

UNIT TYPE N2OF. Two (2) bedrooms, with sleeping accommodations for eight (8) persons, ocean front.

UNIT TYPE LN2OF. Two (2) bedrooms, with sleeping accommodations for eight (8) persons, ocean front.

UNIT TYPE N3OF. Three (3) bedrooms, with sleeping accommodations for ten (10) persons, ocean front.

Owners should consult the condominium documentation available at the offices of the Developer for more particular descriptions of the apartment units.

B. TOTAL NUMBER OF APARTMENTS IN THE PROGRAM BY UNIT TYPE. The total number of fee simple units of each type in the Program, and their apartment numbers, are as follows:

Unit Type OBOF <u>Total - 18</u>	Unit Type TBOF <u>Total - 48</u>	Unit Type OBOV <u>Total - 99</u>	Unit Type TBOV <u>Total - 44</u>
2010, 2111, 3010, 3110, 4010, 4107, 4110, 4111, 5009, 5010, 6009, 6010, 7009, 7010, 8009, 8010, 9009, 9010	109, 111, 1009, 1011, 2009, 2011, 2108, 2110, 2112, 3009, 3011, 3107, 3109, 3111, 4008, 4012, 4109, 4112, 5008, 5011, 5108, 5109, 5112, 5113, 6008, 6011, 6108, 6109, 6112, 6113, 7008, 7011, 7108, 7109, 7112, 7113, 8008, 8011, 8108, 8109, 8112, 8113, 9008, 9011, 9108, 9109, 9112, 9113	1013, 1014, 1015, 2001, 2002, 2003, 2013, 2014, 2015, 2033, 2038, 2102, 3001, 3002, 3003, 3013, 3014, 3015, 3016, 3017, 3018, 3019, 3020, 3033, 3038, 3039, 3040, 3041, 3102, 3103, 3104, 3105, 4001, 4002, 4003, 4013, 4014, 4015, 4016, 4017, 4018, 4019, 4020, 4102, 5003, 5004, 5005, 5006, 5013, 5014, 5017, 5018, 5019, 5020, 5102, 6003, 6004, 6005, 6006, 6013, 6014, 6017, 6018, 6019, 6020, 6102, 7003, 7004, 7005, 7006, 7013, 7014, 7017, 7018, 7019, 7020, 7102, 8003, 8004, 8005, 8006, 8013, 8014, 8017, 8018, 8019, 8020, 8102, 9003, 9004, 9005, 9006, 9013, 9014, 9017, 9018, 9019, 9020, 9102,	2004; 2007, 2034, 2037, 2039, 2042, 2100, 2104, 2105, 3004, 3007, 3034, 3037, 3100, 4004, 4007, 4100, 4104, 4105, 5001, 5015, 5100, 5104, 5105, 6001, 6015, 6100, 6104, 6105, 7001, 7015, 7100, 7104, 7105, 8001, 8015, 8100, 8104, 8105, 9001, 9015, 9100, 9104, 9105

**Unit Type
OBM/GV
Total - 43**

102, 105, 106, 107, 113,
114, 115, 116, 117, 118,
1001, 1002, 1003, 1016,
1017, 1018, 2016, 2017,
2018, 2019, 2020, 2116,
2117, 2118, 2119, 2120,
2121, 2122, 2123, 3115,
3116, 3117, 3118, 3119,
3120, 3121, 3122, 4116,
4117, 4118, 4119, 4120,
4121

**Unit Type
TBM/GV
Total - 39**

104, 1004, 1007, 2021,
2114, 3021, 3113, 4115,
4123, 5116, 5118, 5119,
5122, 5123, 5126, 6116,
6118, 6119, 6122, 6123,
6126, 7116, 7118, 7119,
7122, 7123, 7126, 8116,
8118, 8119, 8122, 8123,
8126, 9116, 9118, 9119,
9122, 9123, 9126

**Unit Type
OBIV
Total - 20**

2023, 2024, 2025, 2026,
2027, 2028, 2029, 2030,
2031, 2032, 3023, 3024,
3025, 3026, 3027, 3028,
3029, 3030, 3031, 3032

**Unit Type
L2M/GV
Total - 20**

1211, 2201, 2203, 2211,
2213, 3201, 3203, 3211,
3213, 4201, 4211, 4213,
5211, 5213, 6211, 6213,
7213, 8213, 9213, 0313

**Unit Type
L2OV
Total - 21**

4203, 5201, 5203, 6201,
6203, 7201, 7203, 7211,
8201, 8203, 8211, 9201,
9203, 9211, 0301, 0303,
0311, 1303, 1311, 2303,
2311

**Unit Type
L2OF
Total - 12**

1208, 1210, 3208, 3210,
7208, 7210, 8208, 8210,
1308, 1310, 2308, 2310

**Unit Type
L3OF
Total - 12**

1206, 2206, 3206, 4206,
5206, 6206, 7206, 8206,
9206, 0306, 1306, 2306

**Unit Type
LN2OF
Total - 43**

**Lahaina Tower
Total - 12**

2208, 2210, 4208, 4210,
5208, 5210, 6208, 6210,
9208, 9210, 0308, 0310

**Napili Tower
Total - 31**

1406, 1409, 1413, 2401,
2406, 2409, 2413, 3401,
3406, 3409, 3413, 4401,
4406, 4409, 4413, 5401,
5406, 5409, 5413, 6401,
6406, 6409, 6413, 7401,
7406, 7409, 7413, 8401,
8406, 8409, 8413

**Unit Type
N2IV
Total - 26**

1401, 2408, 2411, 2415,
3408, 3411, 3415, 4408,
4411, 4415, 5408, 5411,
5415, 6408, 6411, 6415,
7408, 7411, 7415, 8408,
8411, 8415, 9408, 9411,
0508, 0511

**Unit Type
N2OF
Total - 4**

9406, 9409, 0506, 0509

**Unit Type
N3OF
Total - 10**

1404, 2404, 3404, 4404,
5404, 6404, 7404, 8404,
9404, 0504

EXHIBIT "2"

LIST OF ENCUMBRANCES

1. Reservation of all mineral and metallic mines of every description to the Hawaiian Government; except that Company affirmatively insures that neither the State of Hawaii nor persons authorized by it will enter, occupy or use the said land for the exercise of the reserved mineral and mining rights for a period of 75 years from January 1, 1960, as described in instrument dated January 29, 1960, recorded at said Bureau in Book 3822 at Pages 37.
2. Shoreline setback lines as they may be established by the State Land Use Commission or by the County pursuant to Sections 205A-41 to 205A-43.6 inclusive of the Hawaii Revised Statutes.
3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Deed dated April 25, 1969, recorded in said Office as Document No. 476140.
4. Designation of Easements "54" and "55" for utility purposes, as shown on Maps 19 and 36, as set forth by Land Court Order No. 31151, filed January 13, 1970.
5. Designation of Easement "81" for pedestrian purposes, as shown on Map 36, as set forth by Land Court Order No. 55161, filed December 5, 1979.
6. Designation of Easements "106" and "107" for parking access purposes, as shown on Map 43, as set forth by Land Court Order No. 62239, filed March 15, 1982.
7. Declaration dated December 23, 1977 filed in said Office as Document No. 853030 and recorded at said Bureau in Liber 12641, Page 179.

All rights, responsibilities, obligations, powers and duties arising at any time in, to and under said Declaration was assigned to Kaanapali Operations Association, Inc., a Hawaii nonprofit corporation, by instrument dated August 1, 1996, filed in said Office as Document No. 2326855, recorded at said Bureau as Document No. 96-110079.

Said Declaration was amended by instrument dated October 31, 1978, filed in said Office as Document No. 906095 and at said Bureau in Liber 13244 at Page 299; dated June 30, 1981, filed in said Office as Document No. 1075081 and at said Bureau in Liber 15691 at Page 351; dated August 26, 1982, filed in said Office as Document No. 1129155A and at said Bureau in Liber 16534 at Page 74; dated January 2, 1986, filed in said Office as Document No. 1344264 and at said Bureau in Liber 19217 at Page 240; and dated August 1, 1996, filed in said Office as Document No. 2326857.

8. Agreement dated July 11, 1979 by and between the County of Maui, Department of Water Supply and Amfac, Inc. recorded at said Bureau in Liber 13911 at Page 285.

Said Agreement was amended by instrument dated November 5, 1982, recorded at said Bureau in Liber 16732 at Page 736.

9. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Declaration of Appurtenant Easements dated March 5, 1980, recorded in said Office as Document No. 1000653.
10. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Declaration of Appurtenant Easements dated March 5, 1980, recorded in said Office as Document No. 1000654.

11. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Declaration of Appurtenant Easements dated March 5, 1980, recorded in said Office as Document No. 1000655, and at said Bureau in Book 14559 at Page 494.
12. Terms and provision of that certain Management Agreement (Unrecorded) dated March 7, 1980. A Short Form of which is dated March 7, 1980, recorded in said Office as Document No. 1000658, and also recorded at said Bureau in Book 14559 at Page 505.

The interest of Marriott Corporation was assigned to Marriott Hotels, Inc., a Delaware corporation, by that certain unrecorded Assignment dated January 2, 1982.

Said Management Agreement was amended by that certain unrecorded Restated and Amended Management Agreement for Kaanapali Beach Marriott Hotel dated December 23, 1986.

Said Management Agreement was restated and amended in its entirety by that certain unrecorded Second Restated and Amended Management Agreement for Kaanapali Beach Marriott Hotel dated December 31, 1988.

The interest of KBP Limited Partnership, by mesne unrecorded assignments, was assigned to Marriott Ownership Resorts, Inc., a Delaware corporation, by unrecorded Assignment of Owner's Interest in Management Agreements dated September 25, 1998 and September 28, 1998.

13. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Partial Assignment of Nonexclusive Easement dated July 12, 1982, recorded in said Office as Document No. 1125492.
14. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Partial Assignment of Nonexclusive Easement dated August 10, 1982, recorded in said Office as Document No. 1128129.
15. Warranty Deed dated August 26, 1982 filed in said Office as Document No. 1129155 and recorded at said Bureau in Liber 16534 at Page 74.

Said Deed was amended by instrument dated January 2, 1986, recorded in said Office as Document No. 1344264, recorded at said Bureau in Liber 19217 at Page 240.

16. Warranty Deed dated January 2, 1986 recorded in said Office as Document No. 1344265 and recorded at said Bureau in Liber 19691 at Page 1.

All rights, responsibilities, obligations, powers and duties arising at any time in, to and under said Deed were assigned to Kaanapali Operations Association, Inc., a Hawaii nonprofit corporation, by instrument dated August 1, 1996, recorded in said Office as Document No. 2326855, recorded at said Bureau as Document No. 96-110079.

By Assignment and Assumption of Rights, Interests and Obligations and Reservation of Rights, Interests and Obligations effective as of December 21, 2000, recorded in said Office as Document No. 2781514, and also recorded at said Bureau as Document No. 2002-033760, Kaanapali Development Corp., a Hawaii corporation, assumes all the obligations under the foregoing Warranty Deed.

17. Affirmative Covenants Agreement dated January 2, 1986 by and between Amfac Property Investment Corp., and Kaanapali Beach Partners II recorded in said Office as Document No. 1344267 and recorded at said Bureau in Liber 19200 at Page 728.

All rights, responsibilities, obligations, powers and duties arising at any time in, to and under said Agreement was assigned to Kaanapali Operations Association, Inc., a Hawaii nonprofit corporation, by

instrument dated August 1, 1996, filed in said Office as Document No. 2326855, recorded at said Bureau as Document No. 96-110079.

By Assignment and Assumption of Rights, Interests and Obligations and Reservation of Rights, Interests and Obligations effective as of December 21, 2000, recorded in said Office as Document No. 2781514, and also recorded at said Bureau as Document No. 2002-033760, Kaanapali Development Corp., a Hawaii corporation, assumes all the obligations under the foregoing Affirmative Covenants Agreement.

18. Unrecorded Grant of Easements and Consents, in favor of the County of Maui; granting a nonexclusive easement for pedestrian access over Easement "81" and vehicular access easements over Easements "106" and "107," as described in Exhibit A-2 attached to Deed recorded in said Office as Document No. 1425978, and also recorded at said Bureau in Book 20184 at Page 52.
19. Letter dated January 2, 1986 re: withdrawal of Kaanapali Beach Partners of its objections to the rezoning of approximately 22 acres of the "green belt area" from a zoning classification of R-3 to B-R Resort Commercial District. Said withdrawal was based upon the agreement of Kaanapali Beach Partners and Mr. Yokouchi to enter into an agreement for the development, construction and operation of the tourist attraction tentatively referred to as the "Hawaiian Sea Village" for a portion of such green belt area; as described in Exhibit A-2 attached to Deed recorded in said Office as Document No. 1425978, and also recorded at said Bureau in Book 20184 at Page 52.
20. Beach Access Agreement dated December 23, 1986 by and between Kaanapali Beach Partners, a Hawaii general partnership and AZABU BUILDINGS CO., LTD., a Japan corporation, recorded at said Bureau in Book 20183 at Page 736. (Said Agreement is not recorded in Land Court.)
21. Private Water System Agreement dated July 24, 1997 by and between Marriott Hotels, Inc., a Delaware corporation, Kaanapali Water Corporation, a Hawaii corporation, and the Department of Water Supply of the County of Maui, recorded at said Bureau as Document No. 97-137256. (Said Agreement is not recorded in Land Court.)
22. The following matters as shown on survey map prepared by Bruce R. Lee, Land Surveyor, with Newcomer-Lee Land Surveyors, Inc., dated September 16, 1998:
 - A. Encroachment of certain sprinklers and trees into the 40-foot shoreline setback area established under the rules and regulations of the Planning Commission of the County of Maui, as shown on Certification Map for "Maui Marriott Resort" prepared by George F. Newcomer, Land Surveyor, dated November 19, 1986.
 - B. There are two concrete ramps along the Southeasterly boundary of the subject parcel which lie on Lot 72 (Beach Access Lot) that appear to be serving Lot 71.
23. Declaration of Condominium Property Regime of Maui Ocean Club dated June 8, 1999, recorded in said Office as Document No. 2577291, as amended, and By-Laws thereto dated June 8, 1999, recorded in said Office as Document No. 2577292, Condominium Map No. 1314 filed in said Office; any instrument creating the estate or interest herein set forth; and in any other allied instrument referred to in any of the instruments aforesaid.

Said Declaration was amended by those certain instruments dated August 23, 2001, recorded in said Office as Document No. 2742144; dated January 18, 2002, recorded in said Office as Document No. 2782146; dated April 24, 2002, recorded in said Office as Document No. 2808035, dated February 2, 2005, recorded in said Office as Document No. 3252590; dated September 2, 2005, recorded in said Office as Document No. 3359374, recorded in said Office on July 14, 2006 as Document No. 3452962 and recorded in said Office on August 16, 2007 as Document No. 3643144.

24. Terms, covenants, conditions, restrictions, and reservations as contained in the Maui Ocean Club Vacation Ownership Program Declaration of Covenants, Conditions and Restrictions dated June 8, 1999, recorded in said Office as Document No. 2580210, as amended and annexed, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Chapter 515 of the Hawaii Revised Statutes.

Said Declaration was amended by those certain instructions dated August 27, 2001, recorded in said Office as Document No. 2742145; and dated February 2, 2005 in said Office as Document No. 3252589.

Said Declaration was annexed by those certain instruments dated January 18, 2002, recorded in said Office as Document No. 2783100, dated April 24, 2002, recorded in said Office as Document No. 2808036; dated February 2, 2005, recorded in said Office as Document No. 3252591; and dated September 2, 2005, recorded in said Office as Document No. 3359375. Said Declaration was amended by that certain instrument recorded in said Office on December 14, 2006 as Document No. 3527012. Said Declaration was further amended by that certain instrument recorded in said Office on August 30, 2007 as Document No. 3649387-3649388.

25. A right of refusal in favor of Marriott Ownership Resorts, Inc., a Delaware corporation, as disclosed by the document recorded June 8, 1999 as Document No. 2580210.
26. A Grant of Easement for utility purposes in favor of Maui Electric Company, Limited, a Hawaii corporation, recorded November 4, 2004 in said Office as Document No. 3188791.
27. A Grant of Easement for utility purposes, in favor of Maui Electric Company, Limited, a Hawaii corporation, recorded November 3, 2006 in said Office as Document No. 3508982.
28. Maui Ocean Club Vacation Ownership Program Declaration of Conversion, recorded in said Office as Document No. 3527011.

Remarks: Said Document affects Apartment Nos. 2208, 2210, 4208, 4210, 5208, 5210, 6208, 6210, 9208, 9210, 0308 and 0310

EXHIBIT "3"

**Current Sales Prices
Schedule of Estimated Closing Expenses**

UNIT TYPE	CURRENT SALES PRICE*	UNIT TYPE	CURRENT SALES PRICE*
MAUI, LANAI AND MOLOKAI WINGS:		LAHAINA TOWER:	
TBOF Week 52	\$76,000.00	Two Bedroom MGV Units	\$55,000.00
TBOF Week 51	\$72,000.00	Two Bedroom MGV Units (Fixed)	\$58,000.00 - \$67,000.00
TBOF Platinum	\$63,900.00	Two Bedroom OV Units	\$65,500.00
		Two Bedroom OV Units (Fixed)	\$70,600.00 - \$80,700.00
TBOV Week 52	\$70,000.00	Two Bedroom OF Units	\$74,000.00
TBOV Week 51	\$65,500.00	Two Bedroom OF Units (Float-Fixed)	\$97,500.00 - \$131,800.00
TBOV Platinum	\$57,100.00	Two Bedroom OF Units (Fixed)	\$50,000.00 - \$116,000.00
		Three Bedroom OF Units	\$66,350.00 - \$160,600.00
		NAPILI TOWER:	
TBMGV Week 52	\$51,500.00	Two Bedroom IV Units	\$46,900.00
TBMGV Week 51	\$50,500.00	Two Bedroom IV Units (Fixed)	\$55,000.00 - \$60,500.00
TBMGV Platinum	\$46,400.00	Two Bedroom OF Units	\$74,000.00
		Two Bedroom OF Units (Float-Fixed)	\$112,800.00 - \$132,800.00
OBOF Week 52	\$48,500.00	Two Bedroom OF Units (Fixed)	\$63,700.00 - \$122,500.00
OBOF Week 51	\$46,500.00	Three Bedroom Units	\$53,000.00 - \$163,500.00
OBOF Platinum	\$39,600.00		
OBOV Week 52	\$43,200.00		
OBOV Week 51	\$41,000.00		
OBOV Platinum	\$36,800.00		
OBGV Week 52	\$32,000.00		
OBGV Week 51	\$31,000.00		
OBGV Platinum	\$30,400.00		
OBIV Week 52	\$25,900.00		
OBIV Week 51	\$24,500.00		
OBIV Platinum	\$24,600.00		

*Sales prices are subject to change by the Developer without notice. For initial Developer sales of Ownership Interests within Units in the Lahaina and Napili Towers only (versus sales of ownership interests that have been reacquired by the Developer for resale), such sales prices include Hawaii general excise tax at the rate of 4.166% (or any revised rate imposed by the State of Hawaii in the future) on the portion of the Purchase Price allocable to the Subject Common Furnishings in Units.

SCHEDULE OF CLOSING EXPENSES

Title Insurance Fees:		
Owner Policy with Mortgagee Policy – FLAT FEE		\$ 80.00
Mortgagee Policy: (concurrent issue)		Included
Escrow Fee (FLAT FEE)		\$ 80.00
Recording Fee on Deed and Mortgage		
Land Court (Deed)		\$ 50.00
Land Court (Mortgage)		\$ 25.00
Deed Conveyance Tax		Purchase Price x .001
Mortgage Conveyance Fee		(NA)
Document Preparation Fee		\$ 142.00
Lender Document Preparation Fee		\$100.00
First Year Assessment for Common Expenses and Maintenance Fees (see current Estimated Operating Budget)	BUYER TO PAY	
First Year Expenses for Ad Valorem Taxation And Special Assessments (see current Estimated Operating Budget)	BUYER TO PAY	

EXHIBIT "4"

**2010 ASSESSMENT BUDGET FOR
ASSOCIATION OF APARTMENT OWNERS OF MAUI OCEAN CLUB
(In 2010 Dollars)**

	TOTAL ANNUAL BUDGET	MAUI OCEAN CLUB VACATION OWNERS ASSOCIATION	MARRIOTT OWNERSHIP RESORTS, INC.
<u>OPERATING EXPENSES :</u>			
ACCOUNTING	\$ 46,522	\$ 46,506	\$ 16
ADMINISTRATIVE	80,578	80,550	28
ANNUAL AUDIT	17,000	16,994	6
BOARD OF DIRECTORS EXPENSES	1,200	1,200	-
UTILITY EXPENSE	4,254,543	4,253,087	1,456
GROUNDS & LANDSCAPING	1,467,003	1,466,501	502
HOUSEKEEPING	1,069,846	1,069,480	366
HUMAN RESOURCES	186,320	186,256	64
INSURANCE	2,050,145	2,049,557	588
IRREVOCABLE PARKING LICENSE AGREEMENT	319,123	319,014	109
KA'ANAPALI OPERATORS ASSOCIATION	287,038	286,940	98
LOSS PREVENTION	1,182,083	1,181,678	405
REPAIRS & MAINTENANCE	1,801,592	1,800,975	617
MANAGEMENT FEES	1,284,942	1,284,502	440
RECREATION	893,455	893,149	306
INTEREST INCOME	-	-	-
INCOME TAX	170	170	-
(SURPLUS RETURN)/ DEFICIT RECOVERY	(2,500,000)	(2,499,145)	(855)
RESERVES FOR REPLACEMENT	1,692,800	1,692,221	579
TOTAL OPERATING EXPENSES & RESERVES	<u>\$ 14,134,360</u>	<u>\$ 14,129,635</u>	<u>\$ 4,725</u>

**2010 ASSESSMENT BUDGET FOR
MAUI OCEAN CLUB VACATION OWNERS ASSOCIATION
(VACATION OWNERSHIP BUDGET)**

23688 OWNERSHIP INTERESTS
(In 2010 Dollars)

	TOTAL BUDGET PER YEAR	PER EVERY YEAR OWNERSHIP INTEREST PER YEAR	PER ODD/EVEN YEAR OWNERSHIP INTEREST PER YEAR
ACCOUNTING	\$ 506,795	\$ 21.39	\$ 10.70
ADMINISTRATIVE	780,127	32.93	16.47
ANNUAL AUDIT	16,887	0.71	0.36
BAD DEBT EXPENSE	569,405	24.04	12.02
BILLING & COLLECTIONS	202,557	8.55	4.28
BOARD OF DIRECTORS EXPENSE	7,134	0.30	0.15
CABLE TELEVISION	103,258	4.36	2.18
CONDOMINIUM ASSOCIATION ASSESSMENT	14,129,635	596.49	298.25
CREDIT CARD EXPENSE	486,569	20.63	10.32
FRONT OFFICE	2,424,617	102.36	51.18
HIGH SPEED INTERNET	16,337	0.69	0.35
HOUSEKEEPING (INCLUDING LAUNDRY)	4,670,463	197.17	98.59
HUMAN RESOURCES	176,647	7.46	3.73
INCOME TAX	133,679	5.64	2.82
INSURANCE	556,240	23.48	11.74
LEGAL FEES - OUTSIDE	10,058	0.42	0.21
MAINTENANCE	964,220	40.70	20.35
MANAGEMENT FEES	2,410,115	101.74	50.87
OTHER INCOME (LATE FEES, INVESTMENT INCOME)	(510,203)	(21.54)	(10.77)
OWNER SERVICES	680,098	28.71	14.36
POSTAGE & PRINTING	49,132	2.07	1.04
PROPERTY TAXES	6,932,922	292.68	146.34
RECOVERY OF DEFICIT	-	-	-
TAXES - GENERAL EXCISE TAX	1,693,317	71.48	35.74
TELEPHONE	106,667	4.50	2.25
TOTAL OPERATING EXPENSES	\$ 37,118,676	\$ 1,566.96	\$ 783.53
RESERVES FOR REPLACEMENT (INTERIOR)	3,520,076	148.60	74.30
TOTAL OPERATING EXPENSES & RESERVES	\$ 40,638,752	\$ 1,715.56	\$ 857.83

**CALCULATION OF "ADJUSTED SHARE" (SEE SECTION, 8.1 OF VACATION OWNERSHIP PROGRAM DECLARATION)
(BASED ON 23688 OWNERSHIP INTERESTS)**

TOTAL BUDGET	\$ 40,638,752		
DIVISION FACTOR	26,409.14		
ONE BEDROOM ASSESSMENT (9310 OWNERSHIP INT.)		\$ 1,538.81	\$ 769.41
TWO BEDROOM MAUI, LANAI & MOLOKAI WINGS MULTIPLIER	110.0%		
TWO BEDROOM ASSESSMENT (6776 OWNERSHIP INT.)		\$ 1,692.70	\$ 846.35
TWO BEDROOM LAHAINA & NAPILI MULTIPLIER	123.2%		
TWO BEDROOM ASSESSMENT (6480 OWNERSHIP INT.)		\$ 1,896.49	\$ 948.25
THREE BEDROOM LAHAINA & NAPILI MULTIPLIER	147.9%		
THREE BEDROOM ASSESSMENT (1122 OWNERSHIP INT.)		\$ 2,275.79	\$ 1,137.90

Note: The Vacation Ownership Program Declaration allows for the Association to modify the allocation of costs due to any increases in costs that would adversely affect the existing owners. Such a modification has been made for the 2010 budget based on significant increases in Insurance, Utilities and Property Taxes. The recalculated division factor is based on the new multipliers and the number of unit weeks existing in 2010.

MAUI OCEAN CLUB VACATION OWNERS ASSOCIATION
2010 ESTIMATED OPERATING BUDGET NOTES
FOR THE PERIOD BEGINNING JANUARY 02, 2010 AND ENDING DECEMBER 31, 2010

1) This budget has been prepared on an accrual basis.

2) 23,697 Time Periods exist in the 459 Resort Apartments submitted for registration in the Vacation Ownership Program. The Developer has conveyed 171 Time Periods to the Association for use as Major Service Periods each year.

3) Although this site is located in Hawaii, it has been registered in California. California Law requires the association board to disseminate to members an annual report of the provisions relating to methods and procedures for funding reserves pursuant to Section 11240(b)(2)(L) of the California Business Professions Code. Planned replacement reserves are the moneys that the association's Board of Directors has identified to be used to defray the future repair or replacement of, or additions to, those major components, which the association is obligated to maintain.

4) The itemized estimate of the remaining life and estimated replacement of the major components are listed below:

Components	Estimated Useful Life in Yrs.	Estimated Replacement Cost	Estimated Remaining Useful Life in Yrs.	Anticipated Beginning Fund Balance as of 1/2/2010	% of Fund Balance over Replacement Cost	Age in Years as of 1/2/2010
Furniture, Fixtures, and Equipment	10	53,970,050	5	5,999,342	11.12%	5
TOTAL		\$53,970,050		\$5,999,342	11.12%	

5) The cash flow method is being used, which is based on a minimum twenty-year projection of the association's future income and expenses to fully fund its replacement reserve requirements each year during that twenty-year period. The cash flow method requires the association to assess and collect from its owners to fully fund 100% of the estimated replacement reserves, in order to establish a full replacement reserve for the association by the end of each budget year.

6) The remaining life of a component can be estimated by subtracting the current age of the component from the useful life of such component. Each year, the association board may adjust the amount of the estimated replacement reserve for an asset based on reasonable projections for inflation and for interest which will be earned during the estimated useful life of the asset.

7) Capitalized terms not defined in these footnotes have the meaning given to them in the Maui Ocean Club Vacation Ownership Program Declaration of Covenants, Conditions and Restrictions (the "Vacation Ownership Program Declaration").

8) The amounts set forth in this budget are estimates only and may be modified prior to the actual commencement of the fiscal year. Insurance, energy and labor costs are calculated based on current rates, and such costs may substantially increase over a short period of time. The Developer cannot predict how changes in the economic, social and political conditions may impact such costs. Purchasers are aware and acknowledge that the budget and, as a result, each purchaser's overall assessment, may increase substantially due to increasing costs, including (without limitation) those described above.

ASSOCIATION OF APARTMENT OWNERS OF MAUI OCEAN CLUB
2010 ESTIMATED OPERATING BUDGET NOTES
FOR THE PERIOD BEGINNING JANUARY 02, 2010 AND ENDING DECEMBER 31, 2010

1) This budget has been prepared on an accrual basis, is allocated among Apartment Owners based on methodology adopted by the Managing Agent and approved by the Board. Because expenses associated with Limited Common Elements (LCE's) are assessed against only the Apartments to which the LCE's are appurtenant, each Apartment's assessment cannot be computed simply by multiplying its percentage Common Interest by the total annual budget. Rather, the total assessments shown in columns two & three have been derived from allocation formulas for each line item. The Total from the second column is carried forward to the Vacation Ownership Budget under the line item "Condominium Association Assessment", and ultimately assessed against Owners of Resort Apartments that have been submitted to the plan of vacation ownership. The Total from the third column is payable by Marriott Ownership Resorts, Inc. as Owner of certain Resort and Commercial Apartments.

2) Although this site is located in Hawaii, it has been registered in California. California Law requires the association board to disseminate to members an annual report of the provisions relating to methods and procedures for funding reserves pursuant to Section 11240(h)(2)(L) of the California Business Professions Code. Planned replacement reserves are the moneys that the association's Board of Directors has identified to be used to defray the future repair or replacement of, or additions to, those major components, which the association is obligated to maintain.

3) The itemized estimate of the remaining life and estimated replacement of the major components are listed below:

Components	Estimated Useful Life in Yrs.	Estimated Replacement Cost	Estimated Remaining Useful Life in Yrs.	Anticipated Beginning Fund Balance as of 1/2/2010	% of Fund Balance over Replacement Cost	Age in Years as of 1/2/2010
Roof Replacement	25	4,650,028	5	563,203	12.11%	20
Furniture, Fixtures, and Equipment	5	841,215	1	1,069,168	127.10%	4
Building Painting	7	1,911,064	6	-1,102,513	-57.69%	1
External Building Maintenance	25	3,696,595	21	-22,376	-0.61%	4
Pavement Resurfacing	20	153,976	18	30,823	20.08%	2
Common Area Rehabilitation	15	16,096,512	6	-281,831	-1.75%	11
TOTAL		\$27,349,390		\$256,574	0.94%	

4) The cash flow method is being used, which is based on a minimum twenty-year projection of the association's future income and expenses to fully fund its replacement reserve requirements each year during that twenty-year period. The cash flow method requires the association to assess and collect from its owners to fully fund 100% of the estimated replacement reserves, in order to establish a full replacement reserve for the association by the end of each budget year.

5) The remaining life of a component can be estimated by subtracting the current age of the component from the useful life of such component. Each year, the association board may adjust the amount of the estimated replacement reserve for an asset based on reasonable projections for inflation and for interest which will be earned during the estimated useful life of the asset.

6) Capitalized terms not defined in these footnotes have the meaning given to them in the Declaration of Condominium Property Regime of Maui Ocean Club.

7) The amounts set forth in this budget are estimates only and may be modified prior to the actual commencement of the fiscal year. Insurance, energy and labor costs are calculated based on current rates, and such costs may substantially increase over a short period of time. The Developer cannot predict how changes in the economic, social and political conditions may impact such costs. Purchasers are aware and acknowledge that the budget and, as a result, each purchaser's overall assessment, may increase substantially due to increasing costs, including (without limitation) those described above.

EXHIBIT "5"
MARKETING PLAN FOR
MAUI OCEAN CLUB

The developer, Marriott Ownership Resorts, Inc. ("MORI"), intends to advertise within the Hawaiian market utilizing media typical to the industry (i.e. newspapers, magazines, brochure racks, radio, and possibly television); to solicit broker referral; to direct mail to select target markets, including existing Marriott owners and referrals; and possibly utilize telemarketing in conjunction with other advertising campaigns. In addition, MORI intends to solicit guests staying in Marriott hotels through printed materials located within the hotels and their rooms and onsite guest services. It is anticipated that MORI may use outside acquisition agents for soliciting customers for the purpose of sales tours at the Condominium.

MORI will be operating several sales offices within the state. The main office will be located on the Island of Kauai at 2249 Poipu Road, Koloa, Kauai, Hawaii 96756. Solicited guests will be invited to attend a sales presentation at one of these locations.

A prize gift or other incentive may be offered to prospective purchasers who attend a sales presentation concerning the Program. Typically, the promotional item(s) are predetermined and definite, not from a list of several to which the disclosure of odds of receiving would be applicable. Typical incentives would include a lodging package, dining certificates and/or gift certificates applicable to the market.

At this time, it is contemplated that MORI will be the sales agent for the Program. In addition, sales collateral and advertising materials are being developed and will be submitted prior to use.