

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

May 13, 2016

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

OAHU

Consent to Non-Exclusive License to Keauhou Lane, LP for Airspace over South Street Garage Parking Facility under Governor's Executive Order No. 3433 to Department of Accounting and General Services, Honolulu, Oahu, Tax Map Key: (1) 2-1-030:003.

CONTROLLING AGENCY (of subject executive order):

Department of Accounting and General Services (DAGS)

APPLICANT (requesting license):

Keauhou Lane, LP, a domestic limited partnership

LEGAL REFERENCE:

Section 171-11, Hawaii Revised Statutes, as amended.

ZONING:

State Land Use District: Urban
City and County of Honolulu LZO: Kakaako Community Development District

TRUST LAND STATUS:

Acquired after Statehood, i.e. non-ceded
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

CURRENT USE STATUS:

Governor's Executive Order No. 3433 to Department of Accounting and General Services for State Judiciary Complex and Parking Facility purposes.

LICENSE TERMS & CONDITIONS:

LOCATION:

Portion of State lands situated at Honolulu, Oahu, identified by Tax Map Key: (1) 2-1-030:003, as shown on the maps attached as **Exhibit A1** and **A2**.

CHARACTER OF USE:

Use and operation of construction tower cranes purposes

COMMENCEMENT DATE:

To be determined by the DAGS Comptroller.

EXPIRATION DATE:

December 31, 2017.

RENT AMOUNT:

Gratis

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with Hawaii Administrative Rule Section 11-200-8 and the Exemption List for the Department of Land and Natural Resources concurred with by the Environmental Council on June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, Item 47, "Leases of state land involving negligible or no expansion or change of use beyond that previously existing." See exemption declaration attached as **Exhibit B**.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u> x </u>	NO <u> </u>
Registered business name confirmed:	YES <u> x </u>	NO <u> </u>
Applicant in good standing confirmed:	YES <u> x </u>	NO <u> </u>

REMARKS:

DAGS received a request from the developer of the adjoining private lot regarding the use of air space by tower cranes during the construction phase of such private property. The proposed license will commence from May 1, 2016, and expire on December 31, 2017, at gratis rent.

As shown on Exhibit A2, there will be two tower cranes planned for the construction of the private residential tower. The 184-foot crane will intrude into the airspace over the car park structure. The air space is needed for the swing and rotation of the boom portion of the crane.

DAGS, through its deputy Attorney General, has prepared the license agreement containing insurance and indemnification conditions protecting the State's interest. A copy of the license agreement is prepared at **Exhibit C** for the Board's reference.

Staff recommends the Board authorize the Comptroller to extend the license up to six (6) months for good cause. There are no other pertinent issues or concerns.

RECOMMENDATION: That the Board

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. Consent to the license between Department of Accounting and General Services and Keauhou Lane, LP, subject to any applicable conditions cited above which are by this reference incorporated herein and further subject to the following:
 1. Review and approval by the Department of the Attorney General;
 2. The Comptroller may extend the license up to six (6) months for good cause; and
 3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

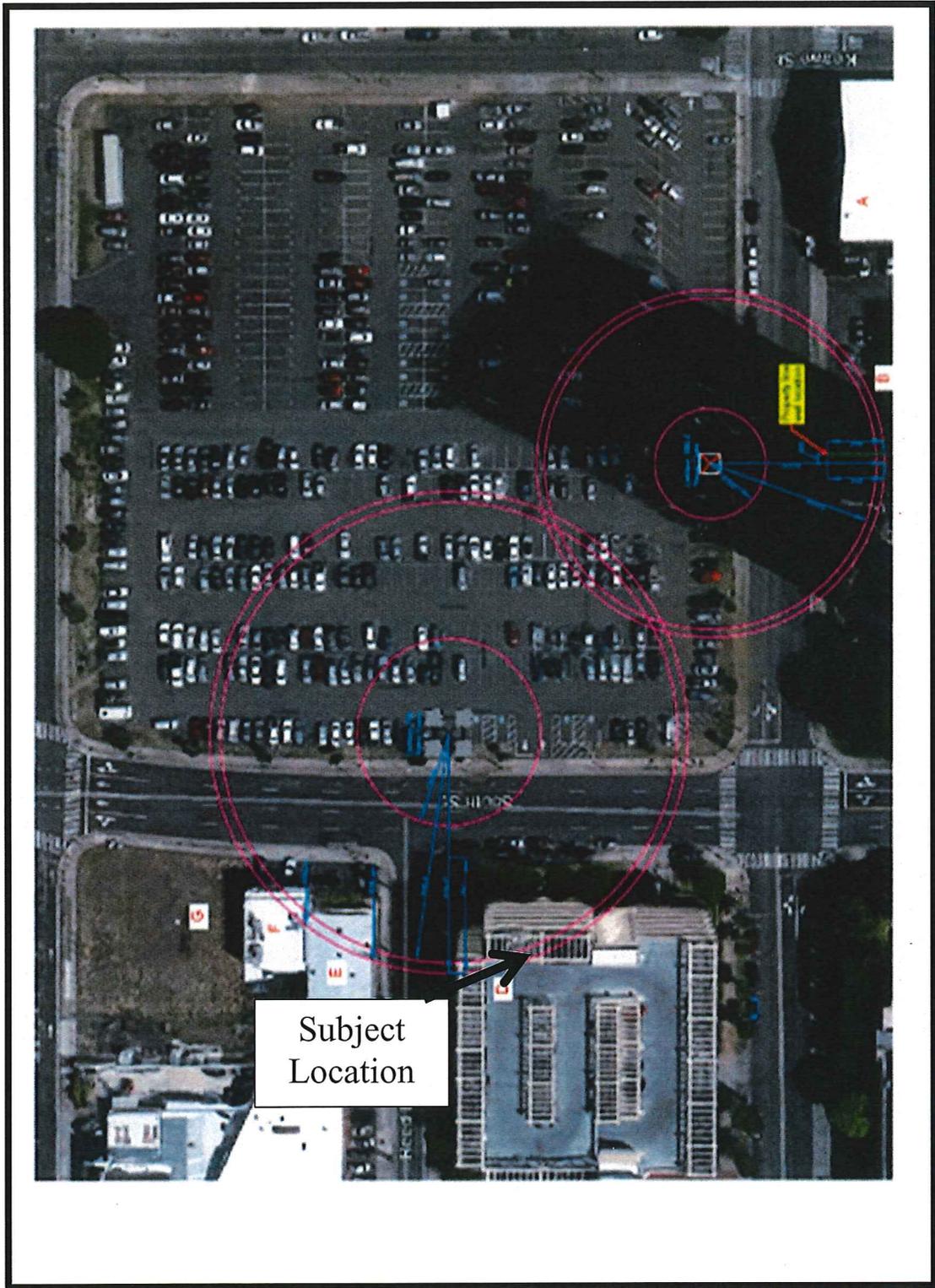


Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:



Suzanne D. Case., Chairperson



TMK (1) 2-1-030:003

EXHIBIT A2

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200, HAR

Project Title: Non-Exclusive License for Airspace over South street Garage Facility for the Operation of Tower Crane purposes

Project / Reference No.: EO 3433

Project Location: Honolulu, Oahu, TMK (1) 2-1-030:portion of 003.

Project Description: Use of air space

Chap. 343 Trigger(s): Use of State Land

Exemption Class No.: In accordance with Hawaii Administrative Rule Section 11-200-8 and the Exemption List for the Department of Land and Natural Resources concurred with by the Environmental Council on June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, Item 47, "Leases of state land involving negligible or no expansion or change of use beyond that previously existing."

The request pertains to the operation of construction tower crane over the adjoining private property. There will be no construction/improvement on the subject State land. The daily operation of the existing State parking garage will not be affected by the proposed license. As such staff believes that the request would involve negligible or no expansion or change in use beyond that previously existing.

Consulted Parties: Department of Accounting and General Services

Recommendation: It is recommended that the Board find that this project will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.



 Suzanne D. Case, Chairperson
 Date 4/21/16

EXHIBIT B

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (this “**License**”) is dated this ____ day of _____, 2016, by and between the **STATE OF HAWAII BY AND THROUGH ITS DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES** (hereinafter referred to as “**Licensor**”), with its mailing address at 1151 Punchbowl Street, Room 412, Honolulu, Hawaii 96813, and **KEAUHOU LANE, LP**, a Hawaii limited partnership (hereinafter referred to as “**Licensee**”), with its business address at 1100 Alakea Street, Suite 2700, Honolulu, Hawaii 96813.

W I T N E S S E T H:

WHEREAS, Licensor is the owner of property located at Honolulu, Hawaii 96813, identified by TMK No. (1) 2-1-030-003 (the “**State Property**”); and

WHEREAS, Licensee is the developer of that certain condominium property regime known as Keauhou Place, established by that certain Declaration of Condominium Property Regime dated February 3, 2015, recorded in the Bureau of Conveyances of the State of Hawaii as Document Nos. A-55130770A thru A-55130770B, and shown on Condominium Map 5367, and located at 555 South Street, Honolulu, Hawaii 96813, identified by TMK No. (1) 2-1-030:051, CPR Nos. 0001 thru 0429, all as more particularly described in Exhibit A attached hereto and made a part hereof (the “**Keauhou Place Project**”); and

WHEREAS, Licensee has requested and Licensor has agreed to grant to Licensee a nonexclusive license to enter into and utilize certain air space over portions of the State Property at an elevation above sea level of not less than 180 feet, and not more than 500 feet, as more particularly shown on Exhibit B attached hereto and made a part hereof (the “**licensed area**”), upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the recitals set forth above and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Licensor and Licensee hereby mutually covenant and agree to each of the following terms and conditions:

1. **Grant of License:** Licensor hereby grants to Licensee and Licensee’s contractor a nonexclusive license and right-of-entry into the licensed area solely for the uses and purposes set forth in Paragraph 2 below, and subject to the limitations, conditions, and restrictions contained in this License.

2. **Use.** Licensee may use the licensed area during the Term (as defined herein) for construction activities relating to the Keauhou Place Project as air space for the swing and rotation of the boom portion of the tower crane to be used by Licensee in its construction of the Keauhou Place Project, provided that (a) in no event shall the maximum extension of the tower crane boom over the licensed area exceed seventy-five (75) feet from the State Property’s South Street property line, and (b) at no time shall any materials or building

EXHIBIT “C”

components be carried over the licensed area by the tower crane boom. During non-working hours, the tower crane boom will swing freely with the wind and will cross over and through the licensed area but in no instance during such times shall any materials or building components be attached to the tower crane boom and carried into the licensed area.

3. **Names; Information.** The names and contact information for the contractor who will be authorized to exercise this License for the uses and purposes described in Paragraph 2 are set forth on Exhibit C attached hereto and made a part hereof. Licensee shall provide written notice to Licensor of the name, and contact information, not less than forty-eight (48) hours prior to the initial exercise of the nonexclusive rights to enter into the licensed area granted under this License, and shall provide a certificate of insurance evidencing that the insurance required pursuant to Paragraph 9 below is in full force and effect.

4. **Terms and Duration.** The license and right-of-entry granted hereby shall commence as of 7:00 a.m. (Hawaii Standard Time) on May 1, 2016, and shall terminate at 5:00 p.m. (Hawaii Standard Time) on December 31, 2017 ("**Term**"), unless sooner terminated as set forth in this License or further extended by mutual written agreement of the parties. Licensor will notify Licensee if Licensee or Licensee's contractor is in violation of any of the terms and conditions of this License. If Licensee fails to correct any default and comply with all terms and conditions of this License within two (2) business days after receipt of notice, Licensor may revoke and terminate this License in its entirety or suspend the right of the offending party or person(s) until the default is cured to the reasonable satisfaction of Licensor.

5. **License Fee.** Licensee shall pay to Licensor a license fee in the amount of ONE AND NO/100 DOLLARS (\$1.00) payable concurrently with the execution and delivery of this License (the "**License Fee**").

6. **Limited Use.** Unless otherwise mutually agreed by the parties hereto from time to time, Licensee shall not use or permit the licensed area (or any parts thereof) to be used for any purpose other than that for which the licensed area has been licensed herein, and such use shall be in the manner provided in this License. Licensee shall at all times use said licensed area in a safe manner consistent with accepted construction industry standards and practices relating to use and operation of construction tower cranes, and not cause any use, or cause any act to be done, in or about the licensed area which is illegal or unlawful.

7. **Due Care and Diligence.** Licensee will, and shall cause Licensee's contractor, at all times to use due care and diligence in entering upon, across and through the licensed area and in the operation and use of the tower crane for the construction of the Keauhou Place Project. Licensee understands that the surface of the State Property contains operating businesses and that Licensee and Licensee's contractor and Licensee's contractor's tower crane operator(s) shall cause as little inconvenience and disruption to the business operations on the State Property.

8. **Assignment and Sublicensing.** Licensee shall not voluntarily or by operation of law, assign, transfer, sublicense, or otherwise encumber all or any part of Licensee's rights under this License or to the licensed area without Licensor's prior written consent, which consent may be granted or denied in Licensor's sole and absolute discretion. Any attempted assignment,

transfer, encumbrance or sublicensing without such consent shall be void. Notwithstanding the foregoing, Licensee may permit its contractor and contractor's crane operator(s) as designated and identified on said Exhibit C to cause the tower crane boom to enter into and across the licensed area pursuant to the terms of this License, provided that Licensee shall at all times be and remain responsible to Licensor for any actions, omissions or negligence of said Licensee's contractor and contractor's crane operator(s). In addition, Licensor hereby consents to the pledge and assignment by Licensee of this License and Licensee's rights hereunder to the lenders of Licensee's construction loan, as security for Licensee's performance under such loan documents.

9. **Insurance.** Licensee will, at its own cost and expense, at all times during the Term hereof, effect and maintain with an insurance company or companies qualified to do business in the State of Hawaii policies of insurance as set forth in this License. In addition, Licensee shall require that Licensee's contractors comply with the insurance requirements set forth in this Paragraph 9. All required policy or policies of insurance shall (a) cover occurrences arising out of the tower crane boom entering into, across and through the licensed area by Licensee or Licensee's contractor, and (b) shall be endorsed, except for Workers Compensation, to include Licensor as an additional insured and apply as primary and non-contributory insurance with respect to any other insurance or self-insurance programs afforded to Licensor, and (c) contain or be endorsed to contain a waiver by the insurer of all rights of recovery, under subrogation or otherwise, against Licensor or any person acting under them. Said insurance waiver under subsection (c) includes, but is not limited to, recovery of damages to the extent damages are covered by any insurance or self-insured programs, or could have been covered if not for the application of a deductible and/or self-insured retention for said insurance coverage provided by private sector insurers and/or self-insurance programs afforded to Licensee or Licensee's contractor. To the extent commercially available, all required policies of insurance shall contain a clause or endorsement stating the policy may not be cancelled or allowed to expire until after thirty (30) days written notice of such cancellation or termination has been received by Licensor. Information concerning a decision to cancel, terminate or alter (defined as a reduction of limits of liability, including claims paid, or a reduction or an elimination of coverage) shall be promptly furnished by Licensee to Licensor in writing but no later than five (5) business days after Licensee or Licensee's contractor has actual or constructive knowledge of such information. The insurance required under this License is as follows:

Commercial Liability Insurance	\$1,000,000 each occurrence
Workers Compensation & Employer's Liability Insurance	WC: Statutory EL: \$1,000,000 each accident/employee
Excess Liability and/or Following-Form Commercial Umbrella Insurance	\$10,000,000 each occurrence

The obligation set forth above to carry Workers Compensation & Employer's Liability Insurance is hereby waived for Keauhou Lane, LP, but this waiver does not extend to and/or apply to its contractors.

For avoidance of doubt it is expressly intended and understood that any time the term "Licensee" is used in this Paragraph 9 shall be construed and deemed to include and apply equally to Licensee's contractor.

Licensee shall furnish to Licensor a certificate(s) of insurance on ACORD forms along with any endorsements that provide Licensor insured status, primary and non-contributory coverage, notice of cancellation, and waiver of subrogation evidencing compliance by Licensee and/or Licensee's contractor with the insurance requirements herein prior to the first entry into the licensed area by Licensee or Licensee's contractor, and thereafter upon renewal or replacement of each required policy of insurance. Prior to the first entry into the licensed area, Licensee shall also furnish to Licensor a certificate of insurance on an ACORD form to confirm that Licensee's crane operator contractor has the required Workers Compensation & Employer's Liability Insurance, and thereafter upon renewal or replacement of such Workers Compensation & Employer's Liability Insurance. Failure of Licensor to demand such certificate(s) or other evidence of full compliance with the insurance requirements set forth in this Paragraph, or failure of Licensor to identify any deficiency from evidence that is provided shall not be construed as a waiver of Licensee's obligation to maintain such insurance and to cause Licensee's contractor to maintain such insurance in strict compliance and conformity with the requirements of this Paragraph 9.

Certificate Holder and Additional Insureds should read as follows:

State of Hawaii

10. **Compliance with Laws and Regulations.** At all times during the Term hereof, Licensee shall and will cause Licensee's contractor and Licensee's contractor's tower crane operator(s) entering into, across and through the licensed area to comply with all laws, rules and regulations, whether state, county or federal, applicable to the use of the licensed area and/or the operation and use of a tower crane for construction-related work.

11. **Permits.** Licensee, at no cost or expense to Licensor, shall be responsible for obtaining any and all governmental permits and approvals required for Licensee or Licensee's contractor or its contractor's tower crane operator(s) to operate and use a tower crane for such construction related work and to enter into, across and through the licensed area.

12. **Liens and Claims.** Licensee will not permit any mechanics', materialmen's, or other similar liens or claims to stand against the State Property for labor or material furnished in connection with any use of or activity within the licensed area by Licensee or Licensee's contractor or Licensee's contractor's tower crane operator(s) under this License. Upon reasonable and timely notice of any such lien or claim delivered to Licensee by Licensor, Licensee may bond and contest the validity and the amount of such lien, but Licensee will immediately pay any judgment rendered, will pay all proper costs and charges, and will have the lien or claim immediately released at its sole expense. If Licensee shall not elect to contest in a timely manner the validity of a lien or claim as aforesaid, and Licensee fails to pay off any such lien or claim and cause it to be satisfied and discharged of record within fifteen (15) days after receiving notice from Licensor to do so, Licensor may, at the Licensor's option, pay off the

claim or lien, and any amount so paid by Licensor shall thereupon be and become immediately due and payable by Licensee to Licensor, together with interest at the rate of ten percent (10.0%) per annum.

13. **Litigation.** In the event Licensor shall, without any fault, be made party to any litigation (other than condemnation proceedings) commenced by or against Licensee, and arising out of the use of or entry into the licensed area by Licensee or any person claiming under Licensee, Licensee will pay promptly upon demand therefor by Licensor all costs and expenses, including reasonable attorneys' fees, incurred by or imposed on Licensor by or in connection with such litigation. Licensee will also pay all costs and expenses, including reasonable attorneys' fees, which may be incurred or paid by Licensor in enforcing any provision of this License which may be breached by Licensee or Licensee's contractor or Licensee's contractor's tower crane operator(s).

14. **Default and Defeasance.** This license is upon the express and continuing condition that if Licensee shall fail to observe and perform faithfully any of its covenants or agreements herein contained and such default shall continue for ten (10) calendar days after written notice thereof given by Licensor to Licensee, or shall abandon the licensed area, Licensor may terminate this License upon written notice to Licensee; provided, however, that if in Licensor's reasonable determination Licensee's breach of this License threatens imminent harm to property or persons at the State Property, Licensor shall inform Licensee in writing, and Licensee shall have no more than twenty-four (24) hours from receipt of such notice to cure such breach. If Licensee fails, within such twenty-four (24) hours to cure such breach, Licensor may terminate this License immediately upon written notice to Licensee. If Licensee shall fail to observe or perform any of its covenants herein contained, Licensor at any time after ten (10) calendar days written notice is provided to Licensee may, but shall not be obligated to, reasonably observe or perform such covenant for the account and at the expense of Licensee, and all reasonable costs and expenses incurred by Licensor in observing and performing such covenant shall bear interest at the rate of ten percent (10%) per year and shall be paid by Licensee within thirty (30) days after receipt of a detailed invoice therefor.

15. **Indemnity.** Licensee will indemnify and hold harmless Licensor, its employees, agents, and their respective invitees, successors and assigns and all others using and occupying the State Property from and against any and all damage and any and all claims, suits and actions brought on account of injuries to or death of persons or damage to their respective properties to the extent caused by the use of the licensed area by Licensee or Licensee's contractors or Licensee's contractor's tower crane operator(s), or to the extent caused by the failure of Licensee or Licensee's contractors or its contractor's tower crane operator(s) to observe and/or perform any of the terms hereof. In no event shall Licensee be responsible under this Paragraph 15 for the negligence or willful misconduct of Licensor, its officers, directors, contractors, employees, agents, and their respective guests, invitees, successors and assigns and all others using and occupying the State Property or any part thereof.

16. **Governing Law.** This License and the rights and obligations of the parties hereto and hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of Hawaii.

17. **No Party Deemed Drafter.** All provisions of this License have been negotiated by Licensor and Licensee at arm's length and with the opportunity for full representation by their respective legal counsel and neither party shall be deemed to be the drafter of this License. If this License is ever construed by a court of law, such court shall not construe this License or any provision thereof against either Licensor or Licensee as the drafter of this License.

18. **Successors.** All of the covenants, agreements, provisions, terms and conditions contained in this License shall apply to, inure to, and be binding upon Licensor, Licensee, and their respective successors and permitted assigns.

19. **Non Waiver.** The waiver by any party of any breach of any term, covenant or condition herein contained, shall not be deemed to be a waiver of such term, covenant or condition of any subsequent breach of the same or any other term, covenant or condition herein contained. No covenant, term or condition of this License shall be deemed to have been waived by unless such waiver is in writing, signed by both parties.

20. **No Interest in Real Property.** Licensee agrees that Licensee does not and shall not claim at any time any real property interest in the State Property by virtue of this License or Licensee's use of the licensed area.

21. **Severability.** If any term of this License or any application thereof shall be invalid or unenforceable, the remainder of this License and any other application of such term shall not be affected thereby.

22. **Captions.** The captions and headings appearing in this License are solely for convenience and shall not be given any effect in construing this License.

23. **Exhibits.** Exhibits A, B and C attached hereto are incorporated herein by this reference and made a part of this Agreement for all purposes:

Exhibit A	Legal Description of Land Underlying Keauhou Place Project
Exhibit B	Map Showing Licensed Area
Exhibit C	List of Authorized Companies and Persons

24. **Notices.** All notices, requests or other communications required or permitted to be given or made under this License by either party hereto shall be in writing and shall be deemed to have been duly given or served if delivered personally to or sent by United States registered or certified mail, postage prepaid, return receipt requested, addressed to the party intended to receive such notice, at the addresses set forth below, or at such other addresses as the parties may designate from time to time by notice given to the other party in the manner hereinafter set forth, to wit:

LICENSOR: State of Hawaii
Department of Accounting and General Services

1151 Punchbowl Street, Room 412
Honolulu, Hawaii 96813
Attn: Douglas G. Murdock
Tel. No.: 808-586-0400
Email: douglas.g.murdock@hawaii.gov

LICENSEE: KEAUFHOU LANE, LP
1100 Alakea Street, Suite 2700
Honolulu, Hawaii 96813
Attn: Stanford S. Carr
Tel. No.: (808) 547-2225
Email: scarr@stanfordcarr.com

In the case of a mailed notice, the registration or certification slip, and not the return slip, shall be conclusive as evidence of the mailing date of any such notice. All mailed notices are deemed delivered 48 hours after deposit in a regularly maintained United States post office mailbox or upon personal delivery.

25. **Entire Agreement; Amendments.** This License and the exhibits attached hereto and forming a part hereof set forth all the agreements between Licensee and Licensor concerning the licensed area and there are no agreements or understandings, either oral or written, between them, other than are herein set forth. Except as otherwise herein provided, no variations, modifications, changes, or amendments to this License shall be binding upon any party to this License unless in writing, executed by a duly authorized officer or agent of the particular party against whom enforcement is sought.

26. **Counterparts.** This instrument may be executed in several counterparts, each of which shall be deemed an original but together shall constitute one and the same instrument. Each party has the right to rely upon a facsimile counterpart or electronic transmission of this instrument signed by the other party to the same extent as if such party received an original counterpart. For all purposes, duplicate unexecuted pages of the counterparts may be discarded and the remaining pages assembled as one document.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Licensor and Licensee have executed this License as of the day and year first above written.

**STATE OF HAWAII BY AND THROUGH ITS
DEPARTMENT OF ACCOUNTING AND
GENERAL SERVICES**

By: _____
Name: _____
Title: _____

“Licensor”

KEAUHOU LANE, LP,
a Hawaii limited partnership

By SCD Keauhou, LLC
a Hawaii limited liability company
Its General Partner

By _____
Stanford Carr
Its Manager

“Licensee”

EXHIBIT A

Legal Description of Land Underlying Keauhou Place Project

LOT A-1-1
BEING A SUBDIVISION OF LOT A-1
BEING ALSO A PORTION OF ROYAL PATENT 4483, LAND COMMISSION
AWARD 7712,
APANA 6 TO M. KEKUANAOA FOR V. KAMAMALU;
AT KAAKAUKUKUI, HONOLULU, OAHU, HAWAII

Beginning at the Southerly comer of this parcel of land, situated on the Northeasterly side of Pohukaina Street, being also the Westerly comer of Lot A-1-2, the coordinates of said point of beginning, referred to Government Survey Triangulation Station "PUNCHBOWL", being 4,252.37 feet South and 3,816.45 feet West, and thence running by azimuths measured clockwise from True South:

1. 140° 30' 229.43 feet along Northeasterly side of Pohukaina Street;
2. Thence along the intersection of Pohukaina and South Streets, on a curve to the right with a radius of 20.00 feet, the chord azimuth and distance being:

 185° 30' 28.28 feet;
3. 230° 30' 208.36 feet along the Southeasterly side of South Street;
4. Thence along the same, on a curve to the right with a radius of 1,347.00 feet, the chord azimuth and distance being:

 233° 44'41" 152.48 feet;
5. 320° 30' 240.80 feet along Lot A-1-3, being a remainder of R.P. 4483, L.C. Aw. 7712, Ap. 6 to M. Kekuanaoa for V. Kamamalu;
6. 50° 30' 141.33 feet along Lot A-1-2, being a remainder of R.P. 4483, L.C. Aw. 7712, Ap. 6 to M. Kekuanaoa for V. Kamamalu;
7. 320° 30' 9.00 feet along the same;
8. 50° 30' 28.83 feet along the same;
9. 140° 30' 9.00 feet along the same;
10. 50° 30' 210.44 feet along the same, to the point of beginning and containing an area of 94,668 Square Feet, more or less.

LOT A-1-2
BEING A SUBDIVISION OF LOT A-1
BEING ALSO A PORTION OF ROYAL PATENT 4483, LAND COMMISSION AWARD
7712,
APANA 6 TO M. KEKUANA OA FOR V. KAMAMALU;
AT KAAKAUKUKUI, HONOLULU, OAHU, HAWAII

Beginning at the Southerly corner of this parcel of land, situated on the intersection of Pohukaina and Keawe Streets, the coordinates of said point of beginning, referred to Government Survey Triangulation Station "PUNCHBOWL", being 4,391.26 feet South and 3,701.95 feet West, and thence running by azimuths measured clockwise from True South:

1. 140° 30' 180.00 feet along Northeasterly side of Pohukaina Street;
2. 230° 30' 210.44 feet along Lot A-1-1, being a remainder of R.P. 4483, L.C. Aw. 7712, Ap. 6 to M. Kekuanaoa for V. Kamamalu;
3. 320° 30' 9.00 feet along the same;
4. 230° 30' 28.83 feet along the same;
5. 140° 30' 9.00 feet along the same;
6. 230° 30' 141.33 feet along the same;
7. 320° 30' 180.00 feet along Lot A-1-3, being a remainder of R.P. 4483, L.C. Aw. 7712, Ap. 6 to M. Kekuanaoa for V. Kamamalu;
8. 50° 30' 380.60 feet along the Northwesterly side of Keawe Street, to the point of beginning and containing an area of 68,248 Square Feet, more or less.

LOT A-1-3
BEING A SUBDIVISION OF LOT A-1
BEING ALSO A PORTION OF ROYAL PATENT 4483, LAND COMMISSION AWARD
7712,
APANA 6 TO M. KEKUANA OA FOR V. KAMAMALU;
AT KAAKAUKUKUI, HONOLULU, OAHU, HAWAII

Beginning at the Southerly corner of this parcel of land, situated on the Northwesterly side of Keawe Street, being also the Easterly corner of Lot A-1-2, the coordinates of said point of beginning, referred to Government Survey Triangulation Station "PUNCHBOWL", being 4,149.17 feet South and 3,408.27 feet West, and thence running by azimuths measured clockwise from True South:

1. 149° 30' 420.80 feet along Lots A-1-2 & A-1-1, being remainders of R.P. 4483, L.C. Aw. 7712, Ap. 6 to M. Kekuanaoa for V. Kamamalu;
2. Thence along the Southeasterly side of South Street, on a curve to the right with a radius of 1,347.00 feet, the chord azimuth and distance being:
237° 41' 29" 33.00 feet;
3. Thence along the intersection of South and Halekauwila Streets, on a curve to the right with a radius of 20.00 feet, the chord azimuth and distance being:
279° 26' 48" 26.27 feet;
4. 320° 30' 363.86 feet along the Southwesterly side of Halekauwila Street;
5. Thence along the intersection of Halekauwila and Keawe Streets, on a curve to the right with a radius of 33.00 feet, the chord azimuth and distance being:
5° 30' 46.67 feet;
6. 50° 30' 17.00 feet along the Northwesterly side of Keawe Street, to the point of beginning and containing an area of 20,585 Square Feet, more or less.

EXHIBIT B

Map Showing Licensed Area

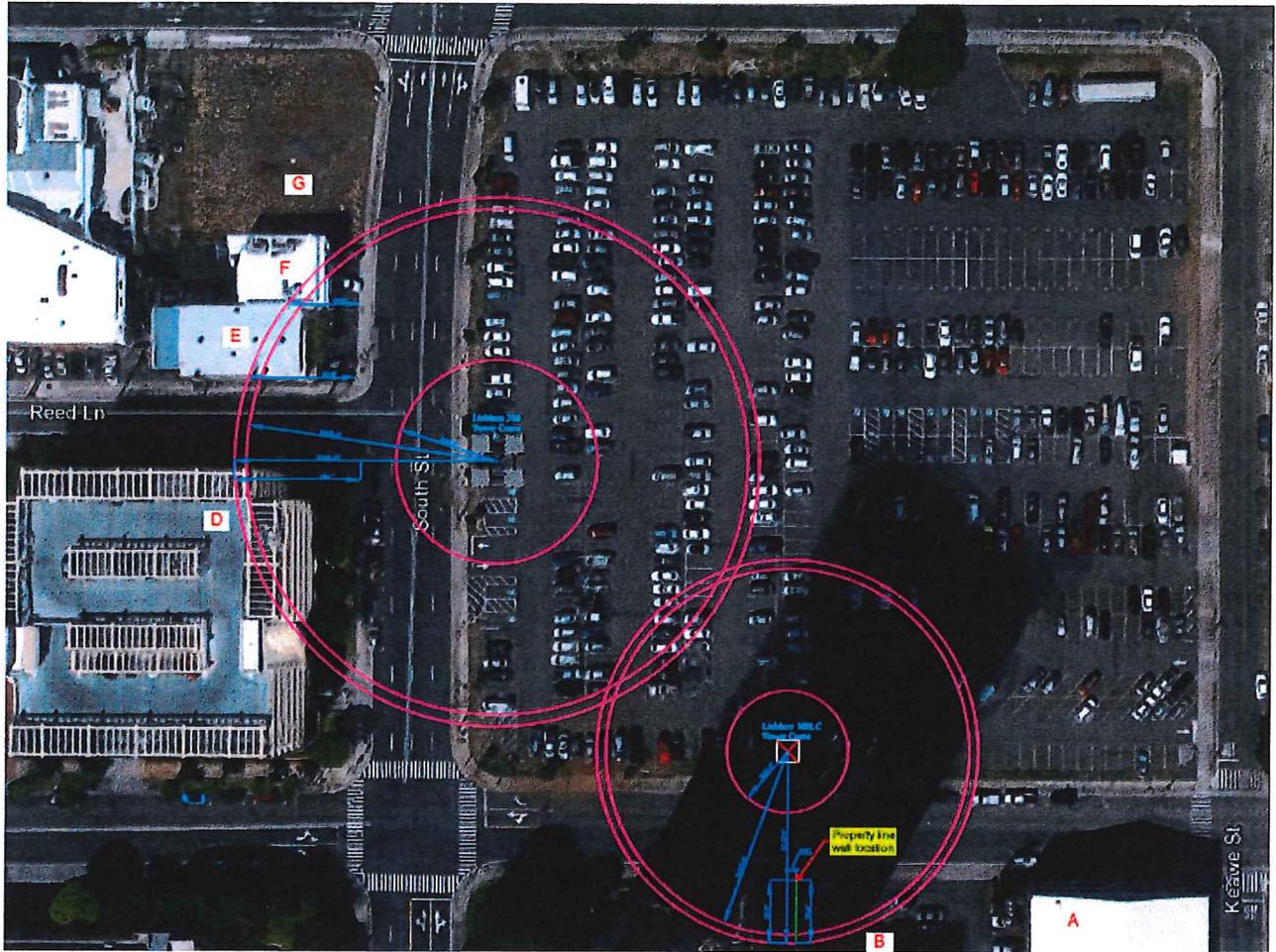


EXHIBIT C

List of Authorized Companies and Persons

List all companies, the contact information, and persons for such companies below who will be entering upon the Premises to perform Work pursuant to this License.

Company Name:

Address:

1. Keauhou Lane, LP

1100 Alakea Street, Suite 2700
Honolulu, Hawaii 96813
Contact Person: Richard Riegels
Tel. No. (808) 547-2239
Email: rbr@stanfordcarr.com

2. Hawaiian Dredging &
Construction Co., Inc. (HDCC)

201 Merchant Street
Honolulu, Hawaii 96813
Contact Person: James Abeshima
Tel. No. (808) 840-3287
Email: jabeshima@hdcc.com