

TMK Nos.: (2) 3-9-001:016; -169; -170; -171; -172; -173; -174; and (2) 2-2-002:015
Subdivision File Nos.: 2.2795 and 2.2995

**ASSIGNMENT AND ASSUMPTION OF
AGREEMENT FOR SUBDIVISION APPROVAL**

THIS AGREEMENT is made and entered into this 13th day of September, 2010 (the "Effective Date"), by and between PIILANI PROMENADE SOUTH, LLC, whose business and mailing address is 17802 Skypark Circle, Suite 200, Irvine, California 92614 ("Subdivider"), MAUI INDUSTRIAL PARTNERS, LLC, whose business and mailing address is 1999 Avenue of the Stars, #2850, Los Angeles, California 90067 ("MIP"), and the COUNTY OF MAUI, through its DEPARTMENT OF PUBLIC WORKS, and/ or its DEPARTMENT OF WATER SUPPLY, ("County").

WHEREAS, MIP and KAONOULU RANCH LLLP (collectively, "Original Developer"), as subdivider, and the County entered into that certain Agreement for Subdivision Approval, dated August 14, 2009 (the "First Agreement"), attached hereto as Exhibit "B" and incorporated herein by reference and made a part hereof, in which the Original Developer agreed to construct those certain improvements for the subdivision of land indentified in Subdivision File Nos. 2.2795 and 2.2995, for that property formerly identified as Tax Map Key ("TMK") Nos. (2) 3-9-001:016 and (2) 2-2-002:015, and now identified as (i) TMK Nos. (2) 3-9-001:016; 170; 171; 172; 173; and 174 (the "Maui Industrial Property"), (ii) TMK No. (2) 3-9-001-169 (the "Honua'ula Partners Property"), and (iii) TMK No. (2) 2-2-002:015 (the "Kaonoulu Ranch Property"), containing a total area of approximately 88.000 acres and 1.154 acres, (the Maui Industrial Property, the Honua'ula Partners Property and the Kaonoulu Ranch Property, collectively, the "Property") and known as Kaonoulu Ranch (Large-Lot) Subdivision No. 2 and Kaonoulu Ranch Water Tank Subdivision, hereinafter sometimes called the "Subdivision".

As of the Effective Date, (i) MIP has conveyed to Subdivider the Maui Industrial Property, (ii) Kaonoulu Ranch LLLP has conveyed to Subdivider a right of entry to the Kaonoulu Ranch Property for the purposes of constructing the above-referenced improvements, and (iii) Honua'ula Partners, LLC has conveyed to Subdivider a license to enter the Honua'ula Partners Property for the purposes of constructing the above-referenced improvements.

MIP desires to assign, and Subdivider desires to assume, the obligation of MIP to construct the above-referenced improvements pursuant to the First Agreement.

Subdivider has requested that the County accept a new surety bond, certified check, or other approved security in lieu of the existing surety bond or bonds listed on Exhibit A attached hereto, dated July 17, 2009 and issued by Arch Insurance Company (collectively referred to as the "First Bond"), and permit Subdivider to assume MIP's obligations as subdivider with respect to the Subdivision.

NOW, THEREFORE, it is hereby agreed by the parties hereto:

1. Effective as of the Effective Date, MIP hereby assigns, transfers, sets over and delivers unto Subdivider MIP's obligations as subdivider with respect to the Subdivision and MIP's obligation to construct the above-referenced improvements in accordance with the First Agreement, and Subdivider hereby accepts such assignment, and as of the Effective Date, Subdivider hereby assumes MIP's obligations as subdivider with respect to the Subdivision and MIP's obligation to construct the above-referenced improvements in accordance with the First Agreement.

2. In consideration of the foregoing, and in consideration of Subdivider's delivery to the County of a new surety bond, certified check, or other approved security herewith to replace the First Bond, receipt of which is hereby acknowledged, the First

Bond is hereby unconditionally and irrevocably released. The County shall provide Arch Insurance Company with an executed copy of this agreement, or other suitable document, as evidence of the County's exoneration of the "First Bond".

3. Subdivider shall complete the above-referenced improvements on or before the 7th day of July, 2011, or such extensions as may be granted by the County, in accordance with First Agreement and the approved construction plans of the Subdivision, and all rules, regulations, requirements and ordinances of the County, and any other applicable laws.

4. The approved security in the amount of Twenty-Two Million Fifty-Eight Thousand Eight Hundred Twenty-Six and No/100 Dollars (\$22,058,826.00) (the "Security"), which accompanies this Agreement is for the purpose of guaranteeing that Subdivider shall construct the above-mentioned improvements.

5. Should Subdivider fail to complete the above-referenced improvements by the time specified above, or such extension as may be granted by the County, the County may cause all required work which is unfinished to be completed and shall recover the full cost and expenses thereof from the parties executing the Security and the Subdivider, it being understood that in the event such cost and expense exceeds the amount of the Security or other approved security the Subdivider shall be liable for such amount beyond the limit of such Security or other security.

6. Arch Insurance Company is a third party beneficiary of this Agreement.

7. The Security initially deposited with the County may be replaced by Subdivider with a surety bond, certified check or other approved security, if acceptable to the County's Director of Public Works and approved by the County's Department of the Corporation Counsel, in an amount equal to the Security remaining at the time of such

replacement, and upon such replacement, the County shall promptly return any remaining portion of the Security to Subdivider.

8. This Agreement may be executed in counterparts, each of which shall be deemed an original, and said counterparts shall together constitute one and the same instrument.

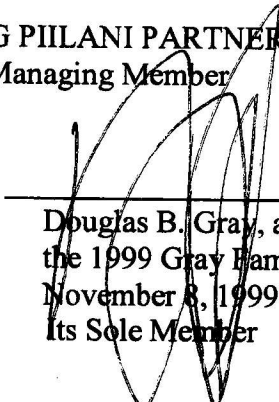
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on
the date first above written.

SUBDIVIDER:

PIILANI PROMENADE SOUTH, LLC

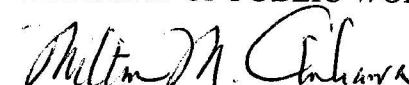
By: PIILANI PROMENADE PARTNERS, LLC
Its Sole Member

By: EDG PIILANI PARTNERS, LLC
Its Managing Member

By: 
Douglas B. Gray, as Trustee of
the 1999 Gray Family Trust dated
November 8, 1999 as amended
Its Sole Member

COUNTY OF MAUI:

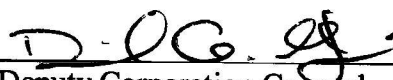
DEPARTMENT OF PUBLIC WORKS

By: 
MILTON M. ARAKAWA
Its Director

DEPARTMENT OF WATER SUPPLY

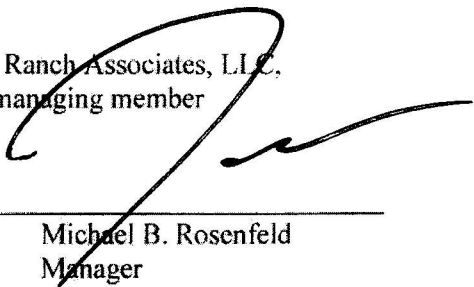
By: 
JEFFREY K. ENG
Its Director

APPROVED AS TO FORM
AND LEGALITY:


Deputy Corporation Counsel
County of Maui

MAUI INDUSTRIAL PARTNERS, LLC

By: RG Ranch Associates, LLC,
its managing member

By: 

Michael B. Rosenfeld
Manager

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF ORANGE }

On SEPTEMBER 09, 2010 before me L. Fox, Notary Public,
Here Insert Name of the Officer

personally appeared DOUGLAS B. GRAY,
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is
(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.



(Place Notary Seal Above)

WITNESS my hand and official seal.

[Signature]
Signature of Notary Public,
State of California

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA

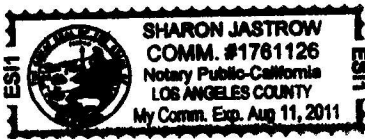
COUNTY OF Los Angeles

On Sept 13, 2010 before me Sharon Jastrow, Notary Public.
Here Insert Name of the Officer

personally appeared Michael B. Rosenfeld
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is
(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the
same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument, the person(s) or the entity upon behalf of which the person(s) acted, executed the
instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.



(Place Notary Seal Above)

WITNESS my hand and official seal.

[Signature]
Signature of Notary Public,
State of California

STATE OF HAWAII

)

) SS.

COUNTY OF MAUI

)

On this 13th day of September, 2010, before me appeared MILTON M. ARAKAWA, to me personally known, who being by me duly sworn did say that he is the Director of Public Works of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Title 18 of the Maui County Code, the Subdivision Ordinance, and the said MILTON M. ARAKAWA acknowledged the said instrument to be the free act and deed of said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

V.S.

Jill Anne S. Ono
NOTARY PUBLIC, State of Hawaii.
Print Name JILL ANNE S. ONO
My commission expires: 11/30/10

NOTARY PUBLIC CERTIFICATION	
Doc. Date: <u>9/13/10</u>	# Pages: <u>21</u>
Notary Name: <u>JILL ANNE S. ONO</u>	Judicial Circuit: <u>Second</u>
Doc. Description: <u>Assignment and Assumption of Agreement for Subdivision Approval</u>	
Notary Signature: <u>Jill Anne S. Ono</u>	
Date: <u>9/13/10</u>	V.S.

STATE OF HAWAII

)

) SS.

COUNTY OF MAUI

)

On this 13th day of SEPTEMBER, 2010, before me appeared JEFFREY K. ENG, to me personally known, who being by me duly sworn did say that he is the Director of Water Supply of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed in behalf of said County of Maui pursuant to rules and regulations of the Department of Water Supply, and the said JEFFREY K. ENG acknowledged the said instrument to be the free act and deed of said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Gaye Hayashida

NOTARY PUBLIC, State of Hawaii.

Print Name GAYE HAYASHIDA

My commission expires: MAY 23, 2014

NOTARY PUBLIC CERTIFICATION

Doc. Date: SEPTEMBER 13, 2010 # Pages: 21

Notary Name: GAYE HAYASHIDA Judicial Circuit: SECOND

Doc. Description: ASSIGNMENT AND ASSUMPTION
OF AGREEMENT FOR SUBDIVISION
APPROVAL

Notary Signature: Gaye Hayashida

Date: 9/13/10



EXHIBIT A

FIRST BOND

Principal Name	Bond Number	Bond Amount	Effective Date	Obligee Name	Bond Description
Maui Industrial Partners, LLC	SU 1102685	\$ 1,256,710.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 Sitework
Maui Industrial Partners, LLC	SU 1102686	\$ 2,299,046.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 East Kaonoulu Street
Maui Industrial Partners, LLC	SU 1102687	\$ 1,411,106.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 Pihani Highway Widening
Maui Industrial Partners, LLC	SU 1102688	\$ 1,771,330.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 Access Road & Swales
Maui Industrial Partners, LLC	SU 1102689	\$ 712,592.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 Sewer System Revision
Maui Industrial Partners, LLC	SU 1102690	\$ 2,895,052.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 Storm Drainage System/Revision
Maui Industrial Partners, LLC	SU 1102691	\$ 834,700.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 Onsite Water System
Maui Industrial Partners, LLC	SU 1102692	\$ 4,802,784.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 Water/Water Tank
Maui Industrial Partners, LLC	SU 1102693	\$ 2,444,940.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 Water/Water Main
Maui Industrial Partners, LLC	SU 1102694	\$ 885,566.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 Electrical
Maui Industrial Partners, LLC	SU 1102695	\$ 643,000.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 Traffic Signal
Maui Industrial Partners, LLC	SU 1102696	\$ 1,202,000.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 Landscape/Irrigation
Maui Industrial Partners, LLC	SU 1102697	\$ 906,000.00	7/17/2009	County of Maui	Kaonoulu Ranch (Large Lot) Subdivision 2 CRM Walls
		\$ 22,058,826.00			

TMK No. (2) 3-9-001:016 and (2) 2-2-002:015

Subdivision File No. 2.2795 and 2.2995

AGREEMENT FOR SUBDIVISION APPROVAL

THIS AGREEMENT is made and entered into this 14th day of August, 2009, by and between Kaonoulou Ranch LLLP and Maui Industrial Partners, LLC, whose residence address is and/or whose mailing address is P.O. Box 390, Kula, Hawaii, 96790; 1999 Avenue of the Stars, Suite 2850, Los Angeles, CA 90067; respectively ("Subdivider"), and the COUNTY OF MAUI, through its DEPARTMENT OF PUBLIC WORKS, and/or its DEPARTMENT OF WATER SUPPLY, ("County").

WHEREAS, the Subdivider has agreed to provide certain improvements for the subdivision of land identified in Subdivision File No. 2.2795 and 2.2995 and incorporated herein by reference and made a part hereof and situate at Tax Map Key No. (2) 3-9-001:016 and (2) 2-2-002:015, containing an area of approximately 88.000 Acres and 1.154 Acres, ("Property") and known as Kaonoulou Ranch (Large-Lot) Subdivision No. 2 and Kaonoulou Ranch Water Tank Subdivision, hereinafter sometimes called the "Subdivision", all in accordance with the rules, regulations, requirements and ordinances of the County of Maui on or before the 17th day of July, 2010, or such extensions as may be granted by the County; and

WHEREAS, said improvements are more particularly designated on the approved construction plans of the Subdivision, which construction plans are incorporated herein by reference and

EXHIBIT " B "

made a part hereof; and

WHEREAS, the Subdivider desires to receive final approval of the Subdivision in accordance with the subdivision ordinance of the County of Maui by submitting a surety bond, certified check, or other approved security to guarantee the construction of said improvements;

NOW, THEREFORE, it is hereby agreed by the parties hereto:

1. That the Subdivider shall complete the above-mentioned improvements on or before the 17th day of July, 2010, in accordance with the above-mentioned Subdivision File No., construction plans and the rules, regulations, requirements and ordinances of the County of Maui and any other applicable laws.

2. That the surety bond, certified check or other approved security in the amount of Twenty two million fifty-eight thousand eight hundred twenty six AND 00 /100 DOLLARS (\$ 22,058,826.00), which accompanies this Agreement is for the purpose of guaranteeing that the Subdivider shall construct the hereinabove-mentioned improvements.

3. That should the Subdivider fail to complete the work required at the time specified, or such extension as may be granted by the County, the County may cause all required work which is unfinished to be completed and shall recover the full cost and expenses thereof from the parties executing the bond and the

Subdivider, it being understood that in the event such cost and expense exceeds the amount of the bond or other approved security the Subdivider shall be liable for such amount beyond the limit of such bond or other security.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

SUBDIVIDER:

Maui Industrial Partners, LLC

(print name above)

Maui Industrial Partners, LLC a Delaware limited liability company
By: RC Ranch Associates, LLC a Delaware limited liability company

By

name: Michael Rosenfeld
Its Manager

By

name:
Its

By

name:
Its

Subdivider, it being understood that in the event such cost and expense exceeds the amount of the bond or other approved security the Subdivider shall be liable for such amount beyond the limit of such bond or other security.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

SUBDIVIDER:

Kaonoulu Ranch LLLP

(print name above)

By 

name: Henry F. Rice

Its Managing General Partner

By _____

name:

Its

By _____

name:

Its

By _____
name:
Its

By _____
name:
Its

By _____
name:
Its

COUNTY OF MAUI:

DEPARTMENT OF PUBLIC WORKS

By Milton M. Arakawa
MILTON M. ARAKAWA
Its Director

DEPARTMENT OF WATER SUPPLY

By Jeffrey K. Eng
JEFFREY K. ENG
Its Director

APPROVED AS TO FORM
AND LEGALITY:

David A. Galazin
DAVID A. GALAZIN
Deputy Corporation Counsel
County of Maui

S:\OSA\STANDARD FORMS\Subdivision\Standard Agreements\SubdappxRev0707.wpd

State of California
County of Los Angeles

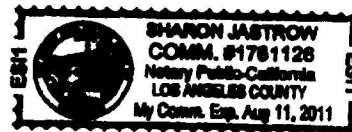
On July 17, 2009 before me, **Sharon Jastrow**, a Notary Public personally appeared **Michael Rosenfeld** who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she~~/they executed the same in his/~~her~~/their authorized capacity(ies), and that by his/~~her~~/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature


Notary Public (Seal)

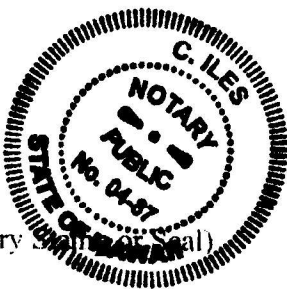


STATE OF HAWAII

COUNTY OF MAUI

)
) ss.
)

On this 10th day of August, 2009, before me personally appeared **HENRY F. RICE**, personally known/proved to me on the basis of satisfactory evidence, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.



C. Iles

Name: _____

Notary Public, State of Hawaii

C. Iles

My commission expires: _____

My Commission Expires 02/29/2012

NOTARY CERTIFICATION STATEMENT

Document Identification or Description: Agreement for Subdivision Approval

Document Date: Undated

No. of Pages: 10

Jurisdiction (in which notarial act is performed):

Second

C. Iles

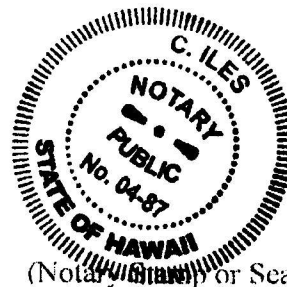
8-10-09

Signature of Notary

Date of Notarization and
Certification Statement

C. Iles

Printed Name of Notary



(Notary Seal) or Seal)

STATE OF HAWAII

COUNTY OF MAUI

)
) SS.
)

On this 14th day of August, 2009, before me personally appeared MILTON M. ARAKAWA, to me personally known, who being by me duly sworn, did say that he is the Director of Public Works of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Title 18 of the Maui County Code, the Subdivision Ordinance, and the said MILTON M. ARAKAWA acknowledged the said instrument to be the free act and deed of the said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Jill Anne S. Ono

NOTARY PUBLIC, State of Hawaii.

Print Name

My commission expires: 11/30/10

Doc. Date: 8/14/09 # Pages: 10

Jill Anne S. Ono

Second Circuit

Doc. Description Agreement for

Subdivision Approval

Jill Anne S. Ono

8/14/09

Notary Signature

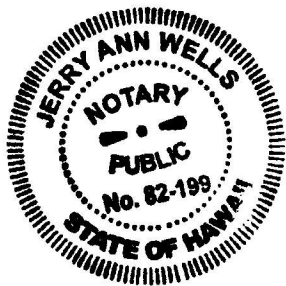
Date

NOTARY CERTIFICATION

STATE OF HAWAII)
) SS.
COUNTY OF MAUI)

On this 13th day of August, 2009,
before me appeared JEFFREY K. ENG, to me personally known, who
being by me duly sworn did say that he is the Director of Water
Supply of the County of Maui, a political subdivision of the State
of Hawaii, and that the seal affixed to the foregoing instrument is
the lawful seal of the said County of Maui, and that the said
instrument was signed and sealed in behalf of said County of Maui
pursuant to rules and regulations of the Department of Water
Supply, and the said JEFFREY K. ENG acknowledged the said
instrument to be the free act and deed of said County of Maui.

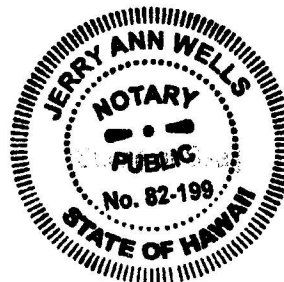
IN WITNESS WHEREOF, I have hereunto set my hand and
official seal.



Jerry Ann Wells
NOTARY PUBLIC, State of Hawaii
Print Name Jerry Ann Wells
My commission expires: 4/19/2016

NOTARY PUBLIC CERTIFICATION

Doc. Date:	Undated at time of notarization	# Pages:	10
Notary Name:	JERRY ANN WELLS	Judicial Circuit:	SECOND
Doc. Description:	Agreement for Subdivision Approval		
Notary Signature:	<u>Jerry Ann Wells</u>		
Date:	August 13, 2009		



Schedule of Subdivision Bonds

Kaonoulu Ranch (Large Lot) Subdivision No. 2 and Kaonoulu Ranch Water Tank Subdivision

TMK No. 3-9-001:016 and (2) 2-2-002:015

Subdivision File No. 2.2795 and 2.2995

Description of Work	Bond #	Bond Amount
Sitework Improvements	SU1102685	1,256,710
East Kaonoulu St. Improvements	SU1102686	2,299,046
Piilani Hwy Widening Improvements	SU1102687	1,411,106
Access Road & Swales	SU1102688	1,771,330
Sewer System / Revisions	SU1102689	712,592
Storm Drainage System / Revisions	SU1102690	2,895,052
Onsite Water System	SU1102691	834,700
12" Offsite Water/ 1MG Water Tank	SU1102692	4,802,784
36" Water Main / Water / Misc. Revisions	SU1102693	2,444,940
Electrical	SU1102694	885,566
Traffic Signal Improvements	SU1102695	643,000
Landscape / Irrigation	SU1102696	1,202,000
CRM Walls	SU1102697	900,000

TOTAL SUBDIVISION BOND AMOUNT: \$ **22,058,826**