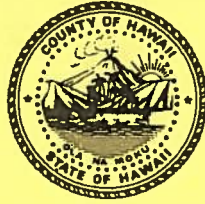


Harry Kim
Mayor



Christopher J. Yuen
Director

Roy R. Takemoto
Deputy Director

County of Hawaii

PLANNING DEPARTMENT

Aupuni Center • 101 Pauahi Street, Suite 3 • Hilo, Hawaii 96720
Phone (808) 961-8288 • Fax (808) 961-8742

October 27, 2005

Gregory R. Mooers, President
Mooers Enterprises
PO Box 1101
Kamuela, HI 96743

Dear Mr. Mooers:

**PEDESTRIAN PUBLIC ACCESS EASEMENTS WITHIN
KONA SEA RANCH SUBDIVISION, INCREMENTS I & II
SUBDIVIDERS: SUNSTONE REALTY PARTNERS V, LLC
SPH-05-000006 (Increment I) & SPH-05-000007 (Increment II)
TMK: 8-7-011:001; Kukuiopeae 2nd, South Kona, Island of Hawaii, Hawaii**

The purpose of this letter is to confirm our discussions with you that the pedestrian public access easements for the proposed Kona Sea Ranch Increments I and II will be revised as follows:

1. From Hawaii Belt Road, the easement will be the subdivision road, to the "road reserve" going to the south boundary of the property, between lots 8 and 9 of Increment II. The "road reserve" would then be the easement, until it intersects with an existing jeep road shown on the USGS maps. The easement will then follow this jeep road until the road crosses the southern boundary of the property. From that point, the easement will follow the southern boundary line to its intersection with the "Alanui Kahakai" (as it is labeled on your map.) (It is not clear if the "road reserve" intersects the jeep road or if the jeep road is south of the property line at that point. If the road reserve does not intersect the jeep road, then the easement shall be the southern property line until it is possible to use the jeep road on this property.)
2. The "Alanui Kahakai" (as so labeled on your map), should be labeled "Ala Loa, public access right-of-way". The Na Ala Hele program informs us that they think this is a historic trail, although they have not done a formal abstract.
3. There shall be a public access easement shown from the "Ala Loa" to the sea. The exact location can be at the owner's discretion but it should be a short distance north of the cinder cone located near the southern boundary of the property at the shoreline. It must not go over the cinder cone.

Hawai'i County is an Equal Opportunity Provider and Employer

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Gregory R. Mooers, President
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The public access easements shall be 10' wide, unless you have some contrary information about the "Alanui Loa".

A copy of your April 19, 2005 final plat map for Increment II, with the public access easements marked in orange, is included with this letter.

The easements must be labeled "public pedestrian access easement," except for the "Ala Loa."

We will need a formal grant of easement document to the county for these public access easements, except for the "Ala Loa", because of its status as a historic trail, whose title is apparently already with the state of Hawaii.

After we receive your confirmation that the above is acceptable to your client, we will issue final subdivision approval for the final plat map for Increment 1 dated April 19, 2005, subject to the condition that a revised final plat map be submitted showing the revised public access easements. If you prefer, we can wait for the revised final plat map and grant final approval when we receive it. The public access easement changes should be fairly simple on Increment I and we will not re-circulate the revised final plat map.

With respect to Increment II, in addition to the public access changes, we note that this subdivision is being approved with a water variance condition that no homes can be built below the 520' elevation. This elevation must be shown on the final plat map with a notation "No dwellings below this elevation per Var. 1097". It is our understanding that your clients are revising the final plat map dated April 19, 2005, to ensure that lots have a buildable area. We will not circulate this April 19, 2005 final plat map pending receipt of the revised final plat map.

If the above provisions re public access are acceptable, please have your client sign one copy of this letter and return it to us so that we can issue final subdivision approval for Increment I.

Accepted:

Sunstone Realty Partners V by

Its _____

Dated: _____

Gregory R. Mooers, President
Mooers Enterprises
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October 27, 2005

Thank you for your cooperation.

Sincerely,



CHRISTOPHER J. YUEN
Planning Director

DSA

P:\WP60\SUBDIV\Documents\Subc2005-4\SPH-05-000006SunstonePublicAccess.doc

Enc. - PPM w/Pedestrian Public Access delineated

xc: Sunstone Realty Partners V, LLC
Wes Thomas Associates
VAR 1097