

KUKUI'ULA
A RESORT AND RESIDENTIAL COMMUNITY
Island of Kauai, State of Hawaii

MASTER DISCLOSURE STATEMENT

Master Developer
Kukui'ula Development Company (Hawaii), LLC,
a Hawaii limited liability company

2700 Ke Alaula Street, Suite B, Koloa, Hawaii 96756

Dated: November 25, 2013
(Version 5)

This Master Disclosure Statement is meant to provide an overview of Kukui'ula and its governing documents for buyers of completed homes, including those completed by Master Developer or its affiliates, and for buyers of an unimproved lot on a resale by the owner. This is **not** intended for buyers who will be purchasing an unimproved lot from Master Developer or its affiliate or a new unit in a condominium project.

NOTE: THE INFORMATION IN THIS MASTER DISCLOSURE STATEMENT IS CURRENT AS OF THE DATE NOTED ABOVE AND AS TO THE SCHEDULES, THE RESPECTIVE DATES NOTED IN THE SCHEDULE. READERS SHOULD CONTACT THEIR SALES AGENT TO CONFIRM THAT THIS IS THE MOST CURRENT VERSION OF THIS STATEMENT AND THE SCHEDULES.

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**KUKUI'ULA
MASTER DISCLOSURE STATEMENT**

Current as of November 25, 2013

Welcome to Kukui'ula, a master planned community. Kukui'ula Development Company (Hawaii), LLC ("**Master Developer**") is very pleased that you are considering a purchase in Kukui'ula of a home that has been or will be constructed (the "**Home**" or "**your Home**") or an unimproved lot on a resale by an owner (the "**Lot**" or "**your Lot**"). If you are purchasing an unimproved lot from Master Developer or a new condominium unit (whether constructed or not), please review the applicable reports prepared pursuant to state and federal laws. If you are purchasing a Home or Lot from an owner in Kukui'ula (a resale) Master Developer is not involved in such a sale and the purpose of this Disclosure is to acquaint you with Kukui'ula. Nothing in this Disclosure changes any agreement that you may have with your seller.

Master Developer is currently developing Kukui'ula in phases. The primarily residential community which is intended to comprise most of Kukui'ula is referred to as the "**Community**." This Master Disclosure Statement (this "**Disclosure**") provides information about Kukui'ula and the Community and is in a question and answer format.

"**Master Developer**" in this Disclosure means Master Developer named above and its agents, employees or affiliates and "**Master Developer Parties**" means Master Developer, and Kukui'ula Community Association (the "**Association**") and The Club at Kukui'ula ("**The Club**"), both non-profit Hawaii corporations, and their respective agents and employees. Each development parcel that has an existing residential neighborhood is described in Schedule 1 attached to this Disclosure (each such development parcel is referred to in this Disclosure as a "**Parcel**" or a "**Neighborhood**"). Please read this Disclosure carefully.

This Disclosure.

1. How accurate and up-to-date is the information in this Disclosure? This Disclosure is intended to contain the best available information as of the above date on topics of interest expressed by other buyers. Because much of the information included in this Disclosure has been obtained from other sources (e.g., government agencies, public records, etc.) and because circumstances and information are subject to frequent changes, neither Master Developer nor Master Developer Parties can guarantee the accuracy or completeness of the information set forth in this Disclosure. You should independently verify the accuracy of any information that involves a matter of concern to you.

2. Should I review this Disclosure if I am buying an unimproved lot from Master Developer or a new condominium unit? No, you should be reviewing the applicable reports prepared pursuant to state and federal laws. Although this Disclosure should be consistent with such reports, this Disclosure may not contain certain information that may be more relevant to the purchase of an unimproved lot or condominium unit or a resale transaction.

Purchase Documents.

3. What agreements will I need to sign in connection with my purchase? Your real estate agent should address those questions. This Disclosure is not intended as a substitute for your review of the purchase and sale agreement and other documents with your seller, and it does not amend, modify or supersede any of them.

4. What other agreements will affect the ownership of my Home? There are two major sets of agreements, which agreements are listed in Schedule 1 attached to this Disclosure, governing residents of the Community.

(a) The first set is the Amended and Restated Community Charter for Kukui'ula (the "**Community Charter**") and the agreements related to it being (i) the supplement to the Community Charter for each Parcel described below (the "**Charter Supplements**"), (ii) the design guidelines and, if applicable, a supplement for the Parcel (the "**Design Guidelines**"), (iii) the Community-Wide Standard attached to the Community Charter (the "**Community-Wide Standard**"), (iv) board resolutions, and (v) the articles and bylaws of the Association (the Community Charter and such agreements are collectively referred to as the "**Community Charter Documents**"). They set minimum standards and procedures for the development expansion, administration,

maintenance, and preservation of the Community as a planned resort community. The Association administers the Community Charter Documents.

(b) The second set is the Amended and Restated Covenant for The Club at Kukui'ula (the "**Club Covenant**") and the agreements related to it being (i) the supplement to the Club Covenant for each Parcel described below (the "**Club Supplements**"), (ii) the rules and regulations for the use of the facilities (the "**Club Rules**"), (iii) the Club membership agreement, (iv) board resolutions, and (v) the articles and bylaws of The Club (the Club Covenant and such agreements are collectively referred to as the "**Club Covenant Documents**"). The Club Covenant establishes a plan that is designed to provide for the unified, overall administration of the recreational and leisure services and amenities of the Community and the other Club Covenant Documents assist in the implementation of such plan. The Club is tasked with carrying out such plan in accordance with the Club Covenant.

Kukui'ula and the Community.

5. **What is the Community?** "**Kukui'ula**" generally refers to the master planned area of approximately 1,010 acres of land in Koloa, on the Island and County of Kauai, State of Hawaii. It is being developed in phases into what is intended to be a planned, multi-phased resort and residential community. The Community, for this Disclosure, generally refers to:

(a) the Parcels (residential neighborhoods existing and being planned as described in **Schedule 1**),

(b) the facilities referred to as the Kukui'ula Plantation House (the "**Plantation House**"), the Spa and related facilities (the "**Spa**"), the 18-hole championship Kukui'ula Golf Course and related improvements and facilities (the "**Golf Course**"), and the clubhouse known as the Kukui'ula Golf Club (the "**Golf Clubhouse**"), and

(c) the roadways and various open space and common areas.

As other areas of Kukui'ula are developed, they are intended to be added to the Community by supplements to the Community Charter and Club Covenant. Master Developer's goal is for the Community to ultimately include a diverse mix of housing types, sizes and styles, including single-family attached and detached residential homes and high-density residential condominium projects. Each subdevelopment or condominium project may include amenities that are available for use only by owners or occupants of those projects. As the context may require, the "Community" in this Disclosure may also refer to the entire area that Master Developer currently intends to submit to the Community Charter and Club Covenant.

The "**Farm**" and the "**Lake**" (both of which are described below) are not part of the Community, but are in the immediate vicinity of the Community. **Schedule 2** attached to this Disclosure describes the amenities of The Club (the "**Club Amenities**") and other recreational facilities. The retail shopping area called "**The Shops at Kukui'ula**" is located within Kukui'ula, but not within the Community.

6. **How and when will the Community be finished and will it be as shown on the maps I have seen?** The maps include the current vision for the Community when completed, which may or may not be fully realized. Non-residential development may also be included in the Community. None of the Master Developer Parties has made or makes any representation concerning the timing, location, configuration or existence of any particular non-residential (including commercial) use on or about the Community or the timing of development of the Community.

7. **What is the development plan for Kukui'ula and the Community?** The zoning and land use designations for Kukui'ula, as well as the Community, are subject to change from time to time. You are strongly advised to determine if the zoning and land use designations for Kukui'ula, the Community, and other properties in the vicinity of them are compatible with your intended occupancy, use and enjoyment of your Lot or Home. It is anticipated that, upon its completion, Kukui'ula will include residential, commercial, recreational, historic, archaeological, and industrial components comprised of: (a) up to 1,500 residential units (being a mix of vacant residential lots, upon which dwellings will later be constructed, completed homes, which will likely include single-family detached dwellings, attached units, town homes, and multi-family condominium units); (b) the Club Amenities and various other recreational facilities (refer to **Schedule 2**); (c) transient vacation lodging, (d) commercial and industrial facilities; (e) administrative and

maintenance facilities for the Association and The Club; and (f) historic and archeological preserves, parks, trails, and open spaces.

It is anticipated that full development of Kukui'ula and the Community will be completed within an approximately 15- to 20-year period, but such time frame is subject to change. Development will be in various segments over many years and will be paced to accommodate the needs of the greater Kauai community, the size of the Community, and market demand. Master Developer reserves the right to make changes in the land uses, improvement plans, street patterns and types, architectural styles and designs, sizes of residences, and other improvements to be built. There can be no assurance that the Community as a whole or the development parcel in which your Lot or Home is located will be developed as proposed.

8. What has Master Developer agreed to provide to the County of Kauai (the "County") and the State of Hawaii as a part of obtaining its permits for the development of Kukui'ula? There are no less than thirty conditions in the approval from the State of Hawaii and other conditions in the approval from the County. Among other matters, Master Developer has agreed to provide certain work force housing units and dedicate land to the County for the County's construction of affordable housing units, all of which shall be located nearby, but outside of, the currently intended boundaries of the Community. Master Developer also agreed to develop Kukui'ula Bay Park and the Community Park (refer to **Schedule 2**). Although the development of the parks is the responsibility of Master Developer, maintenance costs will be paid for by the Association. Other approval conditions are addressed by (a) the Community Charter, such as appropriate dust control measures and the maintenance of certain AB Sites (as described in **Q&A No. 44**) and (b) the CFD Assessments (as described in **Q&A Nos. 32-35**).

9. Will Master Developer build all of Kukui'ula? No, Master Developer has sold to builders and developers, and reserves the right to sell to other builders and developers, land in Kukui'ula. Master Developer has and may give to future developers the right to request changes in the development plan. Consequently, no assurance can be given that the zoning or uses for the lands within Kukui'ula will not change from that which currently exists. You may contact the County of Kauai, Planning Department at (808) 241-6677, or write to them at 4444 Rice Street, Suite #472, Lihue, Hawaii 96766, for current zoning or uses for such lands.

Governing Documents.

10. What are the "Governing Documents" and where may I get a copy of them? They are described in the Community Charter as (a) the Community Charter Documents (listed above), (b) the Club Covenant, (c) the By-Laws of The Club, and (d) the Club Rules. They are listed in **Schedule 1**. Please ask your sales agent for a copy of each. The other Club Covenant Documents, such as the Club membership agreement, also govern your use of the Club Amenities and are adopted pursuant to the Governing Documents.

Community Charter Documents.

11. What are the provisions of the Community Charter? The Community Charter covers minimum standards and procedures for the development expansion, administration, maintenance, and preservation of the Community as a planned resort community. The provisions are generally in the following categories:

(a) The Association's authorized services and reimbursement through assessments (for example, maintenance of (i) the roadways, drainage swales, and other infrastructure, (ii) landscaping, (iii) historic and archeological sites, and (iv) the Farm and the Lake);

(b) The Association's maintenance of the character of the Community (for example, enforcing the Community-Wide Standard and the other minimum standards in the Community Charter and Design Guidelines);

(c) Procedures for the Association to determine, and enforce payment of, assessments (for example, the determination of the "Capital Start-Up Fee" and the "Base Assessment" (as described in **Schedule 3** attached to this Disclosure) and lien rights of the Association if assessments are not paid);

(d) Procedures for the Association to make, enforce, and amend rules and regulations (in addition to those contained in the Community Charter), and to impose fees for the use of certain facilities of the Association and certain protections for lenders and mortgagees;

(e) The reserved rights of Master Developer for development of the Community (for example, reserved easements and rights to add property to the Community Charter, create and reconfigure lots in the Community, and revise the Community Charter except as to specific matters);

(f) The minimum standards of behavior and maintenance applicable to residents, guests, renters, and other occupants (for example limits on noise, business activities, and signage, maintenance of the homes and landscaping to the Community-Wide Standard);

(g) Obligations and restrictions applicable to residents, guests, renters, and other occupants (for example limits on the number of pets and restrictions on parking, use of common areas, and types of plants that may be grown); and

(h) The disclosures and disclaimers by, and indemnities and waivers in favor of, the Master Developer Parties, and others.

12. What Community Charter Documents are applicable to me? The Community Charter and the Community-Wide Standard (Exhibit C of the Community Charter) apply to all owners of lots/homes in the Community. The Charter Supplements impose additional conditions and restrictions on owners of lots/homes in the Parcels covered by the supplement. For example, Exhibit E to the Community Charter is the supplement applicable to lots/homes in Parcel Y and Exhibit F thereto is the supplement applicable to lots/homes in Parcel M1/M4. Other Charter Supplements are separately recorded documents. The articles and bylaws of the Association and the Design Guidelines apply to all owners. The supplements to the Design Guidelines impose additional conditions and restrictions on owners of lots/homes in the Parcels covered by the supplement. It is important to read the Community Charter Documents and not rely on the summaries in this Disclosure.

13. What are the Design Guidelines? The Design Guidelines provide design standards and architectural and aesthetic guidelines governing the architectural and landscape design of new construction and modifications to homes in the Community (including structures, landscaping, and other items). The Design Review Committee (“DRC”) must review and approve most, if not all, architectural and landscape design, new construction and modifications to homes. The Design Guidelines affect such matters as landscaping, building size, style, height, colors, and construction materials. Before the construction of a home on your Lot, or any modifications, additions, or alterations to your Home (including all improvements such as fencing) or to your landscaping (planting shrubbery or trees), you must have the plans and specifications and plantings approved. Such approval must come either from Master Developer (in its capacity as the Design Review Team (“DRT”)) or, after the DRT’s approval authority has been delegated to the DRC, from the DRC. Such approval shall be in accordance with the procedures (including review fees) set forth in the Design Guidelines. These requirements are in addition to any required governmental approvals. If your Home is in Parcel CC, Parcel Club Villas, or Parcel FF, there will be a greater level of scrutiny by the DRC for any proposed modification to your Home (and its landscaping) due to its location near the Plantation House and other Club Amenities, and its eligibility for participation in the Lodge Rental Program. If you are purchasing an unimproved lot, please review the Design Guidelines with your architect for the permitted structures, landscaping, and other improvements to your Lot.

14. Do I need to maintain my Home and the landscaping that is within my lot? Yes, the Community Charter has obligations and restrictions that apply to how you maintain your Home (and its landscaping) and your Lot. This is intended to ensure that the homes (and their landscaping) and the unimproved lots in the Community meet the Community-Wide Standard. You should review the Community-Wide Standard and the other Community Charter Documents carefully because being part of the Community means that you agree to comply with the minimum standards of the Community Charter Documents as to the use and maintenance of your Home and your landscaping. For example, signs that are not owned or maintained by Master Developer, the Association, The Club, or any governmental agencies cannot be erected or maintained on any lot/home or elsewhere within the Community unless they fall within an exception. All of your landscaping must be maintained in a healthy, natural appearing growing condition so that it does not become visually unattractive, overgrown or otherwise not in keeping with the Design Guidelines. To help ensure that the landscaping within certain portions of your Home is maintained at a desired uniform appearance, Master Developer or the Association may (but is not obligated to) require you use a landscape maintenance company to perform landscape maintenance services for those portions of your Home. The fee for such maintenance services in some Neighborhoods (for example, Parcel Y, Parcel M1/M4, and Parcel M2/M3) will be billed to you directly

by such landscape maintenance company and in other Neighborhoods (for example, Parcel CC and Parcel Club Villas) the fee (a Neighborhood Assessment) will be billed to you directly by the Association. You should determine whether and how such required landscaping services apply to your Home.

Rental Restrictions.

15. **Is Master Developer offering a rental program with my purchase?** No, Master Developer is not offering any rental or similar program with your purchase. The acknowledgement and agreement (and, if applicable, the purchase agreement) that you have signed or will sign will contain an agreement by you that you represent and warrant that no one has made any representation to you about the investment potential of your Lot or Home or the performance of any rental program. The following discussion is to inform you of rental restrictions described in the Community Charter.

16. **What is a TVR?** TVR means Transient Vacation Rental. As described in the Community Charter, the Community is currently zoned as one large Visitor Destination Area (“VDA”) and under such zoning up to 750 homes in the Community could be designated as TVRs, which allows transient rental of a home.

17. **Is my Home designated as a TVR?** The recorded subdivision map and/or Charter Supplement for a Parcel should show whether a lot therein is designated as a TVR. Please refer to **Schedule 1** for the lots that are and are not designated as TVRs.

18. **If my Home is not a TVR, may I rent it to others?** Parcels without a TVR designation are intended to be occupied by owners and their guests or rented for long-term residential use. The County adopted an ordinance in 2008 that provides that non-TV R homes are not allowed to be rented for a period less than 180 consecutive days. Whether this applies to Parcels that were in existence prior to the adoption of the ordinance (Parcel M1/M4 and Parcel M2/M3) is not determined. You should ask the County if you are interested in renting your Home (or your Lot once improved) for a period greater than 30 consecutive days (the minimum period under the Community Charter for non-TV R homes) but less than 180 consecutive days. Note that the Master Developer may require that you select a rental company that is on an approved list of rental companies. Please refer to **Schedule 6** for a discussion of general excise and transient accommodations taxes.

19. **Why would I need a rental company to rent my Home, whether it is or is not a TVR?** If an owner is not a resident living on the island of Kauai, Hawai'i law requires that such an owner, as landlord, designate an agent residing on the island of Kauai to act in the owner's behalf. Having a reputable agent (rental company) is important to the Master Developer. If you have a rental company that you wish to use, but the company is not on Master Developer's list, please ask your sales agent on the process and criteria to obtain approval of the rental company.

20. **If my Home is a TVR, may I rent it to others?** Pursuant to the Community Charter, TVR-designated Homes may be rented for a minimum of seven days, even though County law allows overnight rentals of TVRs. All rentals are subject to the terms and conditions of the Community Charter.

(a) Homes that are both designated as TVR **and** eligible for the “**Lodge Rental Program,**” as described in the Community Charter, may be rented overnight, subject to the requirements and restrictions of the Lodge Rental Program. Only renters of homes in the Lodge Rental Program may use the Club Amenities; all other renters are not eligible to use such facilities.

(b) Homes that are designated as TVR but are not designated as eligible for the Lodge Rental Program may be rented for a minimum of seven days using a rental company as described above in **Q&A No. 19**. As noted above, such renters will not have access to the Club Amenities even if they are willing to pay to use such facilities.

Club Covenant Documents.

21. **What are the provisions of the Club Covenant?** The Club Covenant establishes a plan that is designed to provide for the unified, overall administration of the recreational and leisure services and the Club Amenities (refer to **Schedule 2**) and the other Club Covenant Documents assist in the implementation of such plan. The provisions are generally in the following categories:

(a) The establishment of (i) membership categories and (ii) the rights of such members, their families, and others to use the Club Amenities;

(b) The Club's authorized services and reimbursement through assessments (for example, maintenance and operation of the Club Amenities, coordinating the use of the Farm and Lake, and sponsoring activities);

(c) Procedures for The Club's determination and enforcement of assessments (for example, determination of the "Initiation Fee" and the "Regular Club Assessment" (described in **Schedule 3**) and lien rights of The Club if assessments are not paid);

(d) Procedures for The Club to make, enforce, and amend rules and regulations (in addition to those contained in the Club Covenant) and to impose fees for the use of certain facilities of The Club;

(e) The reserved rights of Master Developer related to the development of the Community (for example, rights to add amenities and revise the Club Covenant except as to specific matters);

(f) The minimum standards of behavior, and obligations and restrictions applicable to those using the Club Amenities; and

(g) The disclosures and disclaimers by, and indemnities and waivers in favor of, the Master Developer Parties and others.

22. Is my membership in the Association and The Club automatic? Yes, upon purchasing a Lot or Home in the Community, you will automatically become a member of the two organizations and remain so until you no longer own your Lot or Home. The memberships are part of owning a lot or home in the Community. From the closing date of your purchase, you will be required to pay the required fees and assessments to the Association and The Club. Unlike those two memberships, a Golf Membership is optional. For The Club, you will be a "**Plantation Member**" and have a mandatory "**Plantation Membership**."

23. What are the Club Amenities for the Community? The "Club Amenities" as defined in the Club Covenant are described in **Schedule 2**. The Community Park and Kukui'ula Bay Park, which are located outside of the Community and are not Club Amenities, are also described in **Schedule 2**.

24. What assessments will I need to pay to the Association and The Club? They are described in **Schedule 3** attached to this Disclosure.

25. What is the Initiation Fee? The Initiation Fee is a non-refundable fee (as described in **Schedule 3**) that is payable to The Club and is a primary source of funding special initiatives of The Club. The Initiation Fee will be charged to you at the closing of your purchase of your Lot or Home, unless the purchase documents specifically and expressly provide that you are not responsible for the payment of the Initiation Fee. If you sell or otherwise transfer your Lot or Home, your purchaser or transferee will need to pay the Initiation Fee (at the amount then in effect) unless the sale or transfer is exempt. The Initiation Fee is payable at the closing of the transfer of title, and is secured by a lien in favor of The Club, as provided in the Club Covenant. The exemptions are described in the Club Covenant. The Club has the sole discretion to determine the amount and method of calculating the Initiation Fee.

26. In addition to the Regular Club Assessment described in the Club Covenant, what other fees do I need to pay to use the Club Amenities? **Schedule 2** describes certain other costs associated with the use of the Club Amenities.

27. Are persons who do not own a residential property in the Community entitled to be members of The Club? To a limited extent (as described in the Governing Documents), a small number of persons who do not own any property within the Community will have some or all of the privileges of Plantation Members (except voting), including the right to use the Club Amenities. Although a Plantation Membership will be issued for every home, there is a limit on the number of people from each home who will be afforded the privileges of a Plantation Member.

28. What is a Golf Membership? Plantation Members have the right to apply for, and if approved, to purchase a "**Golf Membership**," thereby allowing them to become a "**Golf Member**." Subject to certain limited exceptions, Golf Memberships will only be issued to those who own a home or lot within the Community. If you are approved for and purchase a Golf Membership, then, in addition to having all of the

privileges of a Plantation Membership, you will be able to play golf on the Golf Course with advance tee time reservation privileges (with priority over those Plantation Members who are not Golf Members), without the payment of greens fees, as described in The Club Rules. As a Golf Member, you would also have additional privileges as set forth in the general membership plan for the Golf Course. As a Golf Member, you will still be required to pay for use of a golf cart and your guests would still have to pay greens and cart fees.

29. How much does it cost to purchase a Golf Membership? The fees charged for the purchase of a Golf Membership is currently the amount described in **Schedule 3** (in addition to the Initiation Fee in the amount described in **Schedule 3**), and may be increased or decreased from time to time, by the board of The Club, which board may be controlled by Master Developer until termination of its Declarant Control Period for The Club. Thereafter, the owner controlled board of The Club will establish such fees.

30. If I become a Golf Member, may I resign my Golf Membership while I own my Home in the Community? You may voluntarily surrender your Golf Membership while you still own your Lot or Home within the Community. Following such a surrender of a Golf Membership, you should be refunded 100% of the price of the Golf Membership that you paid, but only after the fourth new Golf Membership following termination is purchased from The Club by a new or existing owner of property within the Community. Until the Golf Membership Fee is refunded to you (provided you still own a home or lot within the Community), you will continue to have full golf privileges and payment obligations for assessments and use fees as a Golf Member. The specific details of the Golf Membership are more particularly described in the general membership plan for the Golf Course and in related documents.

31. What fees will I need to pay if I am a Golf Member? In addition to the other assessments (*e.g.*, assessments for the Plantation Membership), you will be obligated to pay monthly assessments for that Golf Membership ("**Golf Assessments**") described in **Schedule 3**. The Golf Assessments and other fees may be increased or decreased by the board of The Club, which board may be controlled by Master Developer until termination of its Declarant Control Period for The Club. Thereafter, the owner controlled board of The Club will establish such assessments. You should anticipate that the Golf Assessments and other fees will increase in the future due to inflation and other reasons. The current greens fees, cart fees, and guest fees are available from your sales agent.

Community Facilities District (CFD) Assessments.

32. What is the Community Facilities District (CFD) special tax? The purchase documents should include a specific disclosure on this assessment entitled, "*County of Kaua'i, Hawai'i Community Facilities District No. 2008-1 (Kukui'ula Development Project)*" and you have or will be required to acknowledge receipt of it. Please read such disclosure. As general background information, in 1992, the legislature of the State of Hawai'i passed a law enabling each county within Hawai'i to independently determine whether to pass laws allowing for the formation of "community facilities districts," or "CFDs." On November 23, 2005, the Kaua'i County Council adopted Ordinance No. 837 allowing for the formation of CFDs in the County of Kaua'i. Pursuant to Ordinance No. 837, the Kaua'i County Council authorized the formation of Communities Facilities District No. 2008-1 and established a CFD within the Community (the "**Kukui'ula CFD**"), thereby authorizing the issuance of bonds to be paid by special taxes levied within the Kukui'ula CFD, including on each residential lot. The CFD assessment is in addition to real property taxes that are described in **Schedule 6**.

33. What are the CFD improvements? The Kukui'ula CFD special tax provides a partial reimbursement to Master Developer of its costs to construct certain improvements benefiting Kukui'ula and the Koloa-Po'ipu area. The improvements funded by the Kukui'ula CFD (the "**CFD Improvements**") include regional transportation improvements designed to provide better access through and around the Koloa-Po'ipu area. Chief among those improvements is Ala Kalanikaumaka (also known as the "**Western Bypass Road**"). Master Developer has completed construction of the southern segment of Ala Kalanikaumaka that runs from Koloa Road to its intersection with Po'ipu Road and Lawa'i Road. It has also completed the intersection of Po'ipu Road/Lawa'i Road and Ala Kalanikaumaka/Lawa'i Road as a roundabout for traffic mitigation purposes. Another CFD Improvement is the expansion of the County Department of Water potable water system. As such, a portion of Master Developer's costs to construct the water distribution and storage facilities may be reimbursed to Master Developer via the CFD, meaning that, through each of your CFD payments, you would indirectly contribute toward the costs Master Developer incurred to construct the water distribution and storage facilities. Other planned CFD Improvements include certain civil defense and

shoreline recreational improvements (not including Kukui'ula Bay Park) that will benefit residents of and guests to the Koloa-Po'ipu area and that will be specifically designed to meet the objectives of the County.

34. How will the CFD special tax be used? The County is expected to issue one or more series of bonds, as necessary to raise money to pay all or a portion of the costs incurred by Master Developer to construct the CFD Improvements. These bonds will be repaid and secured by a special tax to be levied against property within the Community (including your residential lot). The special tax will be apportioned in accordance with a rate and method of apportionment (the "RMA") adopted by the County. The CFD bonds are not general obligations of the County of Kaua'i, the residents of Kaua'i or the Subdivider. Rather, they are secured only by the income stream from the special taxes, as provided in the RMA. The revenues raised from the annual special taxes and bonds are used to pay the costs of the CFD Improvements, debt service on the bonds, and incidental expenses related thereto, including the County's costs of administering the Kukui'ula CFD.

35. Who will benefit from the CFD Improvements? The Kukui'ula CFD affects local residents and visitors to the County (including those within the Community) in two main ways: first, the residents of and visitors to the Koloa-Po'ipu area are expected to benefit from the public infrastructure improvements funded by the Kukui'ula CFD, as described above; second, while the benefits would extend outside of the Kukui'ula CFD area, only property owners within the Kukui'ula CFD will be responsible for paying for these infrastructure improvements through the levy of the CFD special tax.

Master Developer Control Period; Reservations and Title Encumbrances.

36. What is the "Declarant Control Period"? It is the period when Master Developer will have the right to exercise, and will exercise, control over the Association and The Club special voting rights, by appointing all or a majority of their boards. For the Community Charter, the "Declarant Control Period" has begun and shall terminate upon the first of the following to occur: (a) when 75% of the total number of "Homes" (which generally refers to lots, homes and/or condominium units) designated in the "Master Plan" (as defined in the Community Charter) have been conveyed to persons other than builders holding title for purposes of construction and resale; (b) December 31, 2040; or (c) when, in its discretion, Master Developer so determines and declares a termination of the Declarant Control Period in a recorded instrument. For a limited period after termination of the Declarant Control Period, Master Developer will also have certain approval rights regarding actions and decisions of the Association. For the Club Covenant, the "Declarant Control Period" has begun and shall terminate when 100% of the total number of "Homes" (described above in this Q&A No. 36) have been conveyed to persons other than builders holding title for purposes of construction and resale.

37. Has Master Developer reserved easements for itself? Yes, the Community Charter, the Club Covenant, and the deeds by Master Developer, reserve easements and encumbrances in favor of Master Developer. These easements and encumbrances include, but are not limited to those for: (a) utilities and utility lines; (b) errant golf balls, golf tournaments, golf carts, and golf course use, operations, events, and maintenance; (c) historical, archaeological and biological sites; (d) encroachments and walls; (e) maintenance, emergencies, and enforcement; (f) lake and pond maintenance and flood waters; (g) storm and wastewater drainage, drainage of control basins and release devices; (h) maintenance of lots; (i) landscaping, agricultural hazards; (j) roads, hiking trails, biking trails, and restrictions of vehicular access; and (k) sales, development, and construction. For example, but without limitation, Master Developer has an easement over and upon properties (including those sold by Master Developer) to construct improvements for the Community and for the transmission of surface water runoff, smoke, noise, dust, noxious vapors, odors, chemicals, vibrations, and other substances and nuisances over such properties in connection with such construction.

38. What are the mineral and water rights reservations and title encumbrances? The oil, gas and all other mineral and metallic rights under your Lot or Home and other parts of the Community will not belong to you and are reserved in favor of the State of Hawai'i. Water rights are reserved to Master Developer, its successors and assigns (or its predecessor, and its successors and assigns). In addition to the Governing Documents, your deed will contain various easements and agreements that will affect title to your Lot or Home. You should review the title report for your Lot or Home and your sales agent should be able to provide to you a copy of the agreements and encumbrances shown in the title report.

Utilities and Community Facilities and Services.

39. **What utilities are available to a lot or home?** Utilities are described in **Schedule 4** attached to this Disclosure.

40. **What community facilities and services are near the Community?** Some of these facilities and services are described in **Schedule 5** attached to this Disclosure.

Disclosures, Disclaimer, and Waivers.

41. **What risks will I be assuming in purchasing a Lot or Home?** Chapter 15 of the Community Charter entitled "Disclosures and Waivers" provides that by accepting the deed to your Lot or Home, you are accepting and agreeing to the matters set forth in Chapter 15. Rather than summarizing each of the sections of Chapter 15, the following is information under each section of disclosures and waivers covered by Chapter 15. Please be informed that the Governing Documents expressly provide that you will be assuming these risks and will indemnify and hold harmless the Master Developer Parties from these risks that you are assuming.

§15.1 **Facilities and Services Open to the Public.** You assume the risks associated with facilities within Kukui'ula and the Community that are open to the public including the Trails, Community Park, and Kukui'ula Bay Park (described in **Schedule 2**) and the cost of maintaining them though the Base Assessment paid to the Association.

§15.2 **No Guarantee of Safety and Security.** The Community is not a gated or controlled-access community. You and your family, guests, and invitees are responsible for their own personal safety and security in Kukui'ula. Although the Master Developer Parties may, but are not obligated to, maintain or support certain activities within Kukui'ula designed to promote or enhance the level of safety or security, none of the Master Developer Parties shall in any way be considered insurers or guarantors of safety or security within Kukui'ula, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

§15.3 **Changes in Master Plan.** Please refer to **Q&A Nos. 5 to 7** above.

§15.4 **View Impairment.** Views from any individual home or from any other part of the Community, whether developed or undeveloped, are not assured in any way. There shall be no express or implied easements for view purposes or for the passage of light and/or air. Any view observed at the time you inspect or purchase your Lot or Home may be subsequently obstructed by (a) the planting of trees, shrubs, plants or other landscaping, (b) the growth and propagation of new and existing landscaping, and (c) the current and future development and construction within and outside the Community, including the construction of fences, walls, roofs, buildings, decks and other improvements. None of the Master Developer Parties shall have any obligation to relocate, prune, or thin trees or other landscaping. The Association (with respect to the Association Amenities as defined in the Community Charter) and The Club (with respect to the Club Amenities) shall have the right to construct additional improvements and add or remove trees and other landscaping from time to time.

§15.5 **Notices and Disclaimer as to Community Services.** You acknowledge that utilities may be interrupted and the Master Developer Parties and others are not responsible for the same.

§15.6 **Ongoing Construction Activities.** As presently planned, the Community will be developed in a series of phases, and additional phases that will be developed after you purchase your Lot or Home. The Community is in the early stages of development and there is likely to be a significant amount of construction-related activity, such as lighting, rock crushing and blasting, hauling of construction materials, traffic hazards, dust, dirt, debris and noise and other annoyances typically associated with such activity at varying times of the day. The construction and sales of homes in the initial and subsequent phases may cause you some inconvenience (*e.g.*, noise and dust from construction and traffic, increased noise from construction activities and travel delays due to construction traffic). There will be several temporary construction and storage yards located within the Community from time to time during the active term of development of the Community.

§15.7 **Additional Notices and Disclaimers Related to Recreational Facilities.** In addition to the disclosures related to other recreational facilities, operation, maintenance and use of the Golf Course may

cause inconvenience and disturbance to you and to other residents in the Community and potentially cause injury or damage to persons, residents and personal property, including, without limitation, the following: (a) errant golf ball overflight and resultant personal injury and property damage; (b) lakes, water hazards and other “attractive nuisances” located upon or adjacent to the Golf Course; (c) the possible use from time to time of outdoor speakers and the operation of golf carts and noisy power equipment, such as lawn mowers, compressors, tractors and irrigation pumps and motors, on or adjacent to the Golf Course at various times including weekends and early morning and late evening hours; (d) the operation (including possible overspray) of sprinkler and other irrigation systems during the day and at night; (e) the application (including possible overspray) of pesticides, fertilizers, herbicides and other chemicals for pest, weed and fungus control and management and the use of reclaimed irrigation water on or adjacent to the Golf Course; (f) the proximity of the Golf Course restroom and maintenance facilities to certain lots in the Community; (g) the use of the Golf Course for tournament play, resulting in additional noise, traffic and pollution due to attendance by large crowds for extended periods of time; and (h) the daily activities of maintaining, operating and playing on or adjacent to the Golf Course. You will not, and will not permit any guests to, enter into or cross over any portion of the Golf Course to access any portion of your Lot or Home in the Community. The playing of radios and other audio equipment in a fashion that is disturbing to players on the Golf Course is prohibited. Further, comfort stations for the Golf Course will be located near certain lots in the Community. If your Lot or Home is adjacent to or in the vicinity of a comfort station, you will likely experience an increased amount of noise and odors, additional lighting, and increased pedestrian and golf cart traffic.

§15.8 National Tropical Botanical Garden. Kukui‘ula is adjacent to and surrounds the National Tropical Botanical Garden and its accompanying visitor center. The visitor center is a public facility open for tours and scheduled bus shuttles. The National Tropical Botanical Garden, and its invited and paying guests shall have the right to access the adjacent gardens through the use of roadways and paths within Kukui‘ula, and each owner accepts and assumes the risk of such additional noise, traffic, and related effects. You will not have access rights to the Lawai Bay or the Lawai Valley from any point within Kukui‘ula.

§15.9 Conservation District. Certain areas of Kukui‘ula have been designated as “Conservation District” by the State of Hawaii and no one may do work (any improvements or landscaping) in such areas without a permit from its Department of Land and Natural Resources.

§15.10 Waste Water Treatment; Use of Reclaimed Water for Irrigation Purposes. Please refer to **Schedule 4** for a description of the waste water system. Homes adjacent to, and individuals in the vicinity of, the existing wastewater pump stations and any new wastewater treatment plant within or near Kukui‘ula may be affected by noise, odors, lighting, and other nuisances associated with these facilities. The Master Developer Parties use or may use non-potable water to irrigate various portions of the Community, as well as parks, public rights-of-way and large turf areas outside of the Community. Such non-potable water is not suitable for human consumption and may include untreated ground water, untreated surface water, potable water that has been exposed to the atmosphere and recycled water. The repeated spray, of non-potable water may stain or discolor personal property, fencing and structural improvements over time.

§15.11 Agricultural Activities. The Community is adjacent to, nearby or in the general vicinity of lands that were, are or in the future may be, actively used for: (a) growing, harvesting and processing of sugarcane, including cane milling, burning, tending, fertilizing and pest and weed control; (b) growing, harvesting and processing of coffee and other agricultural products; (c) cultivation of flowers, trees, plants, vegetables, fruits, foliage, forage, and other agricultural products; (d) cattle and other livestock grazing; and (e) irrigation of any and all surrounding lands with reclaimed water, treated effluent, or other non-potable water sources. These agricultural activities may, from time to time, result in various hazards to the Community (and your Home) and bring upon the Community (and your Home) smoke, dust, noise, heat, earthshock, exhaust, soot, ash, odor, noxious vapors, agricultural chemicals, transmission of pollutants or other hazardous materials, surface water runoff, particulates and similar substances and nuisances from such agricultural activities or other adverse environmental conditions). The Master Developer Parties shall not be held liable for any nuisance, personal injury, illness, or any other loss or damage that is caused by such agricultural activities or the by-products of such activities.

§15.12 Natural Hazards. As with other property in Hawaii, the Community is located in an area that has a risk of natural disasters, such as hurricanes, tsunamis, earthquakes, flash floods, and high surf. In the event of hurricanes and larger storms, some flooding may occur, although the drainage system has been

designed and will be constructed to meet the requirements of County standards. Although the possibility of volcanic activity on the Island of Kauai is very low, with no currently active volcanoes, volcanic hazards could affect the Island. The Island of Hawaii has several active and inactive volcanoes that emit acidic gases into the air. There are times when air quality on Kauai and the other islands are affected by these volcanic emissions known as “vog”. Vog may be carried by the winds and the potential impacts include, but are not limited to, obscured views, lower agricultural yields for certain crops and acidified rainwater in catchment tanks. In addition, persons with respiratory or heart conditions may also be affected by vog. Other effects of volcanic activity that may occur include lava tubes and periodic earthquakes. If you would like more information on this, you should contact the State of Hawai‘i, Department of Health or visit its website at <http://www.state.hi.us.doh/index.html> and make inquiries with other professionals for information about recommended precautions.

§15.13 Blasting and Other Activities. You acknowledge that as part of ongoing construction activities described above, there will be blasting, excavation, and other construction related activities will occur within Kukui‘ula. Due to the ongoing construction and other activities, public infrastructure, public and private utilities (*e.g.*, water, electricity, telephones, cable television, sewers, storm drains, etc.) within the Community (including those serving your Lot or Home) may be temporarily interrupted and/or adversely affected. You must exercise extreme caution and observe all signs that may be posted when driving through or near a construction zone. Construction sites are inherently dangerous. It is your responsibility to supervise children under your care to prevent them from entering areas under construction without permission or supervision. You and your guests, invitees and contractors are required to comply with the applicable rules. If you enter any construction areas, you will be presumed to have assumed all risk of any and all resulting injuries (including death) to any person and/or damage to any property arising from or in any way related to your entry onto such construction area, and to have waived any and all claims of any kind or nature against the Master Developer Parties and their subsidiaries and related entities, and all of its and their employees, officers, directors, shareholders, contractors, subcontractors, vendors, agents, representatives, consultants, and its and their respective successors and assigns arising from or in any way related to your entry onto such construction area.

§15.14 Adjacent Affordable Housing. As described in Q&A No. 8, affordable housing may be constructed adjacent to the intended boundaries of the Community.

§15.15 Community Facilities District. Please refer to Q&A Nos. 32 to 35.

42. What are the risks associated with the various detention basins? The Golf Course has a series of surface detention basins and swales to capture much of the mauka storm water runoff and to route such runoff to the ocean. At times, there may be standing water in those basins and swales, which has the potential to cause odors and attract mosquitoes, birds and other insects, and could present a hazard to unattended children or animals. Maintenance, repair, and replacement of pipes, culverts and other structures and equipment comprising the drainage system that serves the Community are the responsibility of the Association; provided, however, that the County should maintain the drainage systems within the public rights-of-way and those within certain of the roadways, and subassociations may be responsible for maintaining any drainage system within any rights-of-way that are particular to a specific Parcel.

43. What are the risks associated with the various common areas? The Community is located in the vicinity of major roads such as Po‘ipu Road, Lawa‘i Road, Koloa Road, and Ala Kalanikaumaka, as well as paths, trails, golf cart crossings, the Community Park and Kukui‘ula Bay Park. The use of these roads, paths and parks may result in additional noise, dust, lighting and pedestrian and vehicular traffic in and around the Community. All of these may present a safety hazard to unsupervised children and to animals and adults. Appropriate precautions should be taken by all individuals when using the roads, paths, parks, open space areas and crossings. On the far west side of Kukui‘ula, there is currently a temporary access route used by trams that shuttle visitors to and from the National Tropical Botanical Gardens to Lawai Valley. The tram access route may be relocated to a permanent location. Certain areas in the Community may be subject to on-street parking restrictions due to the requirements of local fire safety codes, street cleaning, restrictive covenants, active construction, or other activities and occurrences. These restrictions may preclude you and your tenants and guests from parking on the street in front of or near your Lot or Home at any time. Signs will be posted, but parking restrictions may or may not be identified with red-painted curbs. Parking

restrictions are subject to change. Vehicles parked in “no parking” zones may be towed, at the vehicle owner’s expense, without advance notice.

44. What are archaeological and biological risks? Burial grounds, endangered plant and animal life, lava tubes and other historically and archaeologically significant sites (called “**AB Sites**”) exist throughout the Community and may be set aside for preserving historical, archaeological and/or biological areas and habitats. AB Sites can include areas dedicated for wildlife habitat to mitigate the environmental effects of constructing the Community or areas to be avoided pursuant to federal permitting requirements. While preserved for the benefit of the Community and its residents and others, the use of these areas may be restricted to ensure preservation of the areas in their natural state.

Identified AB Sites within the Community (the “**Identified Sites**”) have been designated for preservation and are depicted on Master Developer’s land use plan for the Community, which has been approved by the County and/or the Land Use Commission of the State of Hawaii. These Identified Sites may not be disturbed or removed. The Association is responsible for protecting and preserving the Identified Sites. Under State law, including the State Constitution, Native Hawaiians have traditional and customary rights, for subsistence, cultural and religious purposes, to the AB Sites, with access on identified paths and trails.

No warranties or representations are made or implied (by Master Developer or anyone else) that all AB Sites that exist within the Community have been discovered or that there will not be any AB Sites on or under your Lot or Home. Undiscovered AB Sites may affect the manner in which homes within the Community may be developed and if you are purchasing an unimproved lot, such undiscovered AB Site may affect how your home may be constructed. If your Home is constructed, these AB Sites should not affect it, however, the AB Sites may be an issue if any excavation is required in connection with modifications to your Lot or Home or landscaping or additions such as a pool (if permitted). None of the Master Developer Parties shall have any liability for any damages, for any increased construction costs, or for any delays caused by the existence or discovery of an AB Site.

45. Are there any wildlife nuisances and risk? Yes, Kauai has a large population of feral chickens that cackle during the early hours of the morning and late at night. Mosquitoes, centipedes, geckos, and various other crawling nuisances also exist. Coqui frogs, which make loud noises, have been spotted. Cane toads, which have glands that secrete an irritable solution that can be harmful to humans and poisonous to dogs and other pets, can also be found within the Community. Care should be taken to remove cane toads from yards whenever possible. Feral pigs are also on Kauai and, due to shortages of water in upper elevations, the pigs could migrate to or near the Community in search of a water source. The Department of Land and Natural Resources (808-274-3433), the Humane Society (808-632-0610) and/or the Division of Forestry and Wildlife, Kauai District Office (808-274-3438) should be contacted to address problems associated with the pigs. There are five bird species protected under both federal and State of Hawai’i endangered species laws that may be found within or near the Community. It is a violation of both federal and state laws to disturb, harass, injure or kill any of these species. Violations of these laws can be punishable with jail time and/or significant fines.

It is advisable to (a) keep pets from straying outside of your Home, (b) vaccinate your pets from mosquito-borne viruses, (c) eliminate sources of standing water that can support mosquito breeding, (d) properly protect you and your family when outdoors, (e) confine or fence valuable plants and flowers that may be a potential food source for wildlife and (f) promptly address rodent and pest infestations.

46. Are there risks with high voltage lines? Electrical lines owned by Kaua’i Island Utility Cooperative are located approximately one-quarter (1/4) mile north of the Community. The voltage and current associated with these electrical lines produce electric and magnetic fields of varying strengths. Studies on these fields, as reported in newspaper articles and other publications, indicate that experts have not yet determined whether health risks exist from long-term exposure to fields near power lines. Strengths of fields are known to decrease rapidly with increased distance from power lines and other sources of electricity. You are encouraged to inquire into the effects of electric and magnetic fields prior to purchasing your Lot or Home. None of the Master Developer Parties has made any representation or warranty regarding electric or magnetic field levels within the Community (or your Parcel) and all inquiries should be referred to the electricity provider.

47. Is Master Developer responsible to repair my Home if there are construction defects? Although Master Developer has master planned and developed certain portions of the infrastructure of the Community, the homes within the Community are built by developers and other builders, who are independent building contractors and have the responsibility under their respective contracts for their products and workmanship. Master Developer has no control over or responsibility for any warranty or other issues related to the construction of your Home and neither has liability nor assumes liability or obligation to you with respect to any claim concerning the Home or other improvements, including any claim concerning any design or construction defect, or any soils condition, involving your Home or other improvements.

48. If you take a photograph or film me or my guests (including my family), can you use that to advertise Kukui'ula? By participating in various Community events sponsored by Master Developer, The Club and/or the Association from time to time ("**Kukui'ula-Sponsored Events**"), you acknowledge and agree that photographs, quotes and names of participants, or film footage taken of participants at any Kukui'ula-Sponsored Event, may be subsequently used by Master Developer, its "Island Pursuits Team," its affiliate, DMB Associates, Inc., and the respective affiliates, legal representatives, agents, and assigns of each (collectively, "**DMB**"), and by Kukui'ula Realty Group LLC (Master Developer's designated broker for the Community) for commercial purposes in advertising and marketing materials, including, but not limited to, any Community newsletters, Community calendars, Master Developer's website for the Community (www.kukuiula.com) and other DMB-affiliated websites, Master Developer's sales center for the Community, Master Developer's magazine ("Artful Living - The Legacy of Kukui'ula") and the Community/DMB marketing and public relations materials. In addition, by attending such Kukui'ula-Sponsored Events, and without the need for a subsequent acknowledgement, you further acknowledge and agree, on behalf of you and your guests (including your family), to allow such uses and waive any right to pre-approval, royalties, or other compensation arising from or related to the use of such photographs, quotes and names of participants, or film footage, which shall remain the sole copyrighted property of Master Developer, The Club, and/or the Association.

49. If I am a real estate broker and own a home in the Community, may I use the name "Kukui'ula" in my email address? No, such proposed use and other such uses of the "Kukui'ula" name are not permitted. Neither the name "Kukui'ula" nor any derivative of such name (including any federally registered taglines relating to the Community used in promotional or other materials) shall be used or included in any logo or depiction associated with the Community, the Association or The Club in any printed or promotional material, domain name, club name, business name, or entity name, without Master Developer's prior written consent, even if such entity is created for the sole purpose of either owning a home in the Community, selling such a home, renting such a home or improving it in any manner (including landscaping, design, construction, improvements and repairs) or offering any other services to the Master Developer Parties, residents, guests, tenants or owners within the Community. Such permission may either be granted or withheld in Master Developer's sole discretion. People or entities who infringe on Master Developer's trademarks and other rights (including the creation of websites, URLs, and entities that incorporate Master Developer's or the Community's name, marks, or copyrighted materials) for commercial or personal use shall be subject to full enforcement and penalties allowed by law.

50. Because this Disclosure Statement says that circumstances and information may change, may I rely on what my sales agent tells me even if it is different from what is in this Disclosure? No, by signing the agreement and acknowledgement, you will acknowledge and agree that (a) no salesperson, employee or agent of the Master Developer Parties has the authority to interpret, change or modify the terms of any documents whatsoever, including the Governing Documents, and (b) no representation or promise has been made to you by any salesperson, employee or agent upon which you are relying on in connection with the purchase of your Lot or Home. Please be informed that no representation or promise, whether oral or in writing, made by any salesperson, employee or agent shall be binding on the Master Developer Parties unless provided in writing by an authorized officer of the applicable Master Developer Parties.

Schedule 1
Description of the Parcels, Designations, and Governing Documents

Parcels: As of the date of this Schedule 1, the development parcels (each with a residential neighborhood) in the Community are the Makai Collection, including the Makai Cottages and Custom Lots (Parcel Y), the Mauka Collection (Parcel M1/M4 and Parcel M2/M3), and the Club Cottages (Parcel CC). These development parcels are each referred to in this Disclosure as a “**Parcel.**” Master Developer intends to include in the Community as “Parcels” the Premier Estate Lot, The Club Villas at Kukui’ula (Parcel Club Villas), and The Club Bungalows at Kukui’ula (Parcel FF), if and when certain governmental and other approvals are obtained.

TVR Designation. Thus far, only lots in Parcel Y and Parcel CC are designated as TVRs. Lots in Parcel M1/M4 and Parcel M2/M3 are not designated as TVRs. Lot and units in The Club Villas at Kukui’ula (Parcel Club Villas) and The Club Bungalows at Kukui’ula (Parcel FF) are intended to be designated as TVRs.

Lodge Eligible. Thus far, only lots in Parcel CC (Club Cottages) are designated as eligible to participate in the Lodge Rental Program. Lot and units in The Club Villas at Kukui’ula (Parcel Club Villas) and The Club Bungalows at Kukui’ula (Parcel FF) are intended to be eligible to participate in the Lodge Rental Program.

Community Charter Documents:

1. Community Charter for Kukui’ula dated May 8, 2006, recorded in the Bureau as Document No. 2006-088739, as amended and restated by Amended and Restated Community Charter for Kukui’ula dated September 4, 2012, recorded in the Bureau as Document No. A-46320954, as amended by Amendment to the Community Charter for Kukui’ula dated February 12, 2013, recorded in the Bureau as Document No. A-47991323.
 - a. Supplemental Conditions and Restrictions for **Parcel Y** and **Parcel M1/M4** are attached to the Community Charter.
 - b. Amended and Restated Supplemental Declaration to Kukui’ula Charter and Declaration of Easements (**Parcel M2/M3**) dated June 21, 2012, recorded in the Bureau on June 27, 2012, as Document No. A-45610030.
 - c. Supplemental Declaration to Kukui’ula Charter and Declaration of Easements (**Parcel CC**) dated January 10, 2011, recorded in the Bureau as Document No. 2011-010183, which was amended by that Amendment to Supplement to Kukui’ula Charter and Declaration of Easements (Attaching Current Description of Lodge Rental Program) dated January 25, 2011, recorded in the Bureau as Document No. 2011-018277, and by that certain Second Amendment to Supplement to Kukui’ula Charter and Declaration of Easements dated October 31, 2011, recorded in the Bureau as Document No. 2011-180579.
 - d. Master Developer intends to record supplement declarations for the **Premier Estate Lot**, The Club Bungalows at Kukui’ula (**Parcel FF**), and The Club Villas at Kukui’ula (**Parcel Club Villas**) if and when certain governmental and other approvals are obtained.
2. Articles of Incorporation of the Kukui’ula Community Association filed with the State.
3. By-Laws of the Kukui’ula Community Association.
4. Design Guidelines, Version 3.0, April 2008.
 - a. Supplemental Design Guidelines for Parcel Y.
 - b. Supplemental Design Guidelines for M Parcels (M1/M4 and M2/M3).
 - c. Supplemental Design Guidelines for Parcel CC.
 - d. Master Developer intends to prepare Supplemental Design Guidelines for the Premier Estate Lot, if and when certain governmental and other approvals are obtained.

Club Covenant Documents.

5. Covenant for The Club at Kukui'ula, dated May 8, 2006, recorded in the Bureau as Document No. 2006-088740, as amended and restated by Amended and Restated Covenant for The Club at Kukui'ula dated September 4, 2012, recorded in the Bureau as Document No. A-46320955.
 - a. Supplemental Declaration to Covenant for The Club at Kukui'ula (**Parcel CC**) dated January 10, 2011, recorded in the Bureau on January 19, 2011 as Document No. 2011-010184.
 - b. Master Developer intends to record supplement declarations for the **Premier Estate Lot**, The Club Bungalows at Kukui'ula (**Parcel FF**), and The Club Villas at Kukui'ula (**Parcel Club Villas**) if and when certain governmental and other approvals are obtained.
6. By-Laws of The Club at Kukui'ula adopted on August 10, 2005, as amended and restated by Amended and Restated By-Laws of The Club at Kukui'ula adopted on September 4, 2012.
7. Amended and Restated Club Rules effective September 4, 2012 (including the 2012 Guest Privileges), and the form of The Club at Kukui'ula Membership Agreement.

Schedule 2 The Club Amenities and other Recreational Facilities

The Club Amenities are currently the recreational facilities referred to as the Plantation House, the Spa, the Golf Course, the Golf Clubhouse, the Farm, and the Lake. These Club Amenities are primarily for the benefit of residential owners within the Community (and their guests). However, a limited number of other individuals and, in some cases, the general public will also be permitted to use the Club Amenities. For example, guests and renters of homes in the Lodge Rental Program are able to use the Club Amenities. Four daily tee times are available to residents of Kauai and they may use both the Golf Course and the Golf Clubhouse. Please refer to Section 3.5 of the Club Covenant for more details. Except for the Regular Club Assessments that you are required to pay as a Plantation Member, there is no separate annual cost or assessment for you to use the Club Amenities, but excluding the Golf Course.

Kukui'ula Plantation House. The Plantation House (and its environs) includes dining facilities, an outdoor swimming pool, game and T.V. rooms, a lawn, an event pavilion and an "Island Pursuits Room." You will be required to pay for your food, beverages, and other items or special services received at the Plantation House. Events may be held at the Plantation House including, but not limited to, parties, outdoor performances, concerts, luau, which may involve the erection of tents and temporary stages.

Spa. The Spa includes massage and treatment rooms, a movement studio, a fitness room, an outdoor swimming/lap pool, and locker rooms. You will be required to pay for private or regular group fitness classes and other scheduled activities (*e.g.*, exercise classes, massages, treatments) or any special programs.

Kukui'ula Golf Course. As a Plantation Member, you will be able to play on the Golf Course, but you will be required to pay green fees and cart fees. If you are a Golf Member (that is, if you purchased a Golf Membership), you will have the benefits summarized in Q&A No. 28 above.

Golf Clubhouse. The Golf Clubhouse includes a golf shop, locker rooms and lounges, offices, a cart barn and golf bag storage, central plant facilities, other facilities generally associated with a golf clubhouse, and various "back-of-house" facilities. You will be required to pay for goods and services received at the Golf Clubhouse.

Farm. The Farm is an agricultural and/or recreational facility, located outside the Community, adjacent to the southeasterly shore of the Lake, approximately one-half (1/2) mile north of the 10th hole of the Golf Course. The Farm is on approximately eight acres of land currently owned by a third party and leased to Master Developer for the benefit of Plantation Members. The Farm consists of some small-scale demonstration farm plots and orchards. The Association maintains the Farm and The Club manages it for your use. You may be required to pay for any special programs that are offered.

Lake. The Lake is an approximately 25-acre manmade irrigation reservoir, which is currently filled with non-potable (*i.e.*, undrinkable) water. It is located outside the Community and is owned by a third party and leased to Master Developer for the benefit of Plantation Members. The Association has certain maintenance responsibilities for the Lake and the costs of such maintenance are part of the Base Assessment. The Lake is expected (but not guaranteed) to be filled with water and be stocked with small game fish for catch and release fishing. Due to the varying water quality, the nature of the waterway and underwater hazards that may exist, swimming in the Lake is NOT a recommended activity. Because the Lake's primary function is for irrigation purposes, the water levels of the Lake are subject to change and outside of Master Developer's control. There are several picnic spots along the shoreline of the Lake, however, camping and overnight stays are not allowed. You may be required to pay for any special programs that are offered.

Other Recreational Facilities in the Community.

Tennis Facilities. Master Developer plans to construct at least two tennis courts somewhere within the Community (the "**Tennis Facilities**"). Note, however, that the plans for the Tennis Facilities have not yet been finalized, so their location, size, construction completion date and final number of courts are currently unknown.

Hiking/Biking Trails. Within, around and in the vicinity of certain portions of the Community, there will be a network of hiking and biking paths and trails (collectively, the "**Trails**"). The Trail surfaces may be of dirt, gravel, concrete and/or asphalt. Use of the Trails will be subject to restrictions set forth in the Governing Documents. It is expected that most of the Trails located within the Community will be open to the general

public as well as to you and your guests. As such, use of the Trails (except as otherwise noted) is not exclusive to the Community. Except for the Base Assessment payable to the Association for the maintenance of the Trails, and the Regular Club Assessments that you are required to pay as Plantation Member, there is no separate annual cost or assessment for you to use the Trails, however, you may be required to pay for any special programs that are offered.

The Lodge at Kukui'ula. In addition to the current Lodge Rental Program (discussed above in Q&A No. 20), Master Developer reserves the right to develop lodging units within the Community that are open to the general public.

Other Recreational Facilities Outside the Community.

Community Park. The Community Park will be an approximately 20-acre park located outside of the Community on Poipu Road. It is anticipated (but not guaranteed) that the Community Park, which will be open to the general public, will include ball fields, playground, parking, and restrooms. Initially, the Community Park will be owned and maintained by Master Developer. It is anticipated (but not guaranteed) that the Community Park will be dedicated to the County, however, whether it is dedicated or not, it will be maintained in perpetuity by the Association pursuant to a maintenance agreement with the County. The date that the Community Park will be first available for use by the general public has not been established.

Kukui'ula Bay Park. It is expected that Kukui'ula Bay Park will be located outside of the Community, in the residential area located on the Makai (south) side of Lawai Road, adjacent to Kukui'ula Bay and the existing Kukui'ula Small Boat Harbor, which is owned and operated by the State of Hawaii. Additional lighting at Kukui'ula Bay Park and its use may create light and noise nuisances to you and other owners in the Community. Kukui'ula Bay Park will be open to use by the general public. Master Developer intends to dedicate Kukui'ula Bay Park to the County, however, whether it is dedicated or not, the Kukui'ula Association will maintain the park and its facilities in perpetuity pursuant to a maintenance agreement with the County. The date that the Kukui'ula Bay Park will be first available for use by the general public has not been established.

Schedule 3 Fees and Assessments

The following amounts are the current fees and assessments as of November 25, 2013 that you will be required to pay from the date of your closing (and subject to change in accordance with the Governing Documents):

- Association Capital Start-Up Fee. The “**Capital Start-Up Fee**” as defined in the Community Charter is a mandatory one-time fee payable by the initial owner of each Unit¹ (including you, but excluding Master Developer), which fee is currently \$1,600.00, and is due and payable to the Association at the time of closing.
- Association Base Assessment. The “**Base Assessment**” as defined in the Community Charter is an assessment established by the Board of Governors, which is imposed upon the owner of each Unit (including you, but excluding Master Developer). Currently, the Base Assessment is \$851.18/month (\$10,214.16/year) per Unit, which assessment could increase by 20% per year, provided that Hawaii law does not mandate otherwise. Payment of the Base Assessment to the Association shall commence upon closing.
- Plantation Membership (The Club) Initiation Fee. The “**Initiation Fee**” as defined in the Club Covenant for the Plantation Membership is a mandatory one-time fee payable to The Club, currently \$50,000.00 per Unit. The Initiation Fee is unrelated to the use or non-use of golf and other facilities and is due and payable at the time of closing. If you resell your Lot or Home, the purchaser of the Unit will be required to pay the Initiation Fee (then in effect) to The Club.
- Plantation Membership (The Club) Regular Club Assessment. The “**Regular Club Assessment**” as defined in the Club Covenant is currently \$1,063.98/month (\$12,767.76/year) for your Lot or Home. Payment of the Regular Club Assessment to The Club commences upon closing.
- Neighborhood Assessment. If your Home is a Club Cottage in Parcel CC, you will be charged an additional assessment of \$625/month (\$7,500/year). You will be charged a similar type of neighborhood assessment if your Home is in Parcel Club Villas.
- Service Area, Specific, Special and Other Assessments. You acknowledge and agree that in addition to the above, other types of fees, dues and assessments may be imposed upon you, in accordance with the Governing Documents. Such fees, dues and assessments may be imposed under certain circumstances, including (i) Service Area Assessments for any Service Area Expenses attributable to any Service Area that your Lot or Home may be within, as reflected in a future Supplemental Declaration of Covenants, Conditions and Restrictions affecting your Lot or Home; (ii) Special Assessments, generally imposed to cover unbudgeted expenses; (iii) Specific Assessments, imposed against one or more individual Lot owners to pay for special services to the Lot owner(s), or to pay the costs of remedying violations by such owner(s) of the Governing Documents; (iv) use and consumption fees, to cover the cost of optional services for which such fees are imposed; (v) permit fees for special events; and (vi) sanction fees, in the case of a violation of the Governing Documents.
- Golf Membership (Optional). The cost of the Golf Membership is currently established at \$75,000 (in addition to the Initiation Fee of \$50,000). The monthly assessment for that Golf Membership (“**Golf Assessments**”) is currently \$425.59/month (\$5,107.08/year), which is in addition to other assessments. Payment of the Golf Assessment to The Club commences when the Golf Membership commences (which could be at closing).

The foregoing is a brief summary of fees and assessments under the Governing Documents. Nothing contained herein shall limit or otherwise affect in any manner the provisions of the purchase documents pertaining to your Lot or Home or the terms of the Governing Documents, which should be reviewed in detail before purchasing your Lot or Home.

¹ A “Unit” is defined in the Community Charter as including an unimproved residential lot and a home (house and lot).

Schedule 4 Utilities

Water. Potable (*i.e.*, drinkable) water is supplied to your Lot or Home and other homes within the Community by an extension of water lines from the central public water system to be owned, operated and maintained by the County Department of Water, which is located at 4398 Pua Loke Street, Lihue, Hawaii 96766; Phone: (808) 245-5430; Fax: (808) 245-5813; and website: www.kauai.org. Use of this water system is required, not optional, and you will not be permitted to install independent or individual water systems to service your Lot or Home.

Wastewater Collection and Treatment. Master Developer has entered into an agreement with HOH Utilities, LLC ("**HOH**"), which is a private wastewater treatment provider. Pursuant to that agreement, HOH will treat the wastewater from the initial phases of the Community at HOH's treatment plant (known as the Poipu Water Reclamation Facility) (the "**PWRF**"). HOH has agreed to provide sufficient capacity to treat wastewater from the first 300 or so homes built in the Community. HOH will own, operate, and maintain the wastewater treatment facilities. The address of HOH is P.O. Box 1214, Lawai, Hawaii 96765, and its phone number is (808) 332-7381. Future phases of the Community will be served either by the PWRF or by a new regional wastewater treatment plant that HOH may build and operate east of Koloa town, approximately three miles from the Community or by a new wastewater treatment plant within or near Kukui'ula.

The wastewater collection and transmission system that Master Developer is constructing for the Community's initial phases will be connected to the PWRF for treatment. The collection and transmission system will initially be owned, operated, and maintained by Kukui'ula South Shore Community Services, LLC ("**KSSCS**"). KSSCS is a private utility company that is an affiliate of Master Developer and that is regulated by the State of Hawaii Public Utilities Commission (the "**PUC**"). The address of KSSCS is c/o Waste Water Treatment Plant, 2700 Ke Alaula Street, Suite B, Koloa, Hawaii 96756 (Attn: WWTP Representative), and the phone number is (808) 742-6304.

Connection to the Community's wastewater collection and transmission system is required, not optional, and you will not be permitted to install a septic tank and other individual sewage disposal system, except as expressly provided by any supplement to the Charter that is applicable to your Home.

Electricity. Electric service to the Community is provided by Kaua'i Island Utility Cooperative ("**KIUC**"), a publicly regulated utility, the office address of which is 4463 Pahee Street, Suite 1, Lihue, Hawai'i 96766. KIUC's telephone number is (808) 246-4300 and their website can be found at www.kiuc.coop. Electrical power is provided by KIUC's Port Allen power plant located at 261A Akaula Street in Port Allen.

Telephone Service. Telephone service is available to your Home by a telephone service provider. Currently, you are able to choose telephone service from: (a) Oceanic Time Warner Cable (the local address of which is 3022 Peleke Street, Lihue, Hawai'i 96766, the telephone number of which is (808) 245-7720, and the website of which is <http://www.oceanic.com>); or (b) Hawaiian Telcom, Inc. (the Honolulu address of which is 1177 Bishop Street, Honolulu, Hawai'i 96813, the telephone number of which is (808) 643-3456, and the website of which is <http://www.hawaiiantel.com>). It is possible that other telephone providers will be able to provide you with telephone service or that only one of the listed providers will offer telephone service.

Cable Television and Internet Service. Internet and cable television service is available to your Home and you will be responsible for paying for the services provided.

Propane Gas. It is expected that electricity will be the primary energy source for lighting, operating appliances, and similar services in the Community. However, for the convenience of the Community's residents, propane gas service will be available in most Neighborhoods and will be supplied by Hawaii Gas, which will own and maintain the propane gas lines and propane gas tanks. Hawaii Gas' address, phone number and website are 3990 Rice Street, Lihue, Hawaii 96766, (808) 245-3301, www.hawaiigas.com.

Schedule 5 Community Facilities and Services

Hospitals/Ambulance. The nearest hospital facility to the Community is Wilcox Memorial Hospital, which is located approximately 11 to 12 miles from the Community at 3420 Kuhio Highway in Lihue. Kaua'i Veterans Memorial Hospital, Samuel Mahelona Medical Center and a satellite facility of St. Francis Medical Center are three other hospital facilities located within approximately 17 to 22 miles of the Community. Ambulance service is available to the Community by calling "911."

Physicians/Dentists. Physician services are available at the Kōloa Clinic of the Kaua'i Medical Clinic, which is located approximately one mile from the Community at 5371 Kōloa Road in Kōloa. Dental services are available at Kaua'i Family Dental Center – Kukui Grove, which is located at 4473 Pahee Street, Suite K, in Lihue, approximately 10 miles from the Community. Other physician and dental offices may be located through telephone directories and online.

Warning System. Two new civil defense siren systems have been installed along the Makai (ocean-side) portion of the Community.

Fire Protection. Fire protection is available year round from the County of Kaua'i. The nearest fire substation is located in Koloa, near the intersection of Poipu Road and Lawai Beach Road, and is about ½ mile from the Community. The Community will be serviced by fire hydrants.

Police Protection. Police protection is available from the County of Kaua'i Police Department year round. The nearest police substations are currently located in Waimea, at 9835 Kaumuali'i Highway, and in Lihue, at 3990 Kaana Street, Suite 200. Each substation is approximately 12 miles from the Community.

Mail Service. Mail will be delivered to mailboxes located in centralized mailbox clusters, rather than to individual street-side mailboxes. The location of the mailbox cluster serving your Home is determined by governmental agencies, not by Master Developer, the Association, The Club, or any builder or developer. The U.S. Post Office closest to the Community is the Koloa Post Office located on Koloa Road.

Public Transportation. There is currently no public transportation available to and from the Community. The nearest public bus stop is currently located at the Kukui'ula Market, which is less than one mile from the Community on Po'ipu Road. Private limousine and taxi service is generally available. The Community is located approximately 13 miles from the Lihue Airport. Private automobiles can be rented at the airport and, possibly, at other locations. Other transportation services may be located through telephone directories and online.

Public Schools. Koloa Elementary School is an elementary school, located at 3223 Po'ipu Road in Koloa, approximately 0.5 mile from the Community. Chiefess Kamakahahei Middle School is a middle school located at 4431 Nohu Street, in Lihue, approximately 10 miles from the Community. Kaua'i High School is a high school, located at 3577 Lala Road in Lihue, approximately 12 miles from the Community. Public school bus transportation is not currently available from within the Community.

Shopping Facilities. The nearest shopping area, The Shops at Kukui'ula, is located in the direct vicinity of the Community near the intersection of Ala Kalanikaumaka and Po'ipu Road. Currently, the grocery stores near the Community are: Living Foods Market located at The Shops at Kukui'ula; Sueoka Store located at 5392 Koloa Road, approximately 1 mile from the Community; Big Save located at 5516 Koloa Road, approximately 1.5 miles from the Community; and Kukui'ula Market located at 2827 Po'ipu Road, approximately one-half mile from the Community.

Schedule 6
Real Property Taxes

Real Property Tax. You will be responsible for paying real property tax to the County of Kauai from the closing of your purchase. Because the tax is due and payable two times a year (in August and February), escrow will prorate the tax at closing.

The County determines the assessed value of your Lot or Home and the real property tax is determined by the applicable tax rate. The tax rates for 2013-14, per \$1,000 of the assessed value, are as follows:

Residential	\$5.75
Vacation Rental	\$8.00
Hotel Resort	\$9.00

Thus, if you have a vacation rental that has an assessed value of \$2,000,000, the annual real property tax for 2013-14 would be \$16,000 per year. This is in addition to the CFD assessment.

General Excise Tax. A general excise tax is payable to the State of Hawai'i on gross receipts, including rent, and is currently four percent (4%) of such receipts. Thus, if you receive \$1,000 in rents, you will owe general excise tax of \$40.00. You may obtain a reimbursement of this tax from your renter, but your rental contract must clearly show that the renter is obligated to reimburse you for this tax. Thus, if you want to receive net rent of \$1,000, you could charge the renter \$1,000 plus a general excise tax reimbursement of 4.166% or rent of \$1,041.66. You will pay general excise tax on \$1,041.66 at 4% or \$41.67. As such, you would collect \$1,041.66 in rent and pay \$41.67 in general excise tax for net rent of \$999.99. (The reimbursement percentage should not be rounded upward.) You will need to obtain a general excise tax license from the State.

Transient Accommodations Tax. If you are renting your home to a transient person for fewer than 180 consecutive days, you will need to pay to the State of Hawaii a transient accommodations tax of 9.25% of the rental income. You will need to obtain a transient accommodations license from the State (on the same application form as the general excise tax license).

Please consult with the County of Kauai, the State of Hawaii, and/or your tax consultant for more information on these taxes and whether there are exemptions that may be applicable to you.

ACKNOWLEDGMENT OF RECEIPT OF MASTER DISCLOSURE STATEMENT

The undersigned represent that I/we have read and understand all of the Master Disclosure Statement (Version 5; dated November 25, 2013), and have received a copy for my/our records. I/we acknowledge and agree that I/we are solely responsible to make certain that I/we understand the contents of this Disclosure and will take whatever steps are necessary to do so, including, without limitation, consulting an attorney, interpreter, engineer, or any other person whose advice or assistance may be necessary to fully understand the matters set forth herein. I/We acknowledge and agree that I/we have considered the possible impact of such matters in my/our decision to purchase a Home in the Community. I/We also realize that the Governing Documents referred to in this Disclosure contain important information relating to my/our rights and obligations and I/we have familiarized myself/ourselves with their contents to my/our satisfaction. I/We represent and warrant to Master Developer Parties that no one has made any representation to me/us about the investment potential of the Lot or Home or the performance of any rental program. I/We acknowledge and agree that (a) no salesperson, employee or agent of the Master Developer Parties has the authority to interpret, change or modify the terms of any documents whatsoever, including the Governing Documents, and (b) no representation or promise has been made to me/us by any salesperson, employee or agent upon which I am/we are relying on in connection with the purchase of my/our Lot or Home. I/WE AGREE THAT I/WE SHOULD MAKE MY/OUR DECISION TO PURCHASE A LOT OR HOME PRIMARILY ON THE BASIS OF THE VALUE OF SUCH LOT OR HOME FOR MY/OUR PERSONAL USE, AND NOT ON THE POSSIBLE INCOME OR INCOME TAX BENEFITS FROM RENTING THE IMPROVED LOT OR HOME TO OTHERS.

DATED THIS _____ DAY OF _____, 20____

BUYER'S NAME (Please print): _____

BUYER'S SIGNATURE: _____

BUYER'S NAME (Please print): _____

BUYER'S SIGNATURE: _____

KUKUI'ULA PROPERTY ADDRESS: _____

KUKUI'ULA LOT NUMBER: _____

NAME OF KUKUI'ULA DEVELOPMENT PARCEL: _____

CURRENT ADDRESS: _____

(BUYER'S COPY - BUYER TO RETAIN FOR BUYER'S RECORDS)

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The undersigned represent that I/we have read and understand all of the Master Disclosure Statement (Version 5; dated November 25, 2013), and have received a copy for my/our records. I/we acknowledge and agree that I/we are solely responsible to make certain that I/we understand the contents of this Disclosure and will take whatever steps are necessary to do so, including, without limitation, consulting an attorney, interpreter, engineer, or any other person whose advice or assistance may be necessary to fully understand the matters set forth herein. I/We acknowledge and agree that I/we have considered the possible impact of such matters in my/our decision to purchase a Home in the Community. I/We also realize that the Governing Documents referred to in this Disclosure contain important information relating to my/our rights and obligations and I/we have familiarized myself/ourselves with their contents to my/our satisfaction. I/We represent and warrant to Master Developer Parties that no one has made any representation to me/us about the investment potential of the Lot or Home or the performance of any rental program. I/We acknowledge and agree that (a) no salesperson, employee or agent of the Master Developer Parties has the authority to interpret, change or modify the terms of any documents whatsoever, including the Governing Documents, and (b) no representation or promise has been made to me/us by any salesperson, employee or agent upon which I am/we are relying on in connection with the purchase of my/our Lot or Home. I/WE AGREE THAT I/WE SHOULD MAKE MY/OUR DECISION TO PURCHASE A LOT OR HOME PRIMARILY ON THE BASIS OF THE VALUE OF SUCH LOT OR HOME FOR MY/OUR PERSONAL USE, AND NOT ON THE POSSIBLE INCOME OR INCOME TAX BENEFITS FROM RENTING THE IMPROVED LOT OR HOME TO OTHERS.

DATED THIS _____ DAY OF _____, 20____

BUYER'S NAME (Please print): _____

BUYER'S SIGNATURE: _____

BUYER'S NAME (Please print): _____

BUYER'S SIGNATURE: _____

KUKUI'ULA PROPERTY ADDRESS: _____

KUKUI'ULA LOT NUMBER: _____

NAME OF KUKUI'ULA DEVELOPMENT PARCEL: _____

CURRENT ADDRESS: _____

(MASTER DEVELOPER'S COPY – SELLER TO DETACH AND DELIVER TO MASTER DEVELOPER)