

E PAEPAE KA PUKO'A
DEPOSIT RECEIPT AND SALES CONTRACT

Date of this Contract: _____

Lot # _____ (The "Property")

THIS DEPOSIT RECEIPT AND SALES CONTRACT is made on the above date between Old Stable LLC ("Seller"), of 464 Laulea Place, Paia, Hawaii 96779 (Tel. (808) 280-4130; Fax (808) 873-8097), and the Buyer set forth below.

The Buyer agrees to buy and the Seller agrees to sell the Property described above in accordance with the terms of this Contract and EXHIBIT A, TERMS AND CONDITIONS OF E PAEPAE KA PUKO'A DEPOSIT RECEIPT AND SALES CONTRACT attached hereto and incorporated by reference herein.

Purchase Price for the property is \$ _____ U.S. Dollars, which shall be paid as follows:
\$ _____ Initial deposit in cash into Escrow, upon execution of this Contract.
\$ _____ Additional cash deposit paid into Escrow on or before 21 days after the date of this Contract. This additional deposit will bring the total deposits up to 10% of the Purchase Price.
\$ _____ Balance of down payment (or balance of purchase price if all cash) paid into Escrow before closing.
\$ _____ Total Cash funds from Buyer (exclusive of closing costs).
\$ _____ By way of _____

\$ _____ TOTAL PURCHASE PRICE

MORTGAGE FINANCING: Buyer (___ will) (___ will not) require mortgage financing. If Buyer will require financing, Section 16 of the Terms and Conditions shall apply, and the "Financing Cancellation Date" referred to therein shall be midnight on the 30th day from the date of this Contract unless a different date is agreed to by Seller in writing. Section 16 specifies other time deadlines, to which Buyer is hereby referred.

CASH BUYER: If Buyer shall not be requiring mortgage financing and will be paying the Purchase Price from its own resources, then Buyer shall provide Seller with reasonable documentary evidence confirming Buyer's ability to pay the total Purchase Price at closing, within five business days of the date of this Agreement. If Seller shall in its sole discretion determine that such evidence is unacceptable, Seller may cancel this Contract by written notice to Buyer, and Buyer's deposits will be returned and this Contract shall be null and void without recourse by either party.

CLOSING DATE: 30 days after Seller shall have notified Buyer that Seller has received final subdivision approval from the County of Maui and that the transaction is ready to close.

Buyer: _____
Full Name (no Initials): _____
Address: _____
Phone (Home)() - (Bus.)() - _____
Spouse's Full Name: _____
SSN or Fed. Tax ID Number: _____

Buyer: _____
Full Name (no Initials): _____
Address: _____
Phone (Home)() - (Bus.)() - _____
Spouse's Full Name: _____
SSN or Fed. Tax ID Number: _____

Title will be taken in the following tenancy (check one):

- Tenants in common
- Tenants by the entireties (husband and wife only)
- Joint tenants with the right of survivorship

STATUS OF GOVERNMENTAL APPROVALS: Buyer acknowledges that at the time of signing this Agreement Seller may not have yet received all governmental approvals from the County of Maui for the subdivision and development of the project. If for any reason Seller shall have been unable to obtain all such approvals, including final subdivision approval from the County of Maui by September 30, 2006, Seller shall promptly notify Buyer of that fact and may, at Seller's option extend said date to a date on which Seller believes the approval will be obtained. Upon receipt of said notice, Buyer shall have the option, for fourteen (14) days from Buyer's receipt of said notice, to cancel this Agreement by written notice to Seller. If Buyer fails to cancel, the approval contingency date set forth in this section shall be deemed extended to the date set forth in Seller's said notice. In the event of said cancellation, all of Buyer's deposit shall be returned to Buyer.

SUBDIVISION CHANGES: During the process of Seller's developing the subdivision, certain changes may occur, including: the creation of certain easements on the lot or on any other lot to accommodate drainage requirements, landscaping, and installations for utility services for the subdivision and other changes in Seller's sole discretion which may not be foreseen at this time. Also, changes may be made to the E Paepae Ka Puko'a Declaration of Covenants, Conditions and Restrictions to accommodate the needs of the development or marketing of the project in Seller's sole discretion. Such changes shall not affect the price of the lot and shall not entitle Buyer to terminate this Agreement.

TERMINATION. Also Buyer acknowledges and agrees that Seller shall have the right, at any time, to terminate this Agreement in its discretion if any circumstance shall occur which shall adversely affect the feasibility of the project in Seller's sole judgment, or if any unknown condition shall be encountered with respect to site construction or governmental approvals. In the event of such termination all deposits shall be refunded the Buyer.

ENCUMBRANCES AND RESTRICTIONS: The Property and its use will be governed by certain restrictions as set forth in the Terms and Conditions. All lots are subject to a blanket easement in favor of Maui Electric Company, Limited and Verizon Hawaii Inc. Also there may be certain other easements or title restrictions which will apply specifically to the Property such as drainage or utility easements. Refer to Exhibit B hereto for a schedule listing the matters specifically affecting each lot.

FLOOD ZONE: All or a portion of the Property may be located in a Flood Zone under the County of Maui Zoning Ordinance. Special design and construction requirements may apply.

"AS IS" CONDITION: The Property is offered to and purchased by Buyer in "as is" condition at the time of closing and subject to all of the matters set forth in this Agreement and other project documents.

PLANS. The subdivision plan is attached as Exhibit C and a plot plan for the Property is attached as Exhibit D. Said plans are for Buyer's general information only and may change. Also, any topographic information may not be precise and may change.

ESCROW AND SELLER'S USE OF BUYER'S DEPOSITS: Seller has entered into an Escrow Agreement with TITLE GUARANTY ESCROW SERVICES, INC. ("Escrow"), 80 Puunene Avenue, Kahului, Hawaii 96732 (Telephone: (808) 871-2226), a copy of which is available for inspection at the Seller's office. Buyer has read, or been given an opportunity to read, the Escrow Agreement, and Buyer consents to the terms contained therein. The Escrow Agreement is made a part of this Contract.

Buyer agrees to make all of Buyer's payments under this Contract, including all additional charges and fees to Escrow.

TERMS and CONDITIONS: Buyer has reviewed, understands and accepts the Terms and Conditions of this Contract set forth in Exhibit A attached hereto and made a part hereof.

RISKS: Buyer is urged to consult his or her own attorney concerning the risks relating to the purchase of the Property and Buyer's responsibilities under this Contract.

INTEREST ON DEPOSITS: At Seller's option Seller shall receive interest on the Buyer's deposits at the rate earned by Escrow on said deposits from Escrow's depository bank. If Buyer's deposits are returned to Buyer, all accrued interest shall be paid to Seller. If Buyer's deposits are paid to Seller on Buyer's default, all accrued interest shall be paid to Seller.

AGENCY DISCLOSURE: _____, and all licensees employed by or associated with _____, represent Seller only, and do not represent Buyer unless Buyer and _____ shall have executed a separate dual agency agreement. Any other broker or salesperson used by Buyer in connection with the sale of the Property is Buyer's agent only, and is not in any manner the agent, sub-agent or representative of Seller or _____. By executing this Contract, Buyer confirms that oral or written disclosure of such representation was provided by Buyer before signing this Contract.

NOTICE: This Contract does not bind the Seller until the Seller executes this Contract in the space provided below. No receipt by salesman, employee or agent of the Seller of the deposit described above or any other sum from the Buyer shall constitute approval by or bind the Seller. The Seller shall be obligated to return the deposit unless it has accepted this Contract within 30 days after Buyer has signed this Contract and made the deposit.

YOU HAVE THE OPTION TO CANCEL THIS CONTRACT BY NOTICE TO THE SELLER UNTIL MIDNIGHT THE SEVENTH DAY FOLLOWING THE SELLER'S SIGNING OF THIS CONTRACT.

SPECIAL PROVISIONS: _____

- EXHIBITS:
- A. Terms and Conditions of this Contract
 - B. Schedule of Easements and Restrictions
 - C. Copy of Subdivision Plan
 - D. Plot Plan of the Property

SELLER:

OLD STABLE LLC

By: _____
 Its: _____

Date of Signature: _____

BUYER:

Date of Signature: _____

COOPERATING BROKERS SEPARATE AGREEMENT AND AGENCY DISCLOSURE

Subject to the terms of Section 12 of Exhibit A hereto, Seller's Agent agrees to pay to cooperating Broker through escrow at closing the following amount: _____ in consideration of assistance given by Cooperating Broker, who together with all of its licensees represent the Buyer herein.

SELLER'S AGENT:

Date: _____

By: _____

Address: _____

Phone:(Bus.) _____; FAX _____

Office ID Number: _____

COOPERATING BROKER:

Date: _____

By: _____

Address: _____

Phone:(Bus.) _____;FAX _____

Office ID Number _____

EXHIBIT A

TERMS AND CONDITIONS OF E PAEPAE KA PUKO'A
DEPOSIT RECEIPT AND SALES CONTRACT

1. Conveyance: At the Closing Date, and upon Buyer's performance of Buyer's obligations, Seller will convey the Property to Buyer by warranty deed. Buyer will notify Seller or Escrow of Buyer's tenancy at least 20 days before the closing. The deed will convey the Property free and clear of all liens and mortgages but the Property will be conveyed subject to certain other encumbrances listed below. Escrow will obtain for Buyer an owner's policy of title insurance through Title Guaranty of Hawaii, Inc. (or such other title company as the Buyer may elect) insuring Buyer's title in the Property in the amount of Buyer's purchase price. The cost of the title insurance shall be paid by Buyer. The warranty deed title insurance policy shall indicate that the Property is subject to the following:

(a) All terms, conditions and easements of the E Paepae Ka Puko'a Declaration of Covenants, Conditions and Restrictions, dated as of _____, recorded in the State of Hawaii Bureau of Conveyances as Document No. _____ (recording information to be determined on or before the Closing Date).

(b) Such real estate taxes as may be allocable to the Property for the then current tax year which are not yet due and payable on the date of delivery of the deed.

(c) A waiver of all rights with respect to damage to persons or property on the Property resulting from the adverse effects and nuisances of any agricultural operations, public operations, airport operations, and construction operations as set forth in Section 6.04 and 7 of the E Paepae Ka Puko'a Declaration of Covenants, Conditions and Restrictions, within the subdivision or on nearby lands. These waivers will be expressly set forth in Buyer's deed at closing, including any additional waivers and terms required by A&B Properties, Inc., as part of its deed of the Property to Seller.

(d) Any easements for drainage or utility purposes which exist of record or which are shown on the subdivision plan or otherwise which may be established on the Property before or after the closing of Buyer's purchase, as part of the E Paepae Ka Puko'a development or the development of adjacent or nearby lands by Seller or its successors. The Seller reserves the right before or after the closing hereunder, to grant easements or relocate easement boundaries within each lot, after closing, if needed to conform the easement area to the location or condition of any pole, pipe or other facility in its "as built" condition or to accommodate the requirements of this subdivision or the development of Seller's properties nearby; provided that each such easement or relocation shall not have any material adverse effect on the value or use of the property by Buyer as a residential dwelling.

(e) Reservation in favor of the State of Hawaii of all mineral and metallic mines.

(f) Encumbrances listed in any disclosure statement given by Seller or Seller's agent to Buyer.

(g) A blanket easement in favor of Maui Electric Company, Limited and Verizon Hawaii Inc.

(h) Any lot-specific encumbrances listed on Exhibit B hereto or shown on the plot plan for the Property attached as Exhibit D.

(i) Other encumbrances of record or which may be required by the County of Maui as a condition of final subdivision approval which shall not have any material adverse effect on the value of the Property or its use for a residential dwelling. Said encumbrances of record shall be listed in the deed to Buyer and in the Buyer's title insurance policy.

2. The Property: The Property consists of the lot identified on page 1 of this Contract, located in Paia (Spreckelsville), Maui, Hawaii as described on the subdivision plan entitled "E Paepae Ka Puko'a Subdivision", as it may be amended (see Exhibit C) and on the Plot Plan attached to this contract as Exhibit D.

Buyer acknowledges that Buyer has inspected the Property, either personally or through Buyer's agent, and has been given the opportunity to have the Property inspected by any experts of Buyer's choosing, and accepts the Property in its present condition, "as is" (except for Seller's obligation to complete construction of roads, utilities and other subdivision improvements as required by the County of Maui). Buyer further acknowledges that during Seller's construction of roads, utilities, and other subdivision improvements, the slope, topography and physical characteristics of the Property may change.

Buyer understands that as a precondition of Buyer's grading the Property or placing any structure on the Property and Buyer's use of the Property for its intended purposes, the Buyer must obtain at its own expense all governmental approvals under applicable law and all public utility consents, including a grading permit, building permit, electrical power connection and telecommunications connection. Seller shall reserve one 5/8" water meter for the lot.

Buyer also understands that Buyer must arrange for the extension of water, sewer, electricity and other utilities from the roadway near Buyer's Property boundary to Buyer's proposed residence, and to make arrangements with each service provider for hookup, meter installation, use and billing. Buyer will pay all costs of all said extensions and hookups.

Buyer also understands that before Buyer applies for any grading permit or building permit all architectural and grading plans must be prepared and signed by professionals licensed to practice in Hawaii and approved by the Architectural Design Committee as defined in the E Paepae Ka Puko'a Declaration of Covenants, Conditions and Restrictions and the Design Standards.

Buyer also understands that before any grading or construction shall start (or at Seller's option at closing), all proposed improvements and landscaping plans must be approved by Declarant or the Architectural Design Committee under the Declaration and Design Standards and Buyer or Buyer's contractor must pay a \$1,500.00 cash deposit as security for Buyer's obligation to repair any damage to the common areas and facilities.

EXCEPT AS PROVIDED IN THIS AGREEMENT OR IN THE SELLER'S DISCLOSURE STATEMENT, SELLER MAKES NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS TO BUYER CONCERNING ANY PHYSICAL ASPECTS OF THE PROPERTY, INCLUDING BUT NOT LIMITED TO THE NATURE OR SUITABILITY OF SOILS FOR CONSTRUCTION OF BUILDINGS, ANY SLOPES OR TOPOGRAPHICAL PROBLEMS, CLIMATE, DRAINAGE ASPECTS OR PROBLEMS,

INSECT OR ANIMAL HABITAT, THE FITNESS OF THE PROPERTY FOR ANY PARTICULAR PURPOSE OR USE, OR THE AVAILABILITY OF FIRE PROTECTION, POLICE PROTECTION OR OTHER SERVICES TO BE PROVIDED BY PERSONS OTHER THAN SELLER.

Seller makes no express or implied warranties or representations to Buyer concerning the preservation of any views from the Property.

Buyer understands that Seller may from time to time make changes to the subdivision and the lot and that any such change shall not affect the validity of this agreement or entitle Buyer to cancel this agreement. See "Subdivision Changes" on the second page of this Contract.

3. Seller's Use of Buyer's Deposits: Buyer's deposits shall remain in escrow prior to closing.

4. Subdivision Is a Condition: This Agreement is expressly conditional upon Seller obtaining final subdivision approval of E Paepae Ka Puko'a in accordance with Section 18.04.020 of the Maui County Code, as amended. Until this contingency is satisfied and closing occurs, Buyer's funds shall be held in escrow by Title Guaranty Escrow Services, Inc., pursuant to the Escrow Agreement.

5. Seller's Construction of Improvements: Seller will construct and complete, at Seller's expense, the following improvements listed below. Estimated time for completion is March 1, 2007, but this date is not binding on Seller.

(a) Seller will construct paved public roadway for access to all lots at no expense to Buyer. County of Maui rules require that the roadways be improved to County standards. The roadways will not be dedicated to the County of Maui, and the E Paepae Ka Puko'a Association, Inc. shall be responsible for all maintenance and repair as a common expense of all lot owners. Also the Association shall pay, as a common expense of all lot owners, a fair share of the cost of maintaining, repairing and replacing Old Stable Road and the bike path if, and for as long as, the ownership of said road and bike path shall not have been dedicated to and accepted by the County of Maui.

The roadways may not be completed at closing of the sale of the Property to Buyer. In all events Seller shall complete the paving of Roadways within one year after final subdivision approval is obtained, subject to any delays for causes beyond Seller's control. Access may be restricted or interrupted during construction of the subdivision and Buyer should anticipate some inconvenience.

(b) Seller and Maui Electric (with Verizon Hawaii, Inc.) shall install electrical and telephone service in E Paepae Ka Puko'a at no expense to Buyer to the roadway at or near the frontage of the Property. Installation shall conform to plans approved by Maui Electric and available for inspection in Seller's office. This service may not be complete at closing but shall be completed in all events within one year after final subdivision approval is obtained, subject to any delays by Maui Electric or by Verizon Hawaii, Inc. or for other causes beyond Seller's control. Buyer shall be responsible for connecting his electric and telecommunications services to the underground conduit located in the roadway near the boundary of the Property at Buyer's own expense.

(c) Seller shall install a waterline and a sewer line to the roadway fronting the boundary of the Property at no expense to Buyer. The Buyer shall be responsible for tying into the water and sewer lines at Buyer's expense. These services may not be complete at closing but shall be completed in all events within one year after final subdivision approval is obtained, subject to delays for causes beyond Seller's control. Water and sewer service will be provided by the County of Maui.

(d) Cable TV service may not be available, but Seller shall provide underground conduits for this service in the roadways, for use when it may become available.

Buyer agrees to close this sale pursuant to the terms of this Contract and to accept the Property at Closing notwithstanding the fact that roadways, water service, electrical service, sewer service, or telecommunications service may not have been constructed. Seller's obligations to complete these improvements under this paragraph 5 shall survive the closing and shall inure to Buyer and its successors in interest in the Property. If this sale is closed prior to such completion, Seller shall provide a bond to the County of Maui to secure Seller's obligation to complete the improvements in accordance with the Maui County Subdivision Ordinance.

6. Possession: Buyer agrees that after closing Seller shall not be required to give Buyer possession of the Property until Seller shall have determined, in Seller's reasonable discretion, that Buyer's possession of, or activities on, the Property will not interfere in any way with Seller's development of subdivision infrastructure or increase any risk of personal injury or property damage. Buyer accepts this restriction and agrees to be bound by Seller's directives in this regard.

7. Entry and Staking: Buyer agrees that Seller shall have the right to enter upon the Property after Closing for all purposes in connection with the construction of roadways and utility services, as well as slopes, grades, improvements, utility services and drainage. Seller will at Seller's expense stake the corners of the Property at the completion of the construction of subdivision roads and utilities.

8. Escrow Agreement: Seller has entered into an escrow agreement with Title Guaranty Escrow Services, Inc., 80 Puunene Avenue, Kahului, Hawaii 96732 (phone: (808) 871-2226 (Attention: Lynn Sueda) "Escrow"), under the escrow agreement between Seller and Escrow, a copy of which is available to Buyer on request. The escrow agreement requires Escrow to hold all funds paid by Buyer under this Contract and the disbursement of such funds by Escrow. In the event of cancellation, Escrow may charge a cancellation fee on account of escrow services performed whether the cancellation occurs before or after the proposed Closing Date. In the absence of cancellation, all funds of Buyer will continue to be held in escrow and no funds will be released by Escrow to Seller unless and until final subdivision approval has been granted by the County of Maui. Under Section 3 above, Escrow may not disburse Buyer's deposits to Seller before closing and the closing of this purchase and sale shall have occurred, except as otherwise provided in Section 9, below.

9. Default by Buyer: If Buyer fails to make any payment when it is due or fails to keep any of Buyer's other promises or agreements contained in this Contract, then Seller shall have the right, at Seller's sole option and in addition to any other rights contained herein, to do any one or more of the following:

(a) Seller may cancel this Contract by giving Buyer written notice of cancellation and Seller may keep all sums paid by Buyer under this Contract as liquidated damages. If Seller cancels this Contract, Buyer agrees that it will be difficult and expensive to determine the amount of loss or damage Seller will suffer. This is because of, among other things, Seller's commitments relating to the financing of the project, the effect of default and cancellation of one sale on other property sales, and the nature of the real estate market in Hawaii. Buyer agrees that the sums paid by Buyer under this Contract are a reasonable estimate of a fair payment to Seller for Seller's loss or damage resulting from Buyer's default.

(b) Seller may file a lawsuit for damages.

(c) Seller may file a lawsuit for "specific performance" (in other words, a lawsuit to make Buyer keep all of Buyer's promises and agreements, including, without limitation, closing the purchase of the Property).

(d) Seller may take advantage of any other rights which law allows or which Seller may have under this Contract.

Buyer also agrees to pay for all costs, including Seller's reasonable lawyers' fees and the escrow cancellation fee, which are incurred because of Buyer's default.

10. Default by Seller. If Seller fails to perform any of Seller's promises contained in this Contract, Buyer may bring a suit against Seller to require Seller to do so or Buyer may cancel this Contract. If Buyer cancels this Contract because of Seller's default, Seller shall repay to Buyer all sums paid by Buyer to Seller or Escrow under this Contract.

BUYER AGREES THAT IF SELLER DEFAULTS UNDER THIS AGREEMENT AT ANY TIME, BUYER WILL ONLY HAVE THE RIGHTS MENTIONED IN THIS SECTION 10. BUYER WAIVES ANY OTHER RIGHTS BUYER MIGHT OTHERWISE HAVE.

11. Declaration of Covenants, Conditions and Restrictions: Buyer acknowledges that Buyer has received a copy of the E Paepae Ka Puko'a Declaration of Covenants, Conditions and Restrictions dated as of _____, (and amendments if any), has read the document prior to signing this Contract, and understands and accepts its provisions. Buyer understands that Buyer will be required to be a member of the E Paepae Ka Puko'a Association, Inc., and will be obligated to pay certain general and special assessments which shall be established from time to time, nonpayment of which may result in a lien on Buyer's property. Buyer further understands that Buyer must obtain the prior written approval by the Architectural Design Committee for all site work, buildings, improvements and landscaping.

An estimated first-year budget has been separately provided to Buyer (or is available on request). These figures are estimates only, and Seller does not warrant their accuracy.

Buyer agrees that Seller may change said E Paepae Ka Puko'a Declaration of Covenants, Conditions and Restrictions at any time in Seller's discretion and without requiring Buyer's consent if Seller, in good faith, deems it advisable or if such change is required by any lender or governmental agency or required to implement or accommodate the development.

12. Closing: Closing shall occur on the closing date stated on the first page of this Agreement. Buyer agrees to execute all closing documents and pay all funds into escrow at least five (5) business days prior to the scheduled Closing Date. Any extensions must be agreed upon in writing by Buyer and Seller. Buyer has no unilateral right of extension. Time is of the essence. At closing Seller will pay the Hawaii conveyance tax, notary fee for execution of the deed, the cost of releasing the lot from Seller's blanket mortgage, the cost of preparing the deed and all real estate commissions. Buyer will pay all costs of obtaining the title report and title insurance, all costs associated with Buyer's mortgage financing, all recording fees, the initial Association assessment, mailing costs, prorated real property taxes, and all of the escrow fee.

At closing Buyer shall pay a start-up fee to the Association equal to two months' assessments under the Association's budget at that time. Said payment is a one time fee to establish a reserve and is not payment of the monthly assessment in advance.

At closing Seller may require Buyer to pay the \$1,500.00 damage deposit described in Section 2 above.

13. Buyer's Broker's Commission: If an agent of Buyer ("Cooperating Broker") is identified on the signature page of this Contract and has signed this Contract, said agent shall be paid a commission by Seller as provided on the signature page, but only if and when the Seller receives the full purchase price therefor and Buyer accepts delivery of the deed. Said payment will be made out of the total commissions due under Seller's listing agreement with Seller's broker. No such commission shall be paid if the transaction shall fail to close for any reason whatsoever. By accepting said commission, the said agent warrants to the Seller that said agent is duly licensed under the laws of the State of Hawaii.

If no Buyer's agent is identified on the signature page of this Contract, Buyer represents and warrants to the Seller that the Buyer was not introduced to the Seller or the Property or induced to enter into this Contract by any person other than the Seller's listing broker or Seller and has had no contact with any broker or agent other than the Seller's listing broker or Seller.

14. Projections: Seller may have provided to Buyer the Association budget and other information concerning mortgage financing, real estate taxes, assessments for common expenses to be paid to the E Paepae Ka Puko'a Association, Inc., and other ownership costs for individual properties. Such information is thought to be reliable, but the Seller DOES NOT WARRANT THE ACCURACY OF SUCH INFORMATION AND PROJECTIONS.

15. No Investment Representations: The Buyer acknowledges that Seller and its representatives have not made any representations whatsoever (a) as to rental value of the Property or any income or profit or any other investment return which Buyer may realize or anticipate from the ownership of the Property, or (b) that Seller or any third party may provide rental or management services in connection with the Property.

16. Mortgage Financing. If the section entitled "mortgage financing" on page 1 of this Contract states that the Buyer will require financing, then the following terms and conditions shall apply (time deadlines are underlined):

(a) Application. Buyer shall apply for mortgage financing within five business days from the date of this Agreement and shall provide such information as the Lender requires to qualify Buyer for a loan to finance the Purchase Price.

(b) Pre-Qualification Letter. Buyer shall obtain a pre-qualification letter from the Lender and shall provide a copy to Seller within twenty business days from the date of this Agreement.

(c) Binding Commitment. Buyer shall obtain a binding loan commitment from the Lender and shall provide a copy of it to Seller not later than the Financing Cancellation Date.

(d) Buyer's Right to Cancel. If Buyer after bonafide effort to do so, is unable to obtain a binding commitment for a permanent loan to finance the Purchase Price then Buyer shall have the right to cancel this Contract by written notice to the Seller, delivered or mailed, first class, postage pre-paid, on or before the Financing Cancellation Date. Upon such cancellation by Buyer, all of Buyer's deposits shall be returned and this Contract shall be null and void without recourse by either party.

(e) Seller's Right to Cancel. If Buyer shall fail to provide to Seller the pre-qualification letter or binding commitment by the required deadline stated above, Seller shall have the right to cancel this Contract by written notice to Buyer at any time, before or after the Financing Cancellation Date. Upon such cancellation by Seller, all of Buyer's deposits shall be returned and this Contract shall be null and void without recourse by either party.

If at any time after the Financing Cancellation Date Buyer's financing commitment shall be withdrawn or revoked, or if Seller shall request further confirming evidence of Buyer's acquisition of a permanent loan or ability to pay the Purchase Price in cash and if Buyer shall fail to provide said information within five days after Seller's request, then in either case Seller, at its option, may treat such failure as a default by Buyer under this Contract under Section 9 above.

17. Assignment: The Buyer may not assign this Agreement before the Closing without the prior written consent of the Seller, which consent may be withheld in Seller's sole discretion, it being understood that Seller is relying on the identity and financial capability of Buyer in entering into this Contract. If Buyer shall die before Closing, all of the Buyer's rights and interests in and to this Agreement and the Lot shall pass to such devisees, legatees or heirs as shall be entitled to receive them, by law or under the terms of Buyer's will, trust or other testamentary disposition, without requiring Seller's consent; provided that Seller reserves the right to cancel this Agreement by written notice to Buyer or his or her appropriate representative and to return the Buyer's initial deposit without interest, (less escrow cancellation fees and other such costs incurred by Seller), whereupon both Seller and Buyer (including the Buyer's estate and legal representative) shall be released from all further obligations and liability hereunder.

If Buyer is a corporation, limited liability company or other entity, a change in control of said entity or a change in more than 50% of its equity ownership shall constitute an "assignment" for all purposes of this Section 16.

18. Notices: Notices hereunder to Buyer or Seller may be delivered personally or deposited in the U.S. mail, postage prepaid, by certified or registered mail, addressed to the addressee at the address set forth in the beginning of this Contract, or such other address as the addressee shall have previously notified the sender in writing.

19. Miscellaneous: This Contract shall be binding upon and shall inure to the benefit of the Seller and Buyer and their respective, heirs, successors and assigns. If there is more than one Buyer, the obligations of each Buyer under this Contract shall be joint and several. This Contract is governed by Hawaii law.

20. Seller's Lender Has Priority: Seller has given or may need to give to one or more lenders a mortgage on the E Paepae Ka Puko'a land and a collateral assignment of Seller's interest in this Contract to secure repayment of loan(s) for project development. In this Contract, each of these lenders will be called the "Seller's Lender". Buyer agrees that all of the rights and interests which Seller gives to Seller's Lender will have priority over Buyer's rights and interests under this Contract. This applies to any changes to the loan or loans or the mortgage or mortgages, security agreement or agreements, or other instruments (including, among other things, extensions, renewals and other changes). BUYER GIVES UP AND SUBORDINATES THE PRIORITY OF BUYER'S RIGHTS AND INTERESTS UNDER THIS CONTRACT IN FAVOR OF THE RIGHTS AND INTERESTS OF SELLER'S LENDER UNTIL THE FINAL CLOSING AND DELIVERY OF A SIGNED DEED TO THE BUYER, PROVIDED THAT BUYER'S DEPOSITS MADE UNDER THIS CONTRACT SHALL BE HONORED BY SELLER'S LENDER AND SHALL NOT BE FORFEITABLE UNLESS BUYER DEFAULTS IN THE PERFORMANCE OF BUYER'S OBLIGATIONS UNDER THIS CONTRACT.

If Seller's Lender asks Buyer to do so, Buyer will sign other documents to confirm the agreements in this Section 20. If Seller's Lender takes the place of the Seller and informs Buyer that Lender elects to have the Buyer to follow through with Buyer's purchase under this Contract, Buyer will faithfully perform all of Buyer's promises and agreements contained in this Contract. Buyer agrees that under this Contract Buyer has no rights or interests in the Property or the project other than a contractual right enforceable only against the Seller and not against the Property or the project itself or against the Seller's Lender.

21. No Present Transfer: This Contract shall not be construed as a present transfer of any legal or equitable interest in the Property. It is, rather, an agreement to transfer in the future.

22. Time: Time is of the essence of this Agreement.

23. Arbitration: If any dispute or claim arises out of this Contract at any time before or after the closing and the parties to such dispute are unable to resolve the dispute through negotiation or mediation (if either party shall elect to mediate) then such dispute or claim shall be decided by neutral binding arbitration before a single arbitrator, sitting in Wailuku, Hawaii, acting under the Commercial Arbitration Rules of a reputable dispute resolution provider. Judgment upon an award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator may award reasonable attorneys' fees and costs to the prevailing party. Buyer and Seller hereby mutually elect arbitration and hereby respectively waives its right to litigation.

END OF TERMS AND CONDITIONS

EXHIBIT "B"

Schedule of Easements and Restrictions

This schedule lists those matters affecting each lot which may be specific to that lot and may not affect others. The following schedule is not exclusive or comprehensive. There may be additional matters that affect a particular lot not noted on this schedule. As stated in the project documents and the deed to each lot, the developer has reserved the right to amend existing easements and establish additional easements as needed, before and after closing of lot sales. Lot areas are approximate and may change on the final plan.

<u>Lot No.</u>	<u>Approximate Lot Area</u> <u>(as shown on Plan)</u>	<u>Specific Easements and Restrictions Affecting Lot</u>
1	1.203 acres	<ul style="list-style-type: none">● Prohibition on access to Laulea Place and obligation to maintain berm and wall on Laulea Place (CC&Rs §3.07)● Sewer Easement D of County of Maui● Easement A-1 for access in favor of Lot 10
2	1.123 acres	
3	0.927 acres	<ul style="list-style-type: none">● Prohibition on access to Laulea Place and obligation to maintain berm and wall on Laulea Place (CC&Rs §3.07)● Sewer Easement D of County of Maui
4	0.785 acres	
5	0.666 acres	<ul style="list-style-type: none">● Prohibition on access to Laulea Place and obligation to maintain berm and wall on Laulea Place (CC&Rs §3.07)● Sewer Easement D of County of Maui
6	0.681 acres	
7	0.529 acres	<ul style="list-style-type: none">● Prohibition on access to Laulea Place and obligation to maintain berm and wall on Laulea Place (CC&Rs §3.07)
8	0.626 acres	<ul style="list-style-type: none">● Prohibition on access to Laulea Place and obligation to maintain berm and wall on Laulea Place (CC&Rs §3.07)

<u>Lot No.</u>	<u>Approximate Lot Area</u> <u>(as shown on Plan)</u>	<u>Specific Easements and Restrictions Affecting Lot</u>
9	0.837 acres	<ul style="list-style-type: none"> ● Prohibition on access to Laulea Place and obligation to maintain berm and wall on Laulea Place (CC&Rs §3.07)
11	0.902 acres	<ul style="list-style-type: none"> ● Landscaping easement in favor of the Association to maintain and replace trees along the southerly boundary of the lot, abutting the bike path Lots 24, 25 and 26 ● Easement A-1 for access in favor of Lot 10
12	0.836 acres	<ul style="list-style-type: none"> ● Landscaping easement in favor of the Association to maintain and replace trees along the southerly boundary of the lot, abutting the bike path Lots 24, 25 and 26
13	0.804 acres	<ul style="list-style-type: none"> ● Landscaping easement in favor of the Association to maintain and replace trees along the southerly boundary of the lot, abutting the bike path Lots 24, 25 and 26
14	0.774 acres	<ul style="list-style-type: none"> ● Landscaping easement in favor of the Association to maintain and replace trees along the southerly boundary of the lot, abutting the bike path Lots 24, 25 and 26
15	0.767 acres	<ul style="list-style-type: none"> ● Landscaping easement in favor of the Association to maintain and replace trees along the southerly boundary of the lot, abutting the bike path Lots 24, 25 and 26
16	0.784 acres	<ul style="list-style-type: none"> ● Landscaping easement in favor of the Association to maintain and replace trees along the southerly boundary of the lot, abutting the bike path Lots 24, 25 and 26

<u>Lot No.</u>	<u>Approximate Lot Area</u> <u>(as shown on Plan)</u>	<u>Specific Easements and Restrictions Affecting Lot</u>
17	0.882 acres	<ul style="list-style-type: none"><li data-bbox="673 247 1453 388">● Landscaping easement in favor of the Association to maintain and replace trees along the southerly boundary of the lot, abutting the bike path Lots 24, 25 and 26

End of Exhibit "B"

EXHIBIT "C"

[Reduced copy of Final Subdivision Plan]

EXHIBIT "D"

[Plot Plan for the Lot]