

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

CONDOMINIUM PROJECT NAME:	KOLOA LANDING AT POIPU BEACH – PHASE I (Report covers Phase I consisting of 87 of 328 units)
PROJECT ADDRESS:	2641 Poipu Road Koloa, Hawaii 96756
REGISTRATION NUMBER:	6174
EFFECTIVE DATE OF REPORT:	April 21, 2014
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input checked="" type="checkbox"/> Fourth Amended Report dated <u>June 26, 2013</u> <input type="checkbox"/> Supersedes all prior amendments: Includes all prior amendment(s) and must be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input type="checkbox"/> Amended Report dated _____
DEVELOPER(S):	Poipu Beach Villas, LLC

Preparation of this Amendment

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

The law defines "material change" as used in parts IV and V of Chapter 514B, HRS means any change that directly, substantially, and adversely affects the use or value of (1) A purchaser's unit or appurtenant limited common elements; or (2) Those amenities of the project available for the purchaser's use.

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

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

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

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

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

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

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

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Summary of Changes from Earlier Developer's Public Report:

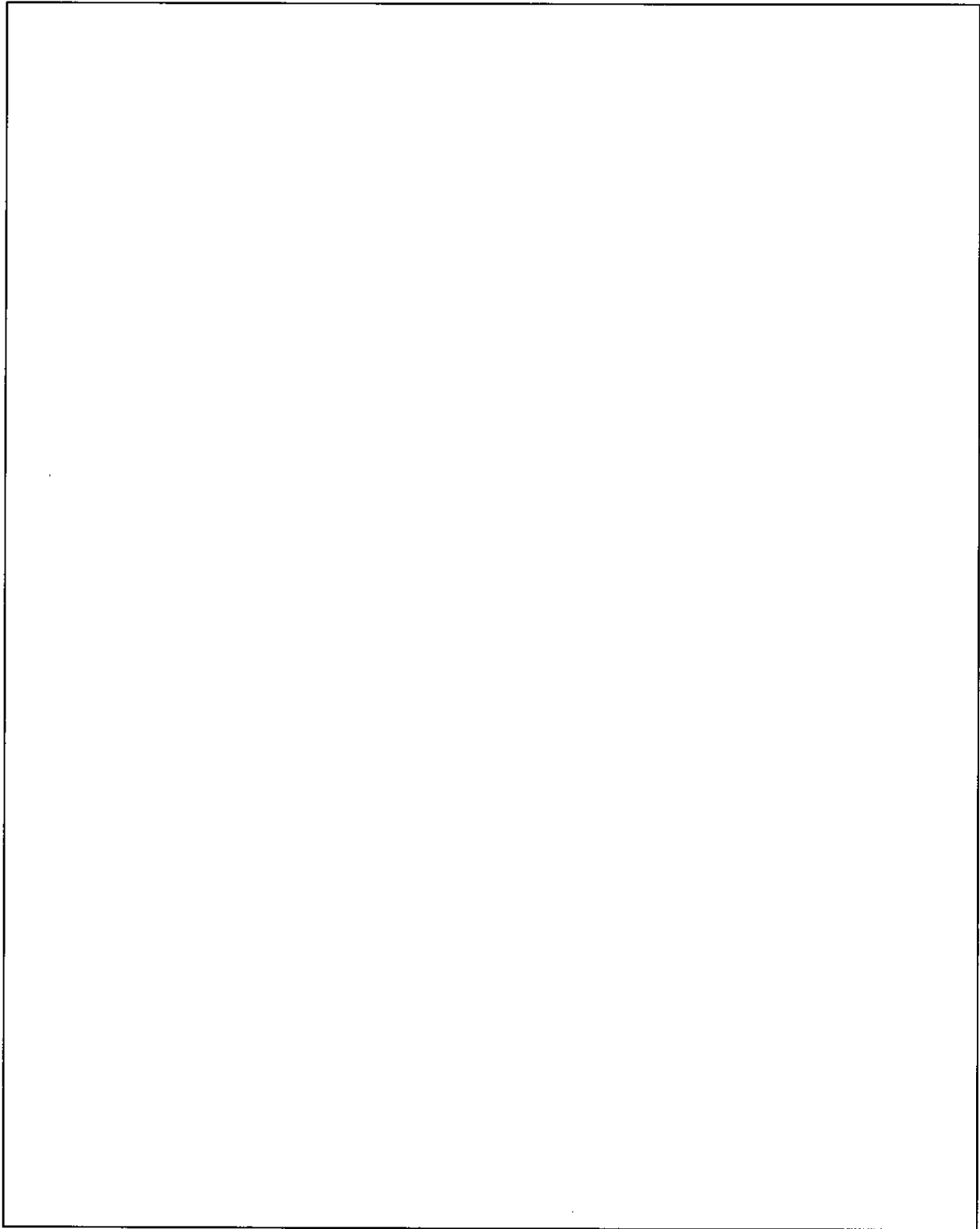
This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public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

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

1. The Developer has filed a Third Amendment to Amended and Restated Declaration of Condominium Property Regime for Koloa Landing at Poipu Beach and Condominium Map, dated March 14, 2014 as Document No. T-8849213, to effectuate the following changes:
 - a. Corrective revisions regarding the number of Residential Units in certain buildings within the Project;
 - b. Reduction in the total number of Residential Units in the Project from three hundred twenty-three (323) to three hundred twenty-two (322);
 - c. Deletion of Unit Type PH-1;
 - d. Consolidation of Residential Unit Nos. 1-102 and 1-103 and Commercial Unit No. C5 into one Commercial Unit, Commercial Unit No. C5, and the undivided percentage of interest appurtenant to the newly-formed Commercial Unit No. C5;
 - e. Change in the use of Commercial Unit No. C5;
 - f. Construction of new Residential Unit Nos. 1-403 and 1-404 in place of the original Residential Unit No. 1-403 and the undivided percentage of interest appurtenant to each of the newly-formed Residential Unit Nos. 1-403 and 1-404; and
 - g. Construction of a new Commercial Unit to be identified as Commercial Unit No. C3 in place of the original Commercial Unit No. C3 and the undivided percentage of interest appurtenant to the new Commercial Unit No. C3.Accordingly, Exhibit "A" is updated with the information in the Amendment.
2. An updated title search dated March 21, 2014 from Title Guaranty has been obtained. Exhibit "G" has been updated to reflect the recording information for the Amendment.
3. The estimated annual budget and maintenance fees were updated. Exhibit "T" has been updated accordingly.

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Changes continued:



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The Developer declares subject to the penalties set forth in Section 514B-69, HRS that this project continues to conform 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 as amended, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report as amended, 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 as amended and the exhibits attached to this report (if any) as amended 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 as amended 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 as amended at least 30 days prior to the anniversary date of the effective date of this report.

POIPU BEACH VILLAS, LLC
Printed Name of Developer

By: Kent B. England
Duly Authorized Signatory*

14 MARCH 2014
Date

Kent B. England, President of Poipu Beach Management, LLC (Manager of Poipu Beach Villas, LLC)
Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Kauai

Planning Department, County of Kauai

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

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1. THE CONDOMINIUM PROJECT

1.1 The Underlying Land

Fee Simple or Leasehold Project	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Fee Owner's Name if Developer is not the Fee Owner	N/A
Address of Project	2641 Poipu Road, Koloa, Hawaii 96756
Address of Project is expected to change because	N/A
Tax Map Key (TMK)	TMK No. (4) 2-8-15:25.
Tax Map Key is expected to change because	
Land Area	24.59 acres
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	N/A

1.2 Buildings and Other Improvements

Number of Buildings	Phase I: 5 (4 floors)* Total Project: 19 (4 floors), 1 (2 floors), 2 (1 floor)
Floors Per Building	See above*
Number of New Building(s)	Phase I: 5* Total Project: 22
Number of Converted Building(s)	0
Principle Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Steel, glass, drywall, concrete, natural stone & wood floors

* These are only describing the buildings containing units in this Phase I filing. This includes buildings containing the residential and commercial units in the Project, but does not include the 44 free-standing, 4-stall parking garages and 106 carports located throughout the Project, or the West Parking Structure and East Parking Structure (see Condominium Map). The total number of buildings in the overall Project is also noted above.

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"						

87	Total Number of Units*
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*Only 87 units are covered by this Phase I filing. The overall project consists of 328 units. Phase II consist of 241 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.

1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning				
<input type="checkbox"/>	Type of Use	No. of Units	Use Permitted by Zoning	Zoning
<input type="checkbox"/>	Residential		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input checked="" type="checkbox"/>	Commercial	Phase I: 2 Total Project: 6	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	R-20, VDA
<input type="checkbox"/>	Mix Residential/Commercial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Hotel		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input checked="" type="checkbox"/>	Timeshare	4 Units; 3-204, 3-302, 3-303, 3-304	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	R-20, VDA
<input type="checkbox"/>	Ohana		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Industrial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Agricultural		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Recreational		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input checked="" type="checkbox"/>	Other (specify) Resort/Residential	Phase I: 85 Total Project: 322	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	R-20, VDA
Is/Are this/these use(s) specifically permitted by the project's Declarations or Bylaws?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Variances to zoning code have been granted.			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Describe any variances that have been granted to zoning code.				

1.14 Other Zoning Compliance Matters

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

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

<p>If a non-conforming use, structure or lot exists in this project, this is what will happen under existing laws or codes if the structure is damaged or destroyed:</p>
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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 "D"	
Described as follows:	
Common Element	Number
Elevators	Phase I: 11 Total Project: 42
Stairways	Phase I: 22 Total Project: 84
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 "E"
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.	
<input checked="" type="checkbox"/>	Pets: As set forth in the House Rules
<input checked="" type="checkbox"/>	Number of Occupants: As set forth in the House Rules
<input checked="" type="checkbox"/>	Other: See Exhibit "F" for Special Use Restrictions
<input type="checkbox"/>	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: March 21, 2014
Company that issued the title report: Title Guaranty of Hawaii, Inc.

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	March 14, 2007	3575729

Amendments to Declaration of Condominium Property Regime		
Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	September 6, 2007	3673430
Land Court	May 2, 2008	3743269
Land Court	October 14, 2010	4011478
Land Court	January 25, 2013	T-8439430
Land Court	March 14, 2014	T-8849213

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	March 14, 2007	3575730

Amendments to Bylaws of the Association of Unit Owners		
Land Court or Bureau of Conveyances	Date of Document	Document Number
Land Court	September 6, 2007	3673431

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	1878
Bureau of Conveyances Map Number	
Dates of Recordation of Amendments to the Condominium Map: October 25, 2007, October 20, 2010, & March 25, 2014	

EXHIBIT "A"

UNIT NUMBERS, UNIT TYPES, LAYOUT, APPROXIMATE NET LIVING AREA, APPROXIMATE LANAI AREA, PERCENTAGE COMMON INTEREST

Capitalized terms have the same meaning ascribed to such terms in the Declaration.

Only the following 87 Units are covered by this report:

**1-106 through 1-108, 1-205 through 1-208, 1-305 through 1-308, 1-405 through 1-408,
2-101 through 2-404, 3-101 through 3-404, 6-101 through 6-403 and 9-101 through 9-406, C3 and C4**

Unit Number	Unit Type	Bedrooms/ Bathrooms	Approximate Net Living Area(sf)	Approximate Lanai Area(sf)	Percentage Common Interest
1-101	F2	2/2.5	1530	606	0.313495%
1-106	B2	2/2	1098	248	0.224979%
1-107	B2-R	2/2	1098	248	0.224979%
1-108	G3-R	3/3	1724	641	0.353245%
1-201	F2	2/2.5	1530	606	0.313495%
1-202	D2-R	2/2.5	1289	287	0.264114%
1-203	D2	2/2.5	1289	287	0.264114%
1-204	G3-R	3/3	1724	641	0.353245%
1-205	G3	3/3	1724	641	0.353245%
1-206	B2	2/2	1098	248	0.224979%
1-207	B2-R	2/2	1098	248	0.224979%
1-208	G3-R	3/3	1724	641	0.353245%
1-301	F2	2/2.5	1530	606	0.313495%
1-302	D2-R	2/2.5	1289	287	0.264114%
1-303	D2	2/2.5	1289	287	0.264114%
1-304	G3-R	3/3	1724	641	0.353245%
1-305	G3	3/3	1724	641	0.353245%
1-306	B2	2/2	1098	248	0.224979%
1-307	B2-R	2/2	1098	248	0.224979%
1-308	G3-R	3/3	1724	641	0.353245%
1-401	F2	2/2.5	1530	606	0.313495%
1-402	D2-R	2/2.5	1289	287	0.264114%
1-403	D2	2/2.5	1289	287	0.264114%
1-404	G3-R	3/3	1724	641	0.353245%
1-405	G3	3/3	1724	641	0.353245%
1-406	B2	2/2	1098	248	0.224979%
1-407	B2-R	2/2	1098	248	0.224979%
1-408	G3-R	3/3	1724	641	0.353245%
2-101	G3	3/3	1724	641	0.353245%
2-102	B2-R	2/2	1098	248	0.224979%
2-103	B2	2/2	1098	248	0.224979%
2-104	G3-R	3/3	1724	641	0.353245%
2-201	G3	3/3	1724	641	0.353245%

Unit Number	Unit Type	Bedrooms/ Bathrooms	Approximate Net Living Area(sf)	Approximate Lanai Area(sf)	Percentage Common Interest
2-202	B2-R	2/2	1098	248	0.224979%
2-203	B2	2/2	1098	248	0.224979%
2-204	G3-R	3/3	1724	641	0.353245%
2-301	G3	3/3	1724	641	0.353245%
2-302	B2-R	2/2	1098	248	0.224979%
2-303	B2	2/2	1098	248	0.224979%
2-304	G3-R	3/3	1724	641	0.353245%
2-401	G3	3/3	1724	641	0.353245%
2-402	B2-R	2/2	1098	248	0.224979%
2-403	B2	2/2	1098	248	0.224979%
2-404	G3-R	3/3	1724	641	0.353245%
3-101	F2	2/2.5	1530	606	0.313495%
3-102	B2-R	2/2	1098	248	0.224979%
3-103	B2	2/2	1098	248	0.224979%
3-104	G3-R	3/3	1724	641	0.353245%
3-201	F2	2/2.5	1530	606	0.313495%
3-202	B2-R	2/2	1098	248	0.224979%
3-203	B2	2/2	1098	248	0.224979%
3-204	G3-R	3/3	1724	641	0.353245%
3-301	F2	2/2.5	1530	606	0.313495%
3-302	B2-R	2/2	1098	248	0.224979%
3-303	B2	2/2	1098	248	0.224979%
3-304	G3-R	3/3	1724	641	0.353245%
3-401	F2	2/2.5	1530	606	0.313495%
3-402	B2-R	2/2	1098	248	0.224979%
3-403	B2	2/2	1098	248	0.224979%
3-404	G3-R	3/3	1724	641	0.353245%
4-101	F2	2/2.5	1530	606	0.313495%
4-102	B2-R	2/2	1098	248	0.224979%
4-103	B2	2/2	1098	248	0.224979%
4-104	G3-R	3/3	1724	641	0.353245%
4-201	F2	2/2.5	1530	606	0.313495%
4-202	B2-R	2/2	1098	248	0.224979%
4-203	B2	2/2	1098	248	0.224979%
4-204	G3-R	3/3	1724	641	0.353245%
4-301	F2	2/2.5	1530	606	0.313495%
4-302	B2-R	2/2	1098	248	0.224979%
4-303	B2	2/2	1098	248	0.224979%
4-304	G3-R	3/3	1724	641	0.353245%
4-401	F2	2/2.5	1530	606	0.313495%
4-402	B2-R	2/2	1098	248	0.224979%
4-403	B2	2/2	1098	248	0.224979%
4-404	G3-R	3/3	1724	641	0.353245%
5-101	G3	3/3	1724	641	0.353245%
5-102	A1-R	1/1.5	877	288	0.179696%

Unit Number	Unit Type	Bedrooms/ Bathrooms	Approximate Net Living Area(sf)	Approximate Lanai Area(sf)	Percentage Common Interest
5-103	C2	2/2	1191	269	0.244034%
5-104	C2-R	2/2	1191	269	0.244034%
5-105	A1	1/1.5	877	288	0.179696%
5-106	G3-R	3/3	1724	641	0.353245%
5-201	G3	3/3	1724	641	0.353245%
5-202	A1-R	1/1.5	877	288	0.179696%
5-203	C2	2/2	1191	269	0.244034%
5-204	C2-R	2/2	1191	269	0.244034%
5-205	A1	1/1.5	877	288	0.179696%
5-206	G3-R	3/3	1724	641	0.353245%
5-301	G3	3/3	1724	641	0.353245%
5-302	A1-R	1/1.5	877	288	0.179696%
5-303	C2	2/2	1191	269	0.244034%
5-304	C2-R	2/2	1191	269	0.244034%
5-305	A1	1/1.5	877	288	0.179696%
5-306	G3-R	3/3	1724	641	0.353245%
5-401	G3	3/3	1724	641	0.353245%
5-402	A1-R	1/1.5	877	288	0.179696%
5-403	C2	2/2	1191	269	0.244034%
5-404	C2-R	2/2	1191	269	0.244034%
5-405	A1	1/1.5	877	288	0.179696%
5-406	G3-R	3/3	1724	641	0.353245%
6-101	J3	3/3	1872	699	0.383570%
6-102	D2-R	2/2.5	1289	287	0.264114%
6-103	D2	2/2.5	1289	287	0.264114%
6-104	J3-R	3/3	1872	699	0.383570%
6-201	J3	3/3	1872	699	0.383570%
6-202	D2-R	2/2.5	1289	287	0.264114%
6-203	D2	2/2.5	1289	287	0.264114%
6-204	J3-R	3/3	1872	699	0.383570%
6-301	J3	3/3	1872	699	0.383570%
6-302	D2-R	2/2.5	1289	287	0.264114%
6-303	D2	2/2.5	1289	287	0.264114%
6-304	J3-R	3/3	1872	699	0.383570%
6-401	PH-2	4/4.5	3022	653	0.619204%
6-403	PH-2-R	4/4.5	3022	653	0.619204%
7-101	J3	3/3	1872	699	0.383570%
7-102	D2-R	2/2.5	1289	287	0.264114%
7-103	D2	2/2.5	1289	287	0.264114%
7-104	J3-R	3/3	1872	699	0.383570%
7-201	J3	3/3	1872	699	0.383570%
7-202	D2-R	2/2.5	1289	287	0.264114%
7-203	D2	2/2.5	1289	287	0.264114%
7-204	J3-R	3/3	1872	699	0.383570%
7-301	J3	3/3	1872	699	0.383570%

Unit Number	Unit Type	Bedrooms/ Bathrooms	Approximate Net Living Area(sf)	Approximate Lanai Area(sf)	Percentage Common Interest
7-302	D2-R	2/2.5	1289	287	0.264114%
7-303	D2	2/2.5	1289	287	0.264114%
7-304	J3-R	3/3	1872	699	0.383570%
7-401	PH-2	4/4.5	3022	653	0.619204%
7-403	PH-2-R	4/4.5	3022	653	0.619204%
8-101	J3	3/3	1872	699	0.383570%
8-102	D2-R	2/2.5	1289	287	0.264114%
8-103	D2	2/2.5	1289	287	0.264114%
8-104	J3-R	3/3	1872	699	0.383570%
8-201	J3	3/3	1872	699	0.383570%
8-202	D2-R	2/2.5	1289	287	0.264114%
8-203	D2	2/2.5	1289	287	0.264114%
8-204	J3-R	3/3	1872	699	0.383570%
8-301	J3	3/3	1872	699	0.383570%
8-302	D2-R	2/2.5	1289	287	0.264114%
8-303	D2	2/2.5	1289	287	0.264114%
8-304	J3-R	3/3	1872	699	0.383570%
8-401	PH-2	4/4.5	3022	653	0.619204%
8-403	PH-2-R	4/4.5	3022	653	0.619204%
9-101	G3	3/3	1724	641	0.353245%
9-102	B2-R	2/2	1098	248	0.224979%
9-103	E2	2/2.5	1359	262	0.278457%
9-104	E2-R	2/2.5	1359	262	0.278457%
9-105	B2	2/2	1098	248	0.224979%
9-106	G3-R	3/3	1724	641	0.353245%
9-201	G3	3/3	1724	641	0.353245%
9-202	B2-R	2/2	1098	248	0.224979%
9-203	E2	2/2.5	1359	262	0.278457%
9-204	E2-R	2/2.5	1359	262	0.278457%
9-205	B2	2/2	1098	248	0.224979%
9-206	G3-R	3/3	1724	641	0.353245%
9-301	G3	3/3	1724	641	0.353245%
9-302	B2-R	2/2	1098	248	0.224979%
9-303	E2	2/2.5	1359	262	0.278457%
9-304	E2-R	2/2.5	1359	262	0.278457%
9-305	B2	2/2	1098	248	0.224979%
9-306	G3-R	3/3	1724	641	0.353245%
9-401	G3	3/3	1724	641	0.353245%
9-402	B2-R	2/2	1098	248	0.224979%
9-403	E2	2/2.5	1359	262	0.278457%
9-404	E2-R	2/2.5	1359	262	0.278457%
9-405	B2	2/2	1098	248	0.224979%
9-406	G3-R	3/3	1724	641	0.353245%
10-101	G3	3/3	1724	641	0.353245%
10-102	B2-R	2/2	1098	248	0.224979%

Unit Number	Unit Type	Bedrooms/ Bathrooms	Approximate Net Living Area(sf)	Approximate Lanai Area(sf)	Percentage Common Interest
10-103	B2	2/2	1098	248	0.224979%
10-104	G3-R	3/3	1724	641	0.353245%
10-201	G3	3/3	1724	641	0.353245%
10-202	B2-R	2/2	1098	248	0.224979%
10-203	B2	2/2	1098	248	0.224979%
10-204	G3-R	3/3	1724	641	0.353245%
10-301	G3	3/3	1724	641	0.353245%
10-302	B2-R	2/2	1098	248	0.224979%
10-303	B2	2/2	1098	248	0.224979%
10-304	G3-R	3/3	1724	641	0.353245%
10-401	G3	3/3	1724	641	0.353245%
10-402	B2-R	2/2	1098	248	0.224979%
10-403	B2	2/2	1098	248	0.224979%
10-404	G3-R	3/3	1724	641	0.353245%
11-101	G3	3/3	1724	641	0.353245%
11-102	B2-R	2/2	1098	248	0.224979%
11-103	B2	2/2	1098	248	0.224979%
11-104	G3-R	3/3	1724	641	0.353245%
11-201	G3	3/3	1724	641	0.353245%
11-202	B2-R	2/2	1098	248	0.224979%
11-203	B2	2/2	1098	248	0.224979%
11-204	G3-R	3/3	1724	641	0.353245%
11-301	G3	3/3	1724	641	0.353245%
11-302	B2-R	2/2	1098	248	0.224979%
11-303	B2	2/2	1098	248	0.224979%
11-304	G3-R	3/3	1724	641	0.353245%
11-401	G3	3/3	1724	641	0.353245%
11-402	B2-R	2/2	1098	248	0.224979%
11-403	B2	2/2	1098	248	0.224979%
11-404	G3-R	3/3	1724	641	0.353245%
12-101	G3	3/3	1724	641	0.353245%
12-102	B2-R	2/2	1098	248	0.224979%
12-103	B2	2/2	1098	248	0.224979%
12-104	G3-R	3/3	1724	641	0.353245%
12-201	G3	3/3	1724	641	0.353245%
12-202	B2-R	2/2	1098	248	0.224979%
12-203	B2	2/2	1098	248	0.224979%
12-204	G3-R	3/3	1724	641	0.353245%
12-301	G3	3/3	1724	641	0.353245%
12-302	B2-R	2/2	1098	248	0.224979%
12-303	B2	2/2	1098	248	0.224979%
12-304	G3-R	3/3	1724	641	0.353245%
12-401	G3	3/3	1724	641	0.353245%
12-402	B2-R	2/2	1098	248	0.224979%
12-403	B2	2/2	1098	248	0.224979%

Unit Number	Unit Type	Bedrooms/ Bathrooms	Approximate Net Living Area(sf)	Approximate Lanai Area(sf)	Percentage Common Interest
12-404	G3-R	3/3	1724	641	0.353245%
13-101	J3	3/3	1872	699	0.383570%
13-102	D2-R	2/2.5	1289	287	0.264114%
13-103	D2	2/2.5	1289	287	0.264114%
13-104	J3-R	3/3	1872	699	0.383570%
13-201	J3	3/3	1872	699	0.383570%
13-202	D2-R	2/2.5	1289	287	0.264114%
13-203	D2	2/2.5	1289	287	0.264114%
13-204	J3-R	3/3	1872	699	0.383570%
13-301	J3	3/3	1872	699	0.383570%
13-302	D2-R	2/2.5	1289	287	0.264114%
13-303	D2	2/2.5	1289	287	0.264114%
13-304	J3-R	3/3	1872	699	0.383570%
13-401	PH-2	4/4.5	3022	653	0.619204%
13-403	PH-2-R	4/4.5	3022	653	0.619204%
14-101	J3	3/3	1872	699	0.383570%
14-102	D2-R	2/2.5	1289	287	0.264114%
14-103	D2	2/2.5	1289	287	0.264114%
14-104	J3-R	3/3	1872	699	0.383570%
14-201	J3	3/3	1872	699	0.383570%
14-202	D2-R	2/2.5	1289	287	0.264114%
14-203	D2	2/2.5	1289	287	0.264114%
14-204	J3-R	3/3	1872	699	0.383570%
14-301	J3	3/3	1872	699	0.383570%
14-302	D2-R	2/2.5	1289	287	0.264114%
14-303	D2	2/2.5	1289	287	0.264114%
14-304	J3-R	3/3	1872	699	0.383570%
14-401	PH-2	4/4.5	3022	653	0.619204%
14-403	PH-2-R	4/4.5	3022	653	0.619204%
15-101	G3	3/3	1724	641	0.353245%
15-102	B2-R	2/2	1098	248	0.224979%
15-103	B2	2/2	1098	248	0.224979%
15-104	G3-R	3/3	1724	641	0.353245%
15-201	G3	3/3	1724	641	0.353245%
15-202	B2-R	2/2	1098	248	0.224979%
15-203	B2	2/2	1098	248	0.224979%
15-204	G3-R	3/3	1724	641	0.353245%
15-301	G3	3/3	1724	641	0.353245%
15-302	B2-R	2/2	1098	248	0.224979%
15-303	B2	2/2	1098	248	0.224979%
15-304	G3-R	3/3	1724	641	0.353245%
15-401	G3	3/3	1724	641	0.353245%
15-402	B2-R	2/2	1098	248	0.224979%
15-403	B2	2/2	1098	248	0.224979%
15-404	G3-R	3/3	1724	641	0.353245%

Unit Number	Unit Type	Bedrooms/ Bathrooms	Approximate Net Living Area(sf)	Approximate Lanai Area(sf)	Percentage Common Interest
16-101	F2	2/2.5	1530	606	0.313495%
16-102	A1-R	1/1.5	877	288	0.179696%
16-103	A1	1/1.5	877	288	0.179696%
16-104	G3-R	3/3	1724	641	0.353245%
16-201	F2	2/2.5	1530	606	0.313495%
16-202	A1-R	1/1.5	877	288	0.179696%
16-203	A1	1/1.5	877	288	0.179696%
16-204	G3-R	3/3	1724	641	0.353245%
16-301	F2	2/2.5	1530	606	0.313495%
16-302	A1-R	1/1.5	877	288	0.179696%
16-303	A1	1/1.5	877	288	0.179696%
16-304	G3-R	3/3	1724	641	0.353245%
16-401	F2	2/2.5	1530	606	0.313495%
16-402	A1-R	1/1.5	877	288	0.179696%
16-403	A1	1/1.5	877	288	0.179696%
16-404	G3-R	3/3	1724	641	0.353245%
17-101	G3	3/3	1724	641	0.353245%
17-102	B2	2/2	1098	248	0.224979%
17-103	B2-R	2/2	1098	248	0.224979%
17-104	F2-R	2/2.5	1530	606	0.313495%
17-201	G3	3/3	1724	641	0.353245%
17-202	B2	2/2	1098	248	0.224979%
17-203	B2-R	2/2	1098	248	0.224979%
17-204	F2-R	2/2.5	1530	606	0.313495%
17-301	G3	3/3	1724	641	0.353245%
17-302	B2	2/2	1098	248	0.224979%
17-303	B2-R	2/2	1098	248	0.224979%
17-304	F2-R	2/2.5	1530	606	0.313495%
17-401	G3	3/3	1724	641	0.353245%
17-402	B2	2/2	1098	248	0.224979%
17-403	B2-R	2/2	1098	248	0.224979%
17-404	F2-R	2/2.5	1530	606	0.313495%
18-101	G3	3/3	1724	641	0.353245%
18-102	B2	2/2	1098	248	0.224979%
18-103	B2-R	2/2	1098	248	0.224979%
18-104	F2-R	2/2.5	1530	606	0.313495%
18-201	G3	3/3	1724	641	0.353245%
18-202	B2	2/2	1098	248	0.224979%
18-203	B2-R	2/2	1098	248	0.224979%
18-204	F2-R	2/2.5	1530	606	0.313495%
18-301	G3	3/3	1724	641	0.353245%
18-302	B2	2/2	1098	248	0.224979%
18-303	B2-R	2/2	1098	248	0.224979%
18-304	F2-R	2/2.5	1530	606	0.313495%
18-401	G3	3/3	1724	641	0.353245%

Unit Number	Unit Type	Bedrooms/ Bathrooms	Approximate Net Living Area(sf)	Approximate Lanai Area(sf)	Percentage Common Interest
18-402	B2	2/2	1098	248	0.224979%
18-403	B2-R	2/2	1098	248	0.224979%
18-404	F2-R	2/2.5	1530	606	0.313495%
19-101	G3	3/3	1724	641	0.353245%
19-102	B2-R	2/2	1098	248	0.224979%
19-103	B2	2/2	1098	248	0.224979%
19-104	G3-R	3/3	1724	641	0.353245%
19-201	G3	3/3	1724	641	0.353245%
19-202	B2-R	2/2	1098	248	0.224979%
19-203	B2	2/2	1098	248	0.224979%
19-204	G3-R	3/3	1724	641	0.353245%
19-301	G3	3/3	1724	641	0.353245%
19-302	B2-R	2/2	1098	248	0.224979%
19-303	B2	2/2	1098	248	0.224979%
19-304	G3-R	3/3	1724	641	0.353245%
19-401	G3	3/3	1724	641	0.353245%
19-402	B2-R	2/2	1098	248	0.224979%
19-403	B2	2/2	1098	248	0.224979%
19-404	G3-R	3/3	1724	641	0.353245%
C1	Snack Bar		1191	400	0.244034%
C2	Spa		3377	1515	0.691943%
C3*	Office/ Front Desk		1605	191	0.328862%
C4	Convenience Store		664	423	0.136053%
C5	Commercial Space		4449	996	0.911594%
C6	Maintenance Bldg		5360		1.098312%
			488046		100.000000%

* Other Limited Common Elements noted on map consist of the Reception/Lobby Area and other areas in Building No. 1 noted in Article II.D.4 of the Declaration.

1. **Location of Units.**

a. Residential Units.

Three hundred and twenty-two (322) Residential Units located in nineteen (19) different four (4) story buildings located throughout the Project as follows:

- 1) Building 1 contains 28 Residential Units.
- 2) Building 2 contains 16 Residential Units.
- 3) Building 3 contains 16 Residential Units.
- 4) Building 4 contains 16 Residential Units.
- 5) Building 5 contains 24 Residential Units.
- 6) Building 6 contains 14 Residential Units.
- 7) Building 7 contains 14 Residential Units.

- 8) Building 8 contains 14 Residential Units.
- 9) Building 9 contains 24 Residential Units.
- 10) Building 10 contains 16 Residential Units.
- 11) Building 11 contains 16 Residential Units.
- 12) Building 12 contains 16 Residential Units.
- 13) Building 13 contains 14 Residential Units.
- 14) Building 14 contains 14 Residential Units.
- 15) Building 15 contains 16 Residential Units.
- 16) Building 16 contains 16 Residential Units.
- 17) Building 17 contains 16 Residential Units.
- 18) Building 18 contains 16 Residential Units.
- 19) Building 19 contains 16 Residential Units.

b. Commercial Units

Six (6) Commercial Units located throughout the Project as follows:

- 1) Commercial Unit 1 (C1; Snack Bar) is its own free standing building.
- 2) Commercial Unit 2 (C2; Spa) in a free standing building.
- 3) Commercial Unit 3 (C3; Office/Front Desk) located on first floor of Building 1.
- 4) Commercial Unit 4 (C4; Convenience Store) located on first floor of Building 1.
- 5) Commercial Unit 5 (C5; Commercial Space) located on first floor of Building 1.
- 6) Commercial Unit 6 (C6; Maintenance Building) is its own free standing building.

Note that the Owner of a Commercial Unit has the right to change the use of such Commercial Unit and the labeling of such Units herein and in the Condominium Map are for reference purposes only to describe initial intended use.

2. **Layout of Units.**

a. Residential Units. All Residential Units have the number of bedrooms and bathrooms indicated on the table above and one kitchen. All Residential Units have a living/dining room. The layouts of the Residential Units are further depicted in the Condominium Map.

b. Commercial Units. The layouts of the Commercial Units are depicted in the Condominium Map.

3. **Determination of Approximate Net Living area.**

The approximate net living area of each Unit in the Project was determined by measuring the area between the perimeter walls of each Unit, and includes the area occupied by the non-load bearing walls and some load-bearing columns located between said perimeter walls.

4. **Calculation of Percentage of Common Interest.**

The common interest attributable to each Unit in the Project was calculated by dividing the approximate net living area of each individual Unit the total net living area of the Units within the Project. In order to permit the common interest for all Units in the Project to equal exactly one hundred percent (100%), the common interest attributable to Commercial Unit 6 was increased by .000055%. THE COMMON INTERESTS SET FORTH HEREIN ARE BASED ON THE DEVELOPER'S BEST ESTIMATE AT THE TIME OF FILING OF THE DECLARATION FOR THE PROJECT. THE DEVELOPER HAS THE RESERVED RIGHT TO MODIFY THE COMMON INTEREST IN THE EVENT THAT THERE IS A VARIATION IN APPROXIMATE NET LIVING AREA.

5. **Parking Stalls/Storage Lockers.**

All parking in the Project are Common Elements, provided that the parking stalls located within the 4-car garages and any storage locker or areas therein, are specifically Limited Common Elements appurtenant to the Front

Desk Unit. Residential Units shall not have an assigned parking stall, and shall not be guaranteed the use of a specific parking stall. However, such Residential Unit will have the right to use one (1) unassigned parking stall on a first come, first served basis, the location of which shall be determined by the Managing Agent or Resort Manager. Some of the parking stalls may also be reserved for the Developer and/or the Resort Manager and Managing Agent for the operation of the Commercial Units and resort operations in general as guest and/or employee stalls. The Managing Agent will manage use of the Common Element parking stalls and may delegate its management right to the Resort Manager.

The parking stalls located within the 4-car garages and the storage lockers located therein, as Limited Common Elements to the Front Desk Unit, are for the exclusive use by and are under the control of the Front Desk Unit Owner; provided that the Front Desk Unit Owner at such Owner's discretion may license, lease out or redesignate such stalls or storage lockers as Limited Common Elements to other Units in the Project.

6. Time Share Plan.

Currently Units 3-204, 3-302, 3-303 and 3-304 are subject to a time share plan. The Developer may annex additional Units owned by the Developer into the time share plan over time.

EXHIBIT "G"

ENCUMBRANCES AGAINST TITLE

1. Real property taxes that may be due and payable. For more information contact County of Kauai, Department of Finance, Real Property Tax Division.
2. Mineral and water rights of any nature in favor of the State of Hawaii.
3. Stipulation and Decree dated June 7, 1951, filed in the Circuit Court of the Fifth Circuit, State of Hawaii, Equity No. 144, filed as Land Court Document No. 135050, re: to receive water from the Konohiki of the Ahupuaa of Koloa in a constant stream in the amount of 45,000 gallons per day.
4. Unrecorded License Agreement dated December 1, 1994 in favor of POIPU KAPILI ASSOCIATION OF APARTMENT OWNERS, an unincorporated condominium association, as set forth in Deed dated December 12, 1996, filed as Land Court Document No. 2357022.
5. The terms and provisions contained in the following:

INSTRUMENT : LIMITED WARRANTY DEED WITH COVENANTS, RESERVATIONS,
RESTRICTIONS ON SALE AND DISCLOSURES

DATED : November 2, 2000
FILED : Land Court Document No. 2662386
RECORDED : Document No. 2000-155601

The foregoing includes, but is not limited to, matters relating to agricultural activities, including sugar cane burning, on nearby lands

6. Archaeological sites disclosed by the Archaeological Report dated January 2005 (revised December 2005) that are not resolved in accordance with the recommendations contained in said Report.
7. The terms and provisions contained in the following:

INSTRUMENT : AMENDED AND RESTATED DECLARATION OF CONDOMINIUM
PROPERTY REGIME FOR "KOLOA LANDING AT POIPU BEACH"
CONDOMINIUM PROJECT

DATED : September 6, 2007
FILED : Land Court Document No. 3673430
MAP : 1878 and any amendments thereto

The foregoing Amended and Restated Declaration of Condominium Property Regime restates the original Declaration dated March 14, 2007, filed as Land Court Document No. 3575729, and any amendments thereto.

Said Amended and Restated Declaration was amended by instruments dated May 2, 2008, filed as Land Court Document No. 3743269, dated October 14, 2010, filed as Land Court Document No. 4011478, dated January 25, 2013, filed as Land Court Document No. T-8439430, and dated March 14, 2014, filed as Land Court Document No. T-8849213.

8. The terms and provisions contained in the following:

INSTRUMENT : AMENDED AND RESTATED BYLAWS OF ASSOCIATION OF KOLOA
LANDING AT POIPU BEACH

DATED : September 6, 2007

FILED : Land Court Document No. 3673431

The foregoing Amended and Restated Bylaws restates the original Bylaws dated March 14, 2007, filed as Land Court Document No. 3575730, and any amendments thereto

9. DESIGNATION OF EASEMENT "119"

PURPOSE : pedestrian and vehicular ingress and egress

SHOWN : on Map 116, as set forth by Land Court Order No. 171951, filed on September
6, 2007

10. DESIGNATION OF EASEMENT "120"

PURPOSE : pedestrian and vehicular ingress and egress, landscaping, and utility

SHOWN : on Map 116, as set forth by Land Court Order No. 171951, filed on September
6, 2007

11. RESTRICTION OF VEHICLE ACCESS RIGHTS

ALONG : Poipu Road

SHOWN : on Map 116, as set forth by Land Court Order No. 171951, filed on September
6, 2007

12. SETBACK (8 feet wide)

PURPOSE : road widening reserve

ALONG : Kapili Road

SHOWN : on Map 116, as set forth by Land Court Order No. 171951, filed on September
6, 2007

13. GRANT

TO : HO'ONANI ROAD LLC, dba STEP INTO LIQUID, a Colorado limited liability
company

DATED : March 28, 2007

FILED : Land Court Document No. 3641260

GRANTING : a perpetual, nonexclusive easement for (i) pedestrian and vehicular ingress and
egress, (ii) landscaping, and (iii) utility purposes over, across and upon
Easement "120" as shown on Map 116 of Land Court Application No. 956

14. GRANT

TO : JOSEPHINE M. GAMPON, as Trustee of the Jose Marquez Land Trust, and
JOSEPHINE M. GAMPON as Trustee of the Ambrocia Gampon Marquez Land
Trust, both with full powers to sell, lease, or otherwise deal with the land

DATED : April 18, 2007

FILED : Land Court Document No. 3641263

- GRANTING : a perpetual, nonexclusive easement for pedestrian and vehicular ingress and egress purposes over, across and upon Easement "119" as shown on Map 116 of Land Court Application No. 956
15. The terms and provisions contained in the following:
- INSTRUMENT : WAIVER, RELEASE AND INDEMNITY AGREEMENT
- DATED : April 1, 2008
RECORDED : Document No. 2008-074920
PARTIES : POIPU BEACH VILLAS, LLC, a Hawaii Limited Liability Company (Applicant) and the DEPARTMENT OF WATER, COUNTY OF KAUAI, a political subdivision of the State of Hawaii (Department of Water)
16. GRANT
- TO : GUERINO RASMAN and JULIANNA VIKTORIA RASMAN, husband and wife, and GERALD CARLO RASMAN, unmarried
- DATED : August 18, 2008
FILED : Land Court Document No. 3789263
GRANTING : a perpetual, nonexclusive easement for (i) pedestrian and vehicular ingress and egress, and (ii) utility purposes over, across and upon Easement "120" as shown on Map 116 of Land Court Application No. 956
17. GRANT
- TO : POIPU BEACH VILLAS, LLC, a registered Hawaii limited liability company
- DATED : September 15, 2008
FILED : Land Court Document No. 3790304
GRANTING : a perpetual, nonexclusive easement for pedestrian and vehicular ingress and egress purposes, over across and upon Easement "119" as shown on Map 116 of Land Court Application No. 956
18. Any rights or interests which may exist or arise by reason of the following facts shown on survey map prepared by Dennis M. Esaki, Land Surveyor, with Esaki Surveying & Mapping, Inc., dated August 20-23, 2008:
- Wall at Southwest side bordering Lot 110.
19. CONSTRUCTION MORTGAGE WITH ABSOLUTE ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING
- MORTGAGOR : POIPU BEACH VILLAS, LLC, a Hawaii limited liability company
- MORTGAGEE : ZIONS FIRST NATIONAL BANK, a National Banking Association
- DATED : as of November 20, 2009
FILED : Land Court Document No. 3919075
AMOUNT : \$49,000,000.00

ABOVE MORTGAGE AMENDED BY INSTRUMENT

DATED : February 1, 2012
FILED : Land Court Document No. T-8159172
RE : the payment of \$33,500,000.00

20. The terms and provisions contained in the following:

INSTRUMENT : ASSIGNMENT OF LEASES AND RENTS

DATED : as of November 20, 2009
RECORDED : Document No. 2009-181363
PARTIES : POIPU BEACH VILLAS, LLC, a Hawaii limited liability company,
"Borrower", and ZIONS FIRST NATIONAL BANK, a national banking
association, "Lender"
RE : to secure the repayment of the principal sum of \$49,000,000.00

21. FINANCING STATEMENT

DEBTOR : POIPU BEACH VILLAS, LLC

SECURED
PARTY : ZIONS FIRST NATIONAL BANK

RECORDED : Document No. 2010-003891
RECORDED ON: January 11, 2010

22. GRANT in favor of KAUAI ISLAND UTILITY COOPERATIVE, dated July 28, 2010, filed as Land Court Document No. 4011161; granting a perpetual right and easement to build, construct, reconstruct, rebuild, repair, maintain and operate pole and wire lines and/or underground lines, including also the right of entry for maintenance purposes, over, under, upon, across and through those certain premises described therein.

EXHIBIT "I"

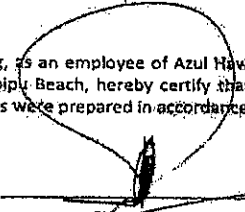
THE AMOUNTS SET FORTH BELOW ARE ESTIMATES ONLY AND MAY CHANGE FOR REASONS BEYOND THE CONTROL OF THE DEVELOPER.

INSURANCE, ENERGY AND LABOR COSTS ARE CURRENTLY IN FLUX AND CAN SUBSTANTIALLY INCREASE OVER A SHORT PERIOD OF TIME. THE DEVELOPER CANNOT PREDICT HOW CHANGES IN THE ECONOMIC, SOCIAL AND POLITICAL CONDITIONS IN HAWAII, THE U.S. AND/OR GLOBALLY MAY IMPACT SUCH COSTS. PURCHASERS ARE AWARE AND ACKNOWLEDGE THAT THE BUDGET, AND, AS A RESULT, EACH PURCHASER'S MAINTENANCE FEE, MAY INCREASE SUBSTANTIALLY DUE TO INCREASING COSTS, INCLUDING COSTS ATTRIBUTED TO THE INSURANCE COVERAGE AND ENERGY.

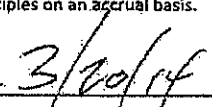
PURCHASER RECOGNIZES AND ACKNOWLEDGES THAT SUCH COMMON INTERESTS AND MAINTENANCE FEES ARE SUBJECT TO CHANGE AS THE PROJECT EVOLVES. SUCH ESTIMATES ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY REPRESENTATION OR WARRANTY BY THE DEVELOPER, INCLUDING BUT NOT LIMITED TO ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF SUCH ESTIMATES.

Association of Apartment Owners
Koloa Landing at Poipu Beach
Budget for the Year 1/01/14-12/31/14

I, Jeffrey Zogg, as an employee of Azul Hawaii Resorts, the condominium managing agent for the Association of Koloa Landing at Poipu Beach, hereby certify that the above estimated maintenance fee assessments and maintenance fee disbursements were prepared in accordance with general accounting principles on an accrual basis.



Signature



Date

Pursuant to 514B-148, 7b, Hawaii Revised Statutes, a new association need not collect estimated replacement reserves until the fiscal year, which begins after the association's first annual meeting. The Developer has conducted a reserve study for the project.

The amounts set forth in this budget are estimates only and are based on the current price index. The amounts may change for reasons beyond the control of the developer. Insurance, energy and labor costs are currently in flux and can substantially increase over a short period of time. The developer cannot predict how changes in the economic, social and political conditions in Hawaii, the US and/or globally may impact such costs. Purchasers are aware and acknowledge that the budget, and, as a result, each purchaser's maintenance fee, will likely increase due to the trend towards the increasing costs of insurance, energy and labor.

EXHIBIT "I"

**Association of Koloa Landing at Poipu Beach
2014 Estimated Budget
Phase One and Phase Two**

	Monthly Average	Annual 2014
REVENUE		
General Assessment	162,221.00	1,946,652.00
Front Desk Services	2,020.00	24,240.00
Front Desk Services Transfer	-2,020.00	-24,240.00
C2 License Fee Assessment	3,030.00	36,360.00
C2 License Fee Assessment Trans	-3,030.00	-36,360.00
Developer Funding	3,820.00	45,840.00
Other Income	250.00	3,000.00
Total REVENUE	<u>166,291.00</u>	<u>1,995,492.00</u>
Expense		
WAGES & BENEFITS		
Administration	8,192.25	98,307.00
Engineering	22,044.50	264,534.00
Housekeeping	9,502.33	114,028.00
Pool	3,088.83	37,066.00
Payroll Taxes	4,813.83	57,766.00
Workers Comp	760.42	9,125.00
Health Insurance	3,875.58	46,507.00
401K Match	299.83	3,598.00
Total WAGES & BENEFITS	<u>52,577.58</u>	<u>630,931.00</u>
OPERATING EXPENSES		
Housekeeping Supplies	161.00	1,932.00
Office Supplies	343.00	4,116.00
Postage and Delivery	26.00	312.00
Telephone	602.00	7,224.00
Linens	372.00	4,464.00
Contract Services	1,074.67	12,896.00
Licenses & Taxes	126.00	1,512.00
Computer and Office Equipment	215.00	2,580.00
Employee Relations	389.00	4,668.00
Bank Fees	10.00	120.00
Payroll Processing	357.00	4,284.00
Accounting & Audit Fees	262.50	3,150.00
Consulting	14.00	168.00
Flowers and Decorations	604.00	7,248.00
Printing	33.33	400.00
Automobile Expenses	290.00	3,480.00
Total OPERATING EXPENSES	<u>4,879.50</u>	<u>58,554.00</u>
MAINTENANCE		

**Association of Koloa Landing at Poipu Beach
2014 Estimated Budget
Phase One and Phase Two**

	Monthly Average	Annual 2014
Uniforms	38.00	456.00
Maintenance Supplies	625.00	7,500.00
Contract Electrical/Plumbing	500.00	6,000.00
Repairs and Maint - Building	2,500.00	30,000.00
Elevator Maintenance	4,500.00	54,000.00
Plumbing & Heating	400.00	4,800.00
Radios & Pagers	39.00	468.00
Security Services	4,600.00	55,200.00
Lighting/Lock & Key	750.00	9,000.00
Grounds & Landscaping	18,625.00	223,500.00
Painting	95.00	1,140.00
Pest Control	983.00	11,796.00
Swimming Pool Maintenance	3,600.00	43,200.00
Other	1,000.00	12,000.00
Refuse Removal	2,600.00	31,200.00
Total MAINTENANCE	40,855.00	490,260.00
UTILITIES		
Internet	435.00	5,220.00
Electricity	32,464.58	389,575.00
Solar Energy Credit	-2,479.33	-29,752.00
Gas/Propane	8,200.00	98,400.00
Cable/Internet	2,907.00	34,884.00
Water	5,291.00	63,492.00
Sewer	3,750.00	45,000.00
Total UTILITIES	50,568.25	606,819.00
OTHER		
Property Management Fees	5,000.00	60,000.00
Insurance - General	12,302.00	147,624.00
Real Property Tax	116.67	1,400.00
GE Tax	2.50	30.00
Total OTHER	17,421.17	209,054.00
Total Expense	166,301.50	1,995,618.00

Association of Koloa Landing at Poipu Beach

MONTHLY SUMMARY ASSESSMENT SCHEDULE

3/20/2014

Unit Type	# of units	Estimated Monthly in Public Report				Total
		Front Desk Svs Fee	C2 License	Maint. Fee	Capital Reserve	
B2	32	20.00	30.00	1,226.65		1,276.65
D2	12	20.00	30.00	1,438.01		1,488.01
E2	8	20.00	30.00	1,515.49		1,565.49
F2	8	20.00	30.00	1,704.72		1,754.72
G3	30	20.00	30.00	1,919.42		1,969.42
J3	6	20.00	30.00	2,083.20		2,133.20
PH-2	2	20.00	30.00	3,355.87		3,405.87
C3- Office	1	-	0.00	1,807.42		1,807.42
C4- Convenience Store	1	-	0.00	757.37		757.37
C5- Commercial Space	1			4,672.45		4,672.45
	101					

In accordance with Hawaii condominium law, only those units with certificates of occupancy in the Project are currently being assessed maintenance fees. As such, only units in Phase I are responsible for paying maintenance fees at this point in the development of the Project. The maintenance fees for the 87 units in Phase I are calculated based on each unit's common interest in proportion to those completed units in Phase I. In other words, since all 87 units are responsible for 100% of the common expenses, each unit will pay that portion of the common expenses for Phase I that is proportionate to its common interest allocation in the entire project. In order to calculate each unit's proportionate share, each unit's common interest was divided by the aggregate of all Phase I units' common interest. As the units in Phase II receive certificates of occupancy and the amenities and facilities in Phase II are constructed, the common expense and the maintenance fees will be accordingly adjusted.