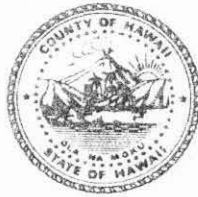


Harry Kim
Mayor



Christopher J. Yuen
Director

Brad Kurokawa, ASLA
LEED™ AP
Deputy Director

County of Hawaii
PLANNING DEPARTMENT

101 Aupuni Street, Suite 3 • Hilo, Hawaii 96720-3043
(808) 961-8288 • FAX (808) 961-8742

February 23, 2006

Michael I. Nagai
Escrow Officer
Title Guaranty Escrow Services, Inc.
450 Kilauea Avenue
Hilo, HI 96720

Dear Mr. Nagai:

DETERMINATION OF PRE-EXISTING LOTS
TMK: 1-7-013:021 & 022

We have received your letter October 28, 2005, requesting a determination if these two parcels existed prior to November 22, 1944. First of all please accept our apology for the length of time take to complete our review.

After reviewing documents submitted, our department records, as well as those of the Real Property Tax Division, we have determined that the subject properties consist of two (2) lots of record:

1. Olaa Reservation Lots were created by the Government in 1892.
2. Grant 4467 was issued to Y. Okino in 1901.
3. The 1944 Real Property Tax records show Parcel 22 consisting of 5.8 acres being taxed as a houselot, separate from Parcel 21 which is taxed as cane land.
4. Parcels 21 and 22 were physically separated by the Hawaii Consolidated Railway's Right-of-Way.

Should you have any questions, please feel free to contact this department.

Sincerely,

CHRISTOPHER J. YUEN
Planning Director

RKN:lnm

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xc: ✓ Tax Maps and Records Supervisor I
Real Property Tax Division-Hilo
Manager-DWS

Harry Kim
Mayor



Christopher J. Yuen
Director

Brad Kurokawa, ASLA
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Deputy Director

County of Hawaii
PLANNING DEPARTMENT

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March 2, 2006

Jerry E. Bragdon
Worldwide Realty Inc.
400 Hualani Street Suite 11-C
Hilo, HI 96720

Dear Mr. Bragdon:

DETERMINATION OF PRE-EXISTING LOTS
TMK: 1-7-013:021 & 022

We have received your letter November 10, 2005, requesting a determination by this department which lots will be considered legal lots of record which may be included in a consolidation-resubdivision. First of all, please accept our apology for the length of time take to complete our review.

After reviewing documents submitted, our department records, as well as those of the Real Property Tax Division, we have determined that the subject properties consist of two (2) lots of record which could be consolidated and resubdivided. A third lot of record, the Railroad Right-of Way is not a buildable lot, therefore it can not be counted toward the number of buildable lots which may be consolidated and resubdivided.

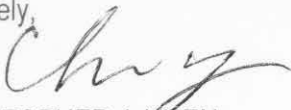
We base our determination on the following:

- a. Olaa Reservation Lots were created by the Government in 1892.
- b. Grant 4467 which is Lot 30 of Olaa Reservation Lots was issued to Y. Okino in 1901.
- c. The 1944 Real Property Tax records show Parcel 22 consisting of 5.8 acres being taxed as a houselot, separate from Parcel 21 which is taxed as cane land.
- d. Parcels 21 and 22 were physically separated by the Hawaii Consolidated Railway's Right-of-Way which is 40 feet in width.
- e. Yoshio Okino purchased Railroad Right-of-Way Lot No. 56 from Hawaii Consolidated Railway, Limited in July 1947.
- f. The 1977 Map showing the Mountain View Drainage Improvements on these 2 parcels show the Drainage Easements purchased by the County of Hawaii. The designation of these Easements did not further subdivide Parcels 21 and 22. We do not have enough information to confirm your suggestion that Parcel 4 which appears to be a portion of Lot 56, the former Railroad Right-of-Way, abuts the property line between Parcel 22 and former Parcel 23 (currently 1-7-024:066), thus, further subdividing Parcel 22.

Jerry E. Bragdon
Worldwide Realty Inc.
Page 2
March 2, 2006

Should you have any additional information to support your contention that there are more than 2 lots which may be consolidated and resubdivided, please submit it for our review. In the meantime, should you have any questions, please feel free to contact this department.

Sincerely,



CHRISTOPHER J. YUEN
Planning Director

RKN:lnm

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cc: Tax Maps and Records Supervisor I
Real Property Tax Division-Hilo
Manager-DWS

Harry Kim
Mayor



Christopher J. Yuen
Director

Brad Kurokawa, ASLA
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Deputy Director

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PLANNING DEPARTMENT

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March 1, 2007

Jerry E. Bragdon
Worldwide Realty Inc.
400 Hualani Street Suite 11-C
Hilo, HI 96720

Dear Mr. Bragdon:

**ADDITIONAL INFORMATION REGARDING DETERMINATION OF PRE-EXISTING LOTS
TMK: 1-7-013:021 & 022; portion of Olaa Reservation Lots, Puna, Hawaii**

We are in receipt of your letter dated January 19, 2007, requesting further consideration of the above-described request for a determination of 2 existing lots of records within Parcel 22. Parcel 21 was found to be a separate lot of record.

As you recall, our March 2, 2006 letter to you regarding this matter confirmed that the subject properties (Parcels 21 & 22) consist of two (2) lots of record which could be consolidated and resubdivided. A third lot of record, the Railroad right-of-way, is not a buildable lot which can not be counted toward the number of buildable lots which may be consolidated and resubdivided.

As suggested by you in an earlier letter, we would be willing to consider Parcel 22 as two separate lots of record if a licensed surveyor is able to confirm the location of the railroad right-of-way as intersecting the northernmost boundary of Parcel 22 that is common with TMK: 1-7-024: 066. We understand that should the railroad right-of-way bisect Parcel 22, then the smallest of the remnant lots would be roughly 7,300 square feet in size.

Sincerely,

CHRISTOPHER J. YUEN
Planning Director

DSA

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xc: Tax Maps and Records Supervisor I

Harry Kim
Mayor



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July 12, 2007

Jerry E. Bragdon
Worldwide Realty Inc.
400 Hualani Street Suite 11-C
Hilo, HI 96720

Dear Mr. Bragdon:

AMENDED DETERMINATION OF PRE-EXISTING LOTS
TMK: 1-7-013:021 & 022; Portion of Olaa Reservation Lots, Puna, Hawaii

We have received additional information from Niels Christensen of the Independent Hawaii Surveyors, LLC, confirming that the 40-foot wide railroad right-of-way does cross over the northwestern boundary of Parcel 22, thereby bisecting this property into two (2) separate lots of record. Therefore, this letter will supplement our previous March 2, 2007 determination with the discussion and analysis below.

As you recall, our March 2, 2006 letter to you regarding this matter confirmed that the subject properties (Parcels 21 & 22) consist of two (2) lots of record which could be consolidated and resubdivided. A third lot of record, the Railroad right-of-way, is not a buildable lot which can not be counted toward the number of buildable lots which may be consolidated and resubdivided.

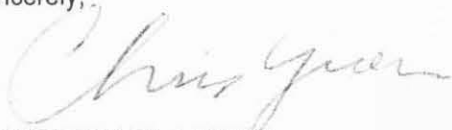
The 1977 Map showing the Mountain View Drainage Improvements on Parcels 21 & 22 show the Drainage Easements purchased by the County of Hawaii. We originally did not have sufficient information to confirm your suggestion that the former Railroad Right-of-Way abuts the property line between Parcel 22 and former Parcel 23 (currently 1-7-024:066), thus, further subdividing Parcel 22. By letter dated March 13, 2007, Niels Christensen of The Independent Hawaii Surveyors, LLC states that "Based on a map prepared by the Department of Public Works, County of Hawaii dated February 14, 1977 and titled, "MOUNTAIN VIEW DRAINAGE IMPROVEMENTS" (attached), the northern boundary of the 40-foot wide railroad right-of-way crosses onto Lot 31, Olaa Reservation Lots, for a distance of 13.98 feet." Based on this representation, we confirm Parcel 22 as consisting of two (2) lots of record.

Please note that If you want to consolidate and resubdivde these properties, we will require a title report showing that the applicant has good title to all properties involved in the consolidation/resubdivision.

Jerry E. Bragdon
Worldwide Realty Inc.
Page 2
July 12, 2007

It is our understanding that, based on this information provided regarding pre-existing lots, you may be submitting an application for consolidation and resubdivision of the subject parcels which would result in the development of specific metes and bounds for the subdivided lots. If consolidation and resubdivision is not the intent, you may want to have a modern metes and bounds survey be conducted for a more accurate and current land area determination and that a map reflecting this information may be submitted for certification.

Sincerely,



CHRISTOPHER J. YUEN
Planning Director

DSA

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xc: Tax Maps and Records Supervisor I
Real Property Tax Division-Hilo
Manager-DWS
DPW-Engineering Division (Hilo)
Department of Finance