

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

CONDOMINIUM PROJECT NAME:	KOLOA LANDING AT POIPU BEACH – PHASE II (Report covers Phase II consisting of 241 of 328 units)
PROJECT ADDRESS:	2641 Poipu Road Koloa, Hawaii 96756
REGISTRATION NUMBER:	6616
EFFECTIVE DATE OF REPORT:	February 29, 2016
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>September 15, 2014</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.

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at (808) 586-2643 to submit your request.

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

Summary of Changes from Earlier Developer's Public Report:

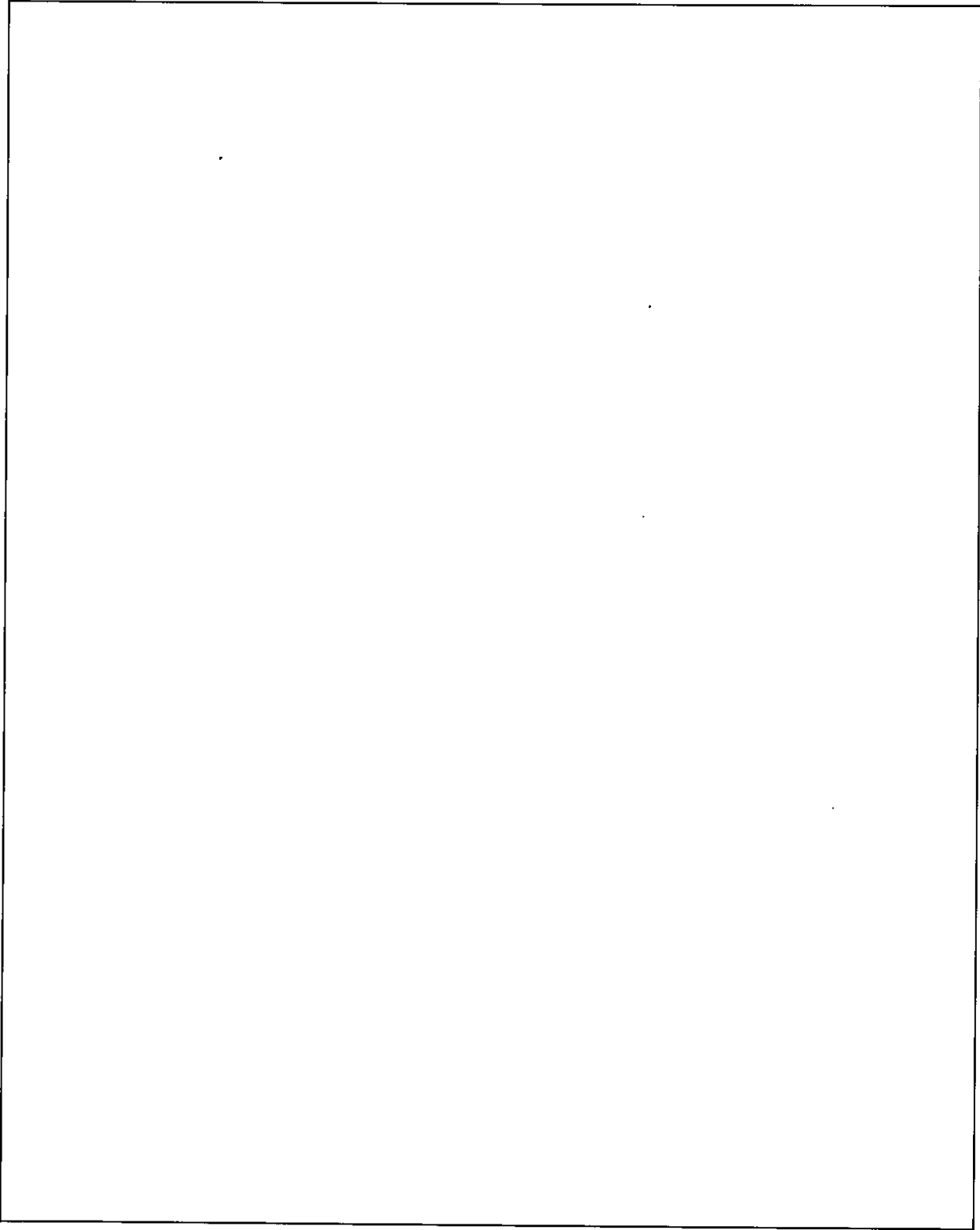
This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public 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. In order to be consistent with the period of developer control provided for in Section 514B-106(d) of the Hawaii Revised Statutes, the Developer has filed a Fourth Amendment to Amended and Restated Declaration of Condominium Property Regime for Koloa Landing at Poipu Beach and Condominium Map, dated October 22, 2015 as Document No. T-9439156, and a First Amendment to Amended and Restated Bylaws of Association of Koloa Landing at Poipu Beach, dated October 22, 2015 as Document No. T-9439157. Accordingly, Exhibit "H" is updated with the insertion of Paragraph Q containing the information in the Amendments.
2. An updated title search dated November 20, 2015 from Title Guaranty has been obtained. Exhibit "G" has been updated to reflect the recording information for the Amendments noted above.
3. Page 9, §2.1 was revised to reflect the change in manager for Poipu Beach Villas, LLC from Poipu Beach Management, LLC to the new manager, PBV Management Services, LLC.

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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*

February 22, 2016
Date

Kent B. England, President of PBV Management Services, 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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1.9 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 II: 31 Total Project: 42
Stairways	Phase II: 62 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: November 20, 2015
Company that issued the title report: Title Guaranty of Hawaii, Inc.

2. PERSONS CONNECTED WITH THE PROJECT

<p>2.1 Developer</p>	<p>Name: Poipu Beach Villas, LLC Business Address: 10701 S. Riverfront Parkway, Suite #135 South Jordan, Utah 84095</p> <p>Business Phone Number: (801) 446-0110 E-mail Address: kengland@argentgroup.us</p>
<p>Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).</p>	<p>PBV Management Services, LLC, Manager</p> <p>Its Manager:</p> <p>William Child</p>
<p>2.2 Real Estate Broker</p>	<p>Name: Oceanfront Realty International, Inc. Business Address: Princeville Center G-205 5-4280 Kuhio Highway Princeville, Hawaii 96722</p> <p>Business Phone Number: (808) 826-6585 E-mail Address: donna@oceanfrontrealty.com</p>
<p>2.3 Escrow Depository</p>	<p>Name: Title Guaranty Escrow Company Services, Inc. Business Address: 235 Queen Street Honolulu, Hawaii 96813</p> <p>Business Phone Number: (808) 521-0211</p>
<p>2.4 General Contractor</p>	<p>Name: Resort Construction Managers, Inc. Business Address: 9090 S. Sandy Sandy, Utah 84070</p> <p>Business Phone Number: (808) 652-4334</p>
<p>2.5 Condominium Managing Agent</p>	<p>Name: Azul Hawaii Resorts – Koloa, LLC Business Address: 4689 Santa Monica Avenue San Diego, California 92107</p> <p>Business Phone Number: (619) 223-4200</p>
<p>2.6 Attorney for Developer</p>	<p>Name: Imanaka Asato Attn: Mitchell Imanaka, Esq./ Dylan R.K. Jones, Esq. Business Address: 745 Fort Street, 17th Floor Honolulu, Hawaii 96813</p> <p>Business Phone Number: (808) 521-9500</p>

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.

Land Court or Bureau of Conveyances	Date of Document	Document Number
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
Land Court	October 22, 2015	T-9439156

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
Land Court	October 22, 2015	T-9439157

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 "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, dated March 14, 2014, filed as Land Court Document No. T-8849213, and dated October 22, 2015, filed as Land Court Document No. T-9439156.

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.

Said Amended and Restated Bylaws was amended by instrument dated October 22, 2015, filed as Land Court Document No. T-9439157.

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

EXHIBIT "G"
(Page 3 of 4)

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 "H"

RIGHTS RESERVED BY DEVELOPER

Among other rights, the Developer will have the following reserved rights with respect to the Project, which are more particularly set forth in the Declaration, Bylaws and House Rules.

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

DECLARATION

A. RESERVED RIGHT TO GRANT AND RECEIVE EASEMENTS. This right is set forth in Article XVII of the Declaration. Developer will have, among other things, the right to delete, cancel, relocate, realign, reserve, designate, grant and receive any and all easements and rights of way over, under through and/or across the Common Elements. Developer's rights under said Article XVII are reserved until December 31, 2026.

B. RESERVED RIGHT TO ALTER, SUBDIVIDE AND CONSOLIDATE UNITS. This right is set forth in Article XVIII of the Declaration. Developer will have, among other things, the right until December 31, 2026, to (1) alter the floor plan of any Unit which it owns so long as the Common Interest appurtenant to the Unit does not change; (2) subdivide any Unit which it owns at any time to create two or more Units so long as the total Common Interest appurtenant to the newly-created Units are equal to the Common Interest appurtenant to the original Unit; (3) convert the status of certain portions of an existing Unit to Common Element status to facilitate any subdivision so long as the total common interest appurtenant to the newly-created Unit(s) equal the Common Interest appurtenant to the original Unit; (4) consolidate two or more Units which it owns and convert any area between Units to Unit status; and (5) recalculate the Common Interest appurtenant to each Unit upon such subdivision and/or consolidation, provided that the total common interest appurtenant to the newly-created units shall equal the Common Interest appurtenant to the original Units.

C. RESERVED RIGHT TO CONVERT LIMITED COMMON ELEMENTS TO UNITS. This right is set forth in Article XX of the Declaration. Developer shall have, among other things, the right until December 31, 2026, without obtaining the approval of any party with an interest in the Project, including any other Owner and/or mortgagee, to convert a Limited Common Element appurtenant to a Unit or Units owned by Developer, or any portion thereof, into a separate Unit of the Project.

D. RESERVED RIGHT TO RECHARACTERIZE AND REDESIGNATE LIMITED COMMON ELEMENTS. This right is set forth in Article XXI of the Declaration. Developer will have, among other things, the right until December 31, 2026, to (1) recharacterize all or a portion of certain Limited Common Elements as may be appurtenant to a Unit owned by Developer as being Common Elements of the Project; and (2) redesignate all or a portion of certain Limited Common Elements as may be appurtenant to any Unit owned by Developer, to another Unit or Units owned by Developer.

E. RESERVED RIGHTS REGARDING SPECIAL MANAGEMENT AREA PERMIT AND OTHER PERMITS. This right is set forth in Article XXII of the Declaration. Developer will have, among other things, the right until December 31, 2026, to (1) amend the Project Documents, (2) enter into any agreements, including without limitation, to declare and subject the Project Land and Improvements to restrictive covenants, (2) designate and grant easements, (3) secure any other governmental permits, and (4) do all things necessary and convenient to satisfy the requirements and/or conditions of any land use or other permits pertaining to the Project, including without limitation, that certain Special Management Area Permit (SMA(U)-2004-6) issued by the County of Kauai, as the same may be amended or modified.

F. RESERVED RIGHT TO CONVEY PROPERTY TO THE ASSOCIATION. This right is set forth in Article XXIII of the Declaration. Developer will have, among other things, the right until December 31, 2026, to convey to the Association, and the Association shall accept title to any property owned by Developer, including without limitation, the Front Desk Unit and/or any or all of the other Commercial Units, or any portion thereof, together with any Limited Common Elements appurtenant thereto and the responsibility to perform any and

all duties associated therewith, and/or any Residential Units and any Limited Common Elements appurtenant thereto, which, upon conveyance or dedication to the Association, the Association shall maintain at its expense for the benefit of the Owners.

G. RESERVED RIGHT TO CONDUCT SALES ACTIVITIES. This right is set forth in Article XXIV of the Declaration. Developer will have, among other things, the right until the later of December 31, 2026 or the closing of the sale of the last unsold Unit in the Project, to conduct extensive sales activities at the Project, including the use of any Unit owned by Developer and the Limited Common Elements appurtenant thereto and the Common Elements.

H. RESERVED RIGHT TO ENTER INTO HOTEL BRAND LICENSE AGREEMENT AND TO CHANGE PROJECT NAME. This right is set forth in Article XXV of the Declaration. Developer will have, among other things, the right until December 31, 2026, to enter into a hotel brand license agreement with a reputable hotel operator and/or to amend the Project Documents and/or rename the Project, impose restrictions on the use of the Project name and to make any other changes to the Project Documents as may be required by the terms of the any brand license agreement.

I. RESERVED RIGHT TO GRANT EASEMENTS FOR COMMERCIAL UNIT EMPLOYEES, CUSTOMERS AND GUESTS. Pursuant to Article XXVI of the Declaration, the Developer will have to right to and until December 31, 2026 to grant easements to the Commercial Units' employees, vendors, licensees, customers, invitees and guests, for purposes of the business conducted in the Commercial Units and its Limited Common Elements, including, without limitation, for access, deliveries of goods and services, use the restrooms within certain Commercial Units and their Limited Common Elements, if any, and the Common Elements. Developer shall further have the accompanying reserved right to charge the Owner of the Commercial Unit requesting such easement an equitable fee based on projected wear and tear on the Common Elements caused by the use of such easements. The Developer has the reserved right to open Commercial Unit 2 to the general public and reserves the right to grant the easements set forth in Article XXVI, subject to an equitable fee paid to the Association for wear and tear on the Common Elements due to the granting of such easements.

J. RESERVED RIGHT TO CHANGE CONSTRUCTION PLANS AND THE SPECIFICATIONS OF A UNIT TO ACCOMMODATE "IN THE FIELD" CONSTRUCTION NEEDS. Pursuant to Article XXVII of the Declaration, Developer will have to right to and until December 31, 2026 to change construction plans and specifications for any Unit or building from time to time during the construction phase to accommodate ongoing "in the field" construction needs and to permit all components of Units and the buildings to be integrated in a well-functioning and aesthetically pleasing product in an expeditious manner; provided that the variance in any net living area of a Unit or Limited Common Element appurtenant thereto shall not exceed two percent (2%) of the net living area or Limited Common Element appurtenant thereto, respectively, represented in the Declaration.

K. RESERVED RIGHT TO DEVELOP AND CONSTRUCT OR NOT TO DEVELOP AND CONSTRUCT ALL BUILDINGS. All buildings and Improvements in the Project may not be constructed at the same time. As such, pursuant to Article XXVIII of the Declaration, the Developer will have to right to and until December 31, 2026 to construct such buildings and Improvements at different times and to alter the number of buildings and the Improvements consisting of the Project from time to time. Nothing in the Declaration shall be construed as a representation or warranty by Developer that all buildings and improvements described on the Condominium Map will be developed and built, nor shall anything herein require the Developer to develop and build all of the buildings and improvements described in the Condominium Map.

L. RESERVED RIGHT TO ALTER THE NUMBER OF UNITS IN THE PROJECT. The Developer will have the reserved right to an until December 31, 2026 in accordance with Article XXIX of the Declaration, to reduce or increase the number of Units in the Project, notwithstanding anything provided to the contrary, and except as otherwise provided by law, and to record and file amendments to the Project Documents to reflect such alteration.

M. RESERVED RIGHT TO LEASE OR TRANSFER COMMERCIAL UNITS. The Developer will have the reserved right to and until December 31, 2026 in accordance with Article XXX of the Declaration to

lease or transfer ownership of the Commercial Units to the Association or a third-party and to redesignate the Limited Common Elements appurtenant to such Commercial Units to Units owned by the Association or such third-party and to the extent necessary or required, to amend the Declaration and the Condominium Map to effect the same.

N. RESERVED RIGHT TO ASSIGN PARKING STALLS. The Developer will have the reserved right to and until December 31, 2026 in accordance with Article XXXI of the Declaration to assign and reassign parking stalls and portions of the 4-car garage in which such parking stall is located in the Project that are Limited Common Elements appurtenant to any Unit that it owns from time to time to another Unit in the Project.

O. RESERVED RIGHT TO MODIFY PROJECT DOCUMENTS. The Developer will have the reserved right to and until December 31, 2026 in accordance with Article XXXII of the Declaration to effect modifications to Units and Common Elements in the Project and/or execute, record and deliver any amendments to the Declaration and the Condominium Map, Bylaws, House Rules and/or Design Committee Rules (if any) for the Project, as may be necessary or required by the Developer, in its sole discretion, to effect compliance by the Project, the Association or the Developer, with laws which apply to the Project.

P. RESERVED RIGHT TO AMEND PROJECT DOCUMENTS TO IMPLEMENT TIME SHARE PLAN. Should Developer decide to permit a time share plan at the Project, pursuant to Article VI.A of the Declaration, Developer will have the reserved right to and until December 31, 2026 in accordance with Article XXXIII of the Declaration to amend the Declaration as necessary to comply with the requirements of Chapter 514E of the Hawaii Revised Statutes, including, without limitation, to add explicitly and prominent language in the Project Documents, including the Declaration, to permit time share plans at the Project and to execute, deliver and file any amendments to the Project Documents, including the Declaration, any necessary land court petitions with the Office, or such other document or instrument, that may be necessary or appropriate to permit the Developer to exercise its reserved right herein.

Q. RIGHT TO APPOINT AND REMOVE THE OFFICERS AND MEMBERS OF THE BOARD; DEVELOPER CONTROL PERIOD. Pursuant to Article XXXIV of the Declaration the Developer shall have the right to appoint and remove officers and members of the Board for a certain period of time (the "Developer Control Period"). The Developer Control Period shall terminate no later than the earlier of the following: (a) sixty (60) days after the conveyance of seventy-five percent (75%) of the Common Interest appurtenant to Units that may be created to Owners other than Developer or an affiliate of Developer; (b) two (2) years after Developer has ceased to offer Units for sale in the ordinary course of business; (c) two (2) years after any right to add Units was last exercised; or (d) the day Developer, after giving written notice to Owners, records an instrument voluntarily surrendering all rights to control the activities of the Association. Developer may voluntarily surrender the right to appoint and remove officers and members of the Board before the termination of the Developer Control Period, but in that event, Developer may require, for the duration of the Developer Control Period, that specified actions of the Association or Board, as described in a recorded instrument executed by Developer, be approved by Developer before they become effective.

R. ASSIGNMENT OF RESERVED RIGHTS. Pursuant to Article XXXV of the Declaration, the rights reserved by Developer are fully assignable.

S. CONSENT TO DEVELOPER'S RESERVED RIGHTS; APPOINTMENT OF DEVELOPER AS ATTORNEY-IN-FACT. Pursuant to Article XXXVI of the Declaration, every party acquiring an interest in the Project consents to Developer's exercise of its reserved rights and to the execution, delivery and recording of any documents to effect these rights. Every party agrees to execute, deliver and record documents and do what may be necessary or convenient to effect the same; and appoints Developer its attorney-in-fact to execute, deliver and record such documents and do such other things on his behalf.

BYLAWS

The Developer has the right to amend the Bylaws as set forth in Article X, Section 12 of the Bylaws. Developer shall have the reserved right to unilaterally amend the Bylaws for the purpose of complying with any applicable State, Federal or County law, or for the purpose of incorporating requirements imposed by any

institutional mortgage lender or by the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, U.S. Department of Housing and Urban Development or Veterans Administration, or for the purpose of bringing the Project and/or the Bylaws into compliance with the laws and rules of any other jurisdiction in which Developer intends to register, market or sell Units. Each and every party acquiring an interest in the Project, by such acquisition, consents to such amendments as described in the preceding sentence and agrees to execute and deliver such documents and instruments and do such other things as may be necessary or convenient to effect the same; and appoints the Developer and its assigns his attorney-in-fact with full power of substitution to execute and deliver such documents and instruments and to do such things on his behalf, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be effected by the disability of such party or parties. Further, no amendment to the Declaration or these Bylaws that affects the Developer's reserved rights contained within the Declaration shall be valid, unless consented to by the Developer in writing.

HOUSE RULES

RESERVED RIGHT TO AMEND HOUSE RULES. The Developer has the right to amend the House Rules as set forth in Article XVII of the House Rules and Article X, Section 1 of the Bylaws. Prior to the election of the first Board, Developer reserves the right to amend the House Rules in any manner without the joinder, consent or approval of any other party.

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THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL OF THE RIGHTS RESERVED BY THE DEVELOPER UNDER THE PROJECT DOCUMENTS. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF SUCH RESERVED RIGHTS, PURCHASER SHOULD REFER TO THE PROJECT DOCUMENTS TO DETERMINE THE ACTUAL RIGHTS RESERVED BY THE DEVELOPER. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE PROJECT DOCUMENTS, THE PROJECT DOCUMENTS WILL CONTROL.