1. Poipu Beach Villas, LLC, with respect to its proposed marketing and development of 19 buildings containing approximately 323 residential units on all or part of the land legally described in Exhibit “A” attached hereto, is exempt from the requirement, under section 18(1) of the Real Estate Development Marketing Act, that it promptly place any deposits it receives from a purchaser in relation to a residential unit with a brokerage, lawyer, notary public, or prescribed person who must hold the deposits as trustee in a trust account in a savings institution in British Columbia, on the condition that all such deposits:

   a) are promptly placed with Title Guaranty Escrow Services, Inc.;

   b) are held by that company in trust pursuant to the terms and conditions of an escrow agreement that complies with the requirements of Chapter 514B of the Hawaii Revised Statutes; and

   c) are otherwise held in the manner required by, and not released except in accordance with, sections 18(2) to 18(6) of the Real Estate Development Marketing Act.

APR 14 2008

Date

W. Alan Clark
Superintendent of Real Estate

REDMA EX-08-01-pag-kja.doc
EXHIBIT "A"

All of that certain parcel of land situate at Koloa, District of Kola, Island and County of Kauai, State of Hawaii, described as follows:

LOT 432, area 24.596 acres, more or less, as shown on Map 116, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 956 of Bishop Trust Company, Limited, Trustee for Eric A. Knudsen and Augustus F. Knudsen.

Being a portion of the land described in Transfer Certificate of Title No. 875,706 issued to Poipu Beach Villas, LLC, a Hawaii limited liability company.