,520.00

ESTIMATED MAINTENANCE CHARGES OR FEES FOR EACH UNIT:

The estimated monthly maintenance charge for each Type 1, Type 1R and Type 3 unit is $996.21 per month.

The estimated monthly maintenance charge for each Type 2, Type 2AR and Type 2BR unit is $1,323.79 per month.

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT J

SUMMARY OF SALES AGREEMENT

A specimen Sales Agreement has been submitted to the Real Estate Commission and is available in the Sales Office of the Seller. ALL BUYERS AND PROSPECTIVE BUYERS SHOULD CAREFULLY READ THE SALES AGREEMENT, INCLUDING ANY ADDENDUM, IN FULL, since this summary is NOT A COMPLETE DESCRIPTION of their provisions. The Sales Agreement, among other things, covers in more detail the following items:

1. Seller has given to and/or may give to one or more lenders a mortgage or mortgages, security agreement or agreements, and other instruments securing repayment of loan(s) and covering Seller's ownership rights in the Project, including the individual units. All of the rights and interests which Seller gives to the lender or lenders will have priority over the buyers' rights and interests under the Sales Agreement. This applies to any changes to the loan or loans or the mortgage or mortgages, security agreement or agreements or other instruments (including, among other things, extensions, renewals and other changes). The buyers give up and subordinate the priority of their rights and interests under the Sales Agreement in favor of the rights and interests of Seller's lenders until the final closing and delivery of signed condominium unit deeds to the buyers. If Seller's lender or lenders ask the buyers to do so, the buyers will sign other documents to confirm the promises and agreements mentioned above.

2. Seller may cancel the Sales Agreement (a) if the buyer's mortgage loan application is rejected or not approved within 60 days after application, or (b) if the buyer plans to pay the purchase price in cash but the buyer fails to provide Seller with documents of the buyer's ability to make the cash payments.

3. Buyer understands and agrees that (a) Seller's obligation to provide landscaping within the common elements of the Project will be deemed fully satisfied upon planting of the plant materials (which need not be in full coverage and maturity) and installation of the irrigation system pursuant to Seller's landscaping plans, as the same may be amended from time to time in Seller's sole discretion; (b) installation of the plant materials and irrigation system may be completed after the Closing Date; (c) full maturity of the plant materials will only be reached over an extended period of time and Seller is not responsible for providing landscaping maintenance to reach full coverage and maturity; and (d) the Association will be responsible for maintaining the landscaping

after installation thereof, even if the landscaping has not reached full coverage or maturity.

4. The Condominium Map for the Project is intended to show only the layout, location, unit numbers and dimensions of the units in the Project. Buyer understands and acknowledges that items shown on the Condominium Map, including, without limitation, the metes and bounds or dimensions of the limited common elements, may change due to field changes and other factors, and Seller reserves the right to amend the Condominium Map, the Declaration and the other Project documents from time to time to reflect such changes. BUYER AGREES THAT THE CONDOMINIUM MAP IS NOT INTENDED TO BE AND IS NOT A WARRANTY OR PROMISE OF ANY KIND BY SELLER.

5. BUYER AGREES THAT NO ONE (INCLUDING THE SELLER OR ANY SALESPERSON) HAS TALKED TO BUYER AT ALL ABOUT ANY RENTAL INCOME OR RENTAL OR SALES SERVICES FOR BUYER'S UNIT. IF BUYER WANTS TO RENT OR SELL THE UNIT, HOW BUYER DOES IT WILL BE UP TO BUYER SUBJECT TO THE RESTRICTIONS CONTAINED IN THE SALES AGREEMENT AND IN THE DECLARATION, THE BY-LAWS, THE KOELE COVENANTS AND ANY OTHER DOCUMENTS AFFECTING THE PROPERTY. BUYER ALSO AGREES THAT NO ONE HAS TALKED TO BUYER AT ALL ABOUT INCOME FROM THE UNIT OR ANY OTHER ECONOMIC BENEFIT TO BE DERIVED FROM THE PURCHASE OR OWNERSHIP OF THE UNIT OR ABOUT THE TAX EFFECTS OF BUYING THE UNIT.

6. (a) The Land of the Project is a portion of a larger lot that is in the process of being subdivided. The County of Maui has granted preliminary subdivision approval of the subdivision application. Upon final approval of the subdivision application and notation of approved subdivision in the Land Court records, Seller plans to file the Condominium Map, the Declaration and the By-Laws in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and to adopt the Rules and Regulations. All of the steps that Seller takes to obtain final subdivision of the Land from the larger lot and to note the approved subdivision in the Land Court records are herein referred to as the "Subdivision Approval". The Project will not be created until the Condominium Map, the Declaration and the By-Laws are filed in the Office of the Assistant Registrar.

(b) Seller and buyer agree that if at the time buyer and Seller sign the Sales Agreement, the Subdivision Approval has not been completed or the Condominium Map, the Declaration and the By-Laws have not been filed in the Office of the Assistant Registrar, the Sales Agreement will not be binding on either buyer or Seller. In that case, the Sales Agreement will only be a "reservation", not a binding contract, and Seller does not have to sell and buyer does not have to buy the Property. A "reservation" may be canceled for any reason at any time before it becomes a binding contract by either

buyer or Seller. If the "reservation" is canceled, Seller will instruct Escrow to return all of buyer's payments, without interest (unless buyer is entitled to the interest pursuant to Article V, Section B.1 hereof), and neither party will have any other obligations under the Sales Agreement or relating to the Project. If buyer cancels the "reservation", then Escrow will deduct from the refund to buyer the escrow cancellation fee and all other costs associated with the purchase, up to a maximum of $250. If Seller cancels the "reservation", then Seller will pay these fees and costs.

(c) The Sales Agreement will become a binding contract when, and only when, (i) Seller has delivered to buyer the Public Report, a copy of the recorded Declaration, a copy of the recorded By-Laws, a copy of the executed Rules and Regulations, a letter-sized Condominium Map (or a notice that it is impractical to include a letter-sized Condominium Map and that the purchaser has the opportunity to examine the Condominium Map), the Receipt for the Public Report, and the Notice of Right to Cancel Sales Contract which contains the thirty-day cancellation right, and (ii) either buyer has waived buyer's right to cancel the Sales Agreement or buyer is deemed to have waived buyer's right to cancel the Sales Agreement. However, if buyer's waiver of such cancellation right shall have occurred in any manner other than by waiver of the right to cancel on the Notice of Right to Cancel Sales Contract, the Sales Agreement shall not become binding as a contract for the purchase and sale of the Property unless and until buyer has executed an agreement (a "Confirmation Agreement") confirming or reaffirming that buyer has accepted and is bound by the Sales Agreement. Without limiting the right of Seller to present a Confirmation Agreement at the time of or after the delivery of the Public Report, Seller shall mail or deliver a Confirmation Agreement to buyer in any case where buyer has failed to execute a waiver of the right to cancel within thirty (30) days of the delivery of the Public Report and other items described in this section; buyer shall have not less than ten (10) days, unless such time period is extended by Seller in its sole discretion, to execute and return the Confirmation Agreement to Seller; in the event that buyer shall then fail to execute a Confirmation Agreement upon such presentation (or in the event that Seller is unable to locate buyer for delivery of the Public Report and other items described in this section), Seller shall have the right to cancel the Sales Agreement. From and after the date the Sales Agreement shall become binding as set forth in this section, the Sales Agreement shall be constituted and deemed to be an effective and binding agreement (subject only to any applicable provisions of Chapter 514B, Hawaii Revised Statutes) for the sale of the Property.

7. Buyer will pay for the following closing costs: all of the Escrow fee, all of the conveyance tax, all notary fees, all appraisal fees, all recording costs, all charges for buyer's credit report, all costs of preparing any mortgages and promissory notes, and all title insurance costs. Buyer will also pay all mortgage costs. Buyer will also pay a nonrefundable start-up fee which will be held and used by the Seller and the first Managing Agent of the Association to pay for certain initial common expenses of the Project such as insurance premiums and as a working capital fund for the benefit of all

the unit owners. Buyer agrees that Seller does not have to pay any start-up fee for any unit in the Project if it is owned by Seller. Proration of maintenance charges and other common expenses, and real property taxes, and Koele Homeowners Association assessments will be made as of the scheduled Closing Date.

8. If, prior to Closing, buyer fails to make any payment when it is due or fails to keep any of buyer's other promises or agreements contained in the Sales Agreement, then Seller will have the right, at Seller's sole option and in addition to any other rights contained in the Sales Agreement, to do any one or more of the following:

(a) Seller may cancel the Sales Agreement by giving buyer written notice of cancellation and Seller may keep all sums paid by buyer under the Sales Agreement as liquidated damages, and not as a penalty. If Seller cancels the Sales Agreement, buyer agrees that it will be difficult and expensive to determine the amount of loss or damage Seller will suffer. This is because of, among other things, Seller's commitments relating to the financing of the Project, the effect of default and cancellation of one sale on other unit sales, and the nature of the real estate market in Hawaii. Buyer agrees that the sums paid by buyer under the Sales Agreement are a reasonable estimate of a fair payment to Seller for Seller's loss or damage resulting from buyer's default.

(b) Seller may file a lawsuit for damages.

(c) Seller may file a lawsuit for "specific performance" (in other words, a lawsuit to make buyer keep all of buyer's promises and agreements, including, closing the purchase of the Property).

(d) Seller may take advantage of any other rights which the law allows or which Seller may have under the Sales Agreement.

Buyer also agrees to pay for all costs, including Seller's reasonable lawyers' fees (for both in-house and outside counsel) and the escrow cancellation fee, which are incurred because of buyer's default.

9. If, prior to Closing, Seller fails to keep any of Seller's promises or agreements contained in the Sales Agreement, buyer, if not in default hereunder, may file a lawsuit for specific performance to require Seller to go through with the Sales Agreement (unless the Sales Agreement is only a "reservation" in which case the terms of Article V, Section E.1 of the Sales Agreement will control), or buyer may exercise any other remedy to which buyer is entitled to at law or equity, including cancel the Sales Agreement, if applicable. If buyer cancels the Sales Agreement because of Seller's default, Seller will repay to buyer all sums paid by buyer to Seller or Escrow under the Sales Agreement, without interest (unless buyer is entitled to the interest pursuant to the Sales Agreement).

10. The buyer understands, acknowledges, covenants and agrees to the following:

(a) Utility Effects. The Project is or may be located adjacent to or in the vicinity of electric, water and other utilities and public roads and thoroughfares, including, without limitation, such things as water pump stations, water tanks, sewer pump stations and reservoirs which may result in nuisances, such as noise and dust, disturbances or hazards (collectively, the "Utility Effects") to persons and to property on or within the Property. Seller is not insuring or guaranteeing the health of buyer or other occupants or users of the Property and disclaims liability for personal injury, illness or any other loss or damage caused by or arising from the Utility Effects including, without limitation, the presence or malfunction of any utility distribution systems that may be located adjacent to, near, or over any part of the Property;

(b) Development Effects. (i) The Project is or may be located adjacent to or in the vicinity of various construction activities, including, but not limited to, ongoing residential and related construction, proposed construction of future residential subdivisions and roads, hotels, golf courses, land development activities, one or more recreational centers and facilities, and other construction and development projects (collectively, the "Proposed Development"); (ii) construction of the Proposed Development will or may result in noise, dust, vibration, blasting and other nuisances, disturbances or hazards to buyer and to persons and property on or within the Property or the Project, and may limit buyer's access to the Project; (iii) when completed, traffic, lights, noise, dust, vibration and other nuisances, disturbances or hazards to persons and property on or within the Property or the Project may be generated from the Proposed Development; (iv) no representations or warranties are made by Seller, its employees or agents concerning plans, or the absence of plans, by Seller or others for future development of adjacent or nearby properties, and any plans for the future development of adjacent and nearby properties by Seller are subject to change in the sole and absolute discretion of the Seller or its successors and assigns, including, without limitation, changes in the type, location and quality of the development to occur; and (v) Seller makes no representations regarding the view from the Property or any view easements or rights, and the views from the Property are not guaranteed and may be altered, diminished, eliminated or blocked entirely by the future development of adjacent or surrounding properties (items (i) through (v) are hereinafter collectively called the "Development Effects");

(c) Mold Effects. Mold and other forms of fungi are common and occur naturally in Hawaii due to its climate. Any moisture, including but not limited to standing water, water intrusion in a home, or condensation will promote mold or other fungal growth. Lack of maintenance, utilization of an air-conditioner and other conditions which could increase moisture or condensation in a home, will therefore create conditions which are conducive to mold and fungi growth. It has been reported or

alleged that molds and other fungi can cause mild to severe allergies, infections and other health problems and property damage (collectively, the "Mold Effects"). Seller is not insuring or guaranteeing the health of buyer or other occupiers or users of the Property and disclaims liability for personal injury, illness, property damage, or any other loss or damage caused by or arising from the Mold Effects; and

(d) Waiver, Release and Indemnity. Buyer represents and warrants to Seller that buyer, in buyer's sole discretion, has determined that the benefits of owning and enjoying the Property outweigh the risks of the Utility Effects, the Development Effects and the Mold Effects (collectively, the "Property Conditions"). Buyer hereby irrevocably agrees to suffer and permit all actions and consequences incidental to the Utility Effects, the Development Effects and the Mold Effects. Buyer hereby covenants and agrees to assume all risks of impairment of buyer's use and enjoyment of the Property or the Project, loss of market value of the Property, and property damage or personal injury arising from the Property Conditions, and buyer, for the buyer and the buyer's tenants, lessees, family, servants, guests, invitees, licensees, agents, employees, and those who use the Property through the buyer for an extended period of time (collectively, the "Occupants"), hereby waives any claims or rights of action or suits against Seller, its successors and assigns, arising from such impairment of the Occupants' use and enjoyment of the Property or the Project, loss of market value of the Property, and property damage or personal injury arising from one or more of the Property Conditions. Buyer shall indemnify, hold harmless and defend Seller, its successors and assigns, from any and all liability, claims, losses, damages, or expenses, including attorneys' fees, arising from such impairment of the Occupants' use and enjoyment of the Property or the Project, loss of market value of the Property, or property damage or personal injury to the property or person of the Occupants as a result of one or more of the Property Conditions. Buyer further covenants that buyer will notify all Occupants and transferees of the Property of the risks of the Property Conditions.

11. Buyer understands and acknowledges that future development, land uses and the population on the island of Lanai are subject to change and potential expansion and that Seller intends to develop property on Lanai to its fullest potential within economic, regulatory and other parameters and constraints that may exist from time to time. Accordingly, over time, the population, appearance and uses of Lanai may change, and portions of Lanai now open to the public or buyer may be restricted or prohibited in the future. Seller expressly disclaims any representations or warranties contrary to the foregoing, and buyer acknowledges that buyer has not relied upon any such representations or warranties in buyer's decision to enter into the Sales Agreement or purchase the Property. Buyer agrees not to oppose land uses proposed or supported in the future by Seller or its successors and assigns, on the basis that future development within Lanai would be limited.

12. Buyer understands and acknowledges that by accepting an interest in the Property, buyer shall assume all risks associated with the location of the Project in the vicinity of or adjacent to a golf course, including, but not limited to, the risk of property damage or personal injury arising from stray golf balls or actions incidental to golf course or resort-related activities (including, without limitation, tournaments, maintenance and repair activities, noise, etc.) and buyer will indemnify and hold harmless the owner of the golf course, the Seller, the Association and the Koele Homeowners Association from any liability, claims or expenses, including attorneys' fees, arising from such property damage or personal injury.

13. Buyer understands and acknowledges that the United States Postal Services currently has no provision for home mail delivery to the Project. Owners of units in the Project may receive mail general delivery in Lanai City or may rent post office boxes in Lanai City.

14. If Closing occurs, buyer and Seller agree that:

(a) any and all claims or disputes arising out of the Sales Agreement or in any way connected with the design, development, construction, sale, marketing, financing, warranties, or any other activity or matter relating to the Property, between buyer, on the one hand, and Seller and/or Seller's affiliates, on the other hand, shall be submitted to mediation, if applicable, and final and binding arbitration, all pursuant to and in accordance with the provisions contained in the Limited Warranty Agreement, administered by Professional Warranty Service Corporation ("PWC"), which mediation and arbitration provisions are incorporated by reference herein;

(b) at Seller's option, the mediation and/or arbitration shall include all or any of Seller's agents, architects, consultants, engineers, contractors, subcontractors, suppliers, representatives or other third parties ("Related Parties"), and any action by buyer against any of the Related Parties (and not directly against Seller) in respect of the Property which Seller shall determine directly or indirectly affects Seller, shall at Seller's option, be subject to these mediation and arbitration provisions;

(c) all fees and costs in connection with the mediation and/or arbitration shall be allocated in accordance with the Limited Warranty Agreement; provided, however, that any fees charged by PWC that are not addressed by the Limited Warranty Agreement shall be shared equally by buyer and Seller; and

(d) in the event Seller or PWC determines, in their sole discretion, that the claim or dispute is not covered by the Limited Warranty Agreement, Seller or PWC shall so notify buyer and the following shall apply:

(i) Buyer and Seller shall attempt in good faith to settle such claim or dispute by non-binding mediation conducted in Honolulu, Hawaii. The

mediation shall be conducted under the Commercial Mediation Rules of the American Arbitration Association ("AAA") except as may be inconsistent with this section; provided, however, that the parties may agree on the selection of a single mediator instead of having a mediator appointed by AAA, and the parties may agree to use a recognized mediation service other than AAA. The costs for the mediator shall be shared equally by the parties, and each party shall be responsible to pay all other fees and costs, including attorneys' fees, that it incurs in connection with the mediation. At Seller's option, the mediation shall include all or any Related Parties as parties. Either party may notify the other party in writing of its request to commence mediation. Prior to the commencement of mediation, buyer agrees to provide Seller, the Related Parties and their consultants with reasonable access to those portions of the Property that are the subject of the claim or dispute. The parties may agree on the date of commencement of the mediation; provided, however, that (1) if the parties are unable to agree on the date of commencement of the mediation and the mediation does not include Related Parties, then the mediation shall commence within thirty (30) calendar days after Seller or PWC's written notice to buyer that the claim or dispute is not covered by the Limited Warranty Agreement or as soon thereafter as permitted by the mediator's schedule, or (2) if the parties are unable to agree on the date of commencement of the mediation and the mediation does include Related Parties, then the mediation shall commence within sixty (60) calendar days after Seller or PWC's notice to buyer that the claim or dispute is not covered by the Limited Warranty Agreement or as soon thereafter as permitted by the mediator's schedule.

(ii) If the parties are unable to resolve the claim or dispute through mediation as provided in the preceding section, then such claim or dispute shall be decided by arbitration in Honolulu, Hawaii. The parties agree that one arbitrator shall be appointed to hear and resolve the claim or dispute in accordance with the Commercial Arbitration Rules of the AAA (the "AAA Arbitration Rules"), except as may be inconsistent with this section, and Chapter 658A of the Hawaii Revised Statutes, as amended, or its successor ("Chapter 658A"); provided, however that the parties may agree on the selection of a single arbitrator instead of having an arbitrator appointed by AAA, and the parties may agree to use a recognized arbitration service other than AAA. At Seller's option, the arbitration shall include any of the Related Parties as parties. The parties further agree that the award of the arbitrator shall be binding upon the parties and that judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction. Notwithstanding anything in the Sales Agreement, in the AAA Arbitration Rules or in the rules of any other arbitration service used for the arbitration (the "Other Rules") and/or in Chapter 658A to the contrary, the costs for the arbitrator shall be shared equally by the parties, and each party shall be responsible to pay all other fees and costs, including attorneys' fees, that it incurs in connection with the arbitration. Notwithstanding anything in the Sales Agreement, in the AAA Arbitration Rules, in the Other Rules and/or in Chapter 658A to the contrary, the parties hereby waive, and agree not to pursue, any claims against each other for punitive or exemplary damages,

attorneys' fees or costs, witness fees or costs or other expenses arising in connection with the arbitration of any such claim or dispute, and the arbitrator shall not include any such punitive or exemplary damages, attorneys' fees or costs, witness fees or costs or other expenses as part of the award.

The foregoing provisions are intended to comply with (and shall be construed consistent with) the requirements of the Hawaii Contractor Repair Act, Chapter 672E of the Hawaii Revised Statutes ("Act"). In the event of an irreconcilable conflict between the foregoing provisions and the provisions of said Act, the provisions of the Act shall govern and control.

Pursuant to the requirements of the Act, Seller is required by law and gives to buyer the following notice:

CHAPTER 672E OF THE HAWAII REVISED STATUTES CONTAINS IMPORTANT REQUIREMENTS YOU (i.e. BUYER) MUST FOLLOW BEFORE YOU MAY COMMENCE A LEGAL ACTION FOR DEFECTIVE CONSTRUCTION AGAINST THE SELLER OR RELATED CONTRACTORS WHO DESIGNED, REPAIRED, OR CONSTRUCTED YOUR HOME. NINETY DAYS BEFORE YOU COMMENCE A LEGAL ACTION, YOU MUST SERVE ON THE SELLER OR CONTRACTOR A WRITTEN NOTICE OF ANY CONSTRUCTION CONDITIONS YOU ALLEGE ARE DEFECTIVE. UNDER THE LAW, SELLER OR CONTRACTOR HAS THE OPPORTUNITY TO MAKE AN OFFER TO REPAIR AND/OR PAY FOR THE DEFECTS. YOU ARE NOT OBLIGATED TO ACCEPT ANY OFFER MADE BY SELLER OR A CONTRACTOR. THERE ARE STRICT DEADLINES AND PROCEDURES UNDER THE LAW, AND FAILURE TO FOLLOW THEM MAY NEGATIVELY AFFECT YOUR ABILITY TO COMMENCE A LEGAL ACTION.

It shall be buyer's obligation and responsibility to read and comply with the Act, the Sales Agreement and the Limited Warranty, in the event that buyer desires to pursue a legal action for defective construction relating to the Property.

15. The buyer agrees that buyer may not transfer the Sales Agreement or any of buyer's rights or interests under the Sales Agreement without first getting Seller's written consent (which Seller may withhold in its sole and absolute discretion).

NOTE: ALL BUYERS SHOULD READ THE SALES AGREEMENT IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE SALES AGREEMENT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE SALES AGREEMENT, AND DOES NOT ALTER OR AMEND THE SALES AGREEMENT IN ANY MANNER.

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT K

SUMMARY OF ESCROW AGREEMENT

Copies of the Escrow Agreement between the Seller and Title Guaranty Escrow Services, Inc. have been submitted to the Real Estate Commission and are available for inspection in the Sales Office of the Seller. The Escrow Agreement, among other things, covers in more detail the following items:

1. In accordance with written instructions from Seller that are acceptable to Escrow, Escrow shall deposit all funds so received, within a reasonable time of their receipt by Escrow and in reasonably convenient sums, in federally-insured accounts at a bank, savings and loan association or other financial institution authorized to do business in the State of Hawaii designated by Seller under an escrow arrangement that pays interest on deposits at the prevailing interest rate. Any interest earned on funds deposited in escrow under the Escrow Agreement shall accrue to the credit of Seller unless a purchaser (a) asks Escrow to establish a separate account for purchaser's deposits, (b) pays Escrow a fee for each separate account Escrow opens for purchaser, and (c) provides Escrow with buyer's social security number or federal identification number.

2. Disbursements of funds in escrow shall be made by Escrow in accordance with the Escrow Agreement.

NOTE: ALL BUYERS AND PROSPECTIVE BUYERS SHOULD READ THE ESCROW AGREEMENT AND ALL AMENDMENTS IN FULL AS THIS SUMMARY IS NOT ALL-INCLUSIVE AND DOES NOT CONTAIN A COMPLETE DESCRIPTION OF ALL PROVISIONS OF THE ESCROW AGREEMENT. THIS SUMMARY IS INTENDED ONLY TO GIVE A BRIEF DESCRIPTION OF SOME OF THE ITEMS CONTAINED IN THE ESCROW AGREEMENT, AND DOES NOT ALTER OR AMEND THE ESCROW AGREEMENT IN ANY MANNER.

PUBLIC REPORT ON
THE PINES AT KOELE

EXHIBIT L

CONSTRUCTION WARRANTIES

1. Home Builder's Limited Warranty. Developer will provide a ten (10) year limited warranty covering "Construction Defects" relating to the Unit. The terms and conditions of this limited warranty will be set forth in a Home Builder's Limited Warranty ("Limited Warranty Agreement") in the form attached to the Sales Agreement as Exhibit A as a specimen. The Limited Warranty Agreement defines the scope of "Construction Defects", will govern and control the terms of the limited warranty, and will supersede any and all other written or oral warranties, representations or promises as to the Unit. All warranties with respect to the Unit are contained in the Limited Warranty Agreement, and Developer provides no other warranties.

2. Castle & Cooke Customer Care Program and Agreement. Developer will also provide additional services and repairs for the Unit (over and above its warranty obligations under the Limited Warranty Agreement) on the terms and conditions set forth in the Castle & Cooke Customer Care Program and Agreement ("Customer Care Agreement") in the form attached to the Sales Agreement as Exhibit B as a specimen, which will be executed by Developer and buyer at closing. The Customer Care Agreement does not provide additional warranties to buyer. It does, however, specify certain items for which Developer will provide additional services and repair for specified periods up to one year after the "Commencement Date" referred to in the Customer Care Agreement.

3. Homeowner's Guide Book. Developer will provide to buyer a Homeowner's Guide Book at or prior to closing. This is not a legal document, and does not confer any additional warranty or service and repair rights on buyer. It is for informational purposes and is intended to provide useful maintenance and care tips for the Unit.

4. Terms, Conditions, Limitations, Exceptions, Disclosures and Disclaimers. Buyer should refer to the Sales Agreement for more information about the Limited Warranty Agreement and the Customer Care Agreement. Buyer also should refer to the Limited Warranty Agreement and the Customer Care Agreement which each specify terms, conditions, limitations, exceptions, disclosures and disclaimers ("Conditions"), with respect to the warranties and additional services and repairs which they provide. Buyer's rights and Developer's obligations for such work are subject to such Conditions, and buyer must read and understand them.