

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

February 28, 2014

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

OAHU

Acquisition of Private Lands and Set Aside to Department of Education for New Elementary School Campus, Honouliuli, Ewa, Oahu; TMK (1) 9-1-160:024 and (1) 9-1-158:062

REMARKS:

Department of Education ("DOE") requests the Board's authorization to acquire private lands and subsequently set aside such lands to DOE for new elementary school campus purposes. Copy of the submittal prepared by DOE is attached as **Exhibit 1** for the Board's consideration.

Staff notes that DOE will handle the due diligence required for the acquisition, including working with the Department of the Attorney General for the conveyance document and the Department of Accounting and General Service, Survey Division regarding the map and description of the acquisition and set aside actions.

Staff does not have any other comment on the subject request.

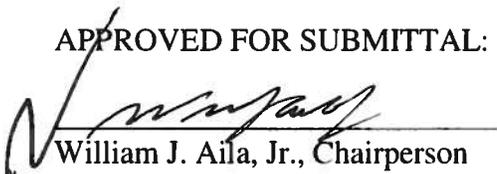
RECOMMENDATION: That the Board approve the Recommendation Section mentioned in the Department of Education's submittal attached as Exhibit 1.

Respectfully Submitted,



Barry Cheung
District Land Agent

APPROVED FOR SUBMITTAL:


William J. Aila, Jr., Chairperson

STATE OF HAWAII
DEPARTMENT OF EDUCATION
OFFICE OF SCHOOL FACILITIES AND SUPPORT SERVICES
Honolulu, Hawaii 96809

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Acquisition of Private Lands and Set Aside to Department of Education for New Elementary School Campus, Honouliuli, Ewa, Oahu, Tax Map Keys: (1) 9-1-160:024 and 9-1-158:062.

APPLICANT AGENCY:

Department of Education

PRIVATE LANDOWNER:

D.R. Horton – Schuler Homes, LLC, a Delaware limited liability company, dba D.R. Horton-Schuler Division whose business and mailing address is 650 Iwilei Road, Suite 209, Honolulu, Hawaii 96817.

LEGAL REFERENCE:

Sections 107-10, 171-11 and 171-30, Hawaii Revised Statutes, as amended.

LOCATION:

Privately-owned lands situated at Honouliuli, Ewa, Oahu, identified by Tax Map Keys: (1) 9-1-160:024 and (1) 9-1-158:062, as shown on the attached map labeled Exhibit A.

AREA:

TMK (1) 9-1-160:024	12.349 acres
TMK (1) 9-1-158:062	5,000 square feet

ZONING:

State Land Use District: Urban district

County of Honolulu:

TMK: 9-1-160:024
TMK (1) 9-1-158:062

A-1; Apartment Low Density
R-5; Residential

CURRENT USE:

Vacant and unimproved with various access and utility easements.

CONSIDERATION:

None. Pursuant to the Education Contribution Agreement for Kapolei Parkway Residential ("Mehana") dated May 18, 2005; and as amended September 20, 2007; and December 9, 2009; the landowner is dedicating the subject lands gratis.

PURPOSE:

For educational purposes. Parcel will become a new elementary school campus in the Mehana at Kapolei development.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This action before the Board involves a gratis land dedication that does not require the use of State funds. Therefore, this action is exempt from the provisions of Chapter 343, HRS, relating to environmental impact statements. Inasmuch as Chapter 343 environmental requirements apply to Applicant's use of the lands, Applicant shall be responsible for compliance with Chapter 343, HRS, as amended.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>x</u>	NO <u> </u>
Registered business name confirmed:	YES <u>x</u>	NO <u> </u>
Applicant in good standing confirmed:	YES <u>x</u>	NO <u> </u>

APPLICANT REQUIREMENTS:

Private landowner has met the following requirements:

- 1) Provided survey maps and descriptions for the privately-owned property according to State DAGS standards at no cost to the State;
- 2) Obtained a title report for the privately-owned property at no cost to the State, and subject to review and approval by the Department; and
- 3) Paid for and conducted a Phase I environmental site assessment along with sufficient soil sampling and analysis as required by the State Department of Health. Details on the environmental testing follow on page 4. The landowner is prepared to obtain an updated Phase I environmental site assessment for the property prior to the conveyance to the State.

REMARKS:

The Department of Education (DOE) is requesting the Board of Land and Natural Resources (BLNR) approve the acquisition of land for a new elementary school campus in Kapolei. The subject site is situated in Honouliuli, Ewa, Oahu, and is further identified as Tax Map Keys: (1) 9-1-160:024 and (1) 9-1-158:062, as generally shown on the attached tax map, Exhibit A.

Pursuant to State Land Use Commission Docket No. A87-613¹ and City and County of Honolulu Ordinance No. 04-46², DOE, D.R. Horton-Schuler Homes, LLC ("Horton"), and the Estate of James Campbell, Deceased ("Estate") entered into an Education Contribution Agreement dated May 18, 2005 (ECA), as amended on September 20, 2007, and December 9, 2009. As amended, Section 2 of the ECA titled HORTON Land Contribution in part provides:

1. Horton shall dedicate a total of 12.46 acres to the State of Hawaii.
2. Use of the site shall be limited to public school and ancillary recreational uses and community gatherings, regardless of the zoning of the land.
3. If construction funds for the school site are not released by the Department of Budget and Finance within eight (8) years of the date of conveyance of the school site to DOE, DOE will recommend to BLNR that the school site be returned to Horton and, if the return is approved by BLNR Horton agrees to pay to the DOE for deposit into its appropriate trust fund the amount of \$1.2 million (one million two-hundred thousand dollars). The payment of said \$1.2 million would constitute full consideration to the DOE for the land contribution credits utilized by Horton-Estate.

1 Whereas Findings of Fact, Conclusions of Law and Decision and Order, dated September 23, 1988, reclassified approximately 890 acres of land at Honouliuli, Ewa, Oahu, from the Agriculture District to Urban District, Increment II of the same docket orders the Petitioner to "contribute to the development and/or construction of school facilities on an equitable pro-rata basis as a result of the development of the Property, as determined by and to the satisfaction of the Department of Education (DOE). Agreement by DOE on the level of funding and participation shall be obtained prior to Petitioner applying for county zoning."

2 On December 13, 1993 City and County of Honolulu approved Ordinance No. 04-46 amending a portion of Zoning Map No. 12, Ewa Beach-Iroquois Point, Ordinance No. 86-114. Condition No. 7 of Ordinance No. 04-46 requires the Declarant to "contribute to the development, funding, and/or construction of school facilities, on a fair-share basis, as determined by and to the satisfaction of the State Department of Education (also referred to as "DOE"). Terms of the contribution agreement shall be agreed upon in writing by the Declarant and the DOE, prior to obtaining building permits."

4. Horton shall commit to the completion of infrastructure systems (up to the property line of the site).
5. Provided the site has been appropriately subdivided, it shall be conveyed to the State of Hawaii upon the completion of the subdivision infrastructure systems and no later than July 1, 2010.

Whereas DLNR is not a party to the ECA, Horton and Estate acknowledge that ultimately the State's acquisition of the proposed school site is subject to approval by BLNR.

A total of \$40,000,000 has been appropriated and released to the DOE for design and construction of the proposed elementary.

Due diligence results are summarized below for your review and consideration.

Survey maps and descriptions: Subdivision of the subject site was approved and filed on November 10, 2008. Subject site is identified as Lot 18256 on Land Court Application 1069, Map 1416, attached as Exhibit B. No ingress and egress is permitted along the subject's Barbers Point NAS Access Road frontage. Landscaping and various utility easements of record are located along the site boundaries; however, these encumbrances do not appear to impede development of the subject site for school use.

Title report: Horton submitted a title report prepared by Old Republic title & Escrow of Hawaii, and dated September 13, 2013 (PTR). PTR does not identify any breaks in title or claims against Horton's fee interest.

The encumbrances include provisions resulting from zoning amendments granted by the State and City and County of Honolulu, which are generally applicable to the areas master developer rather than being specific to the proposed school site itself. Moreover, the scope of several of the encumbrances, including those resulting from such zoning amendments, will be limited to obligations that are unique to DOE as a landowner at the time of conveyance as reflected in the deed document attached to this submittal as Exhibit D. Other encumbrances include utility and landscaping easements along the site's boundaries, as shown on Exhibit B, attached. In addition to the identified easements, ingress and egress to the subject site is restricted to the subject's west side boundary, along an existing road.

None of the identified easements or encumbrances appear to impede functional planning and design of an elementary school on the subject site. DOE understands the impacts of these easements and have no objections.

Horton will also provide the State with a title insurance policy as part of the transaction that contains an endorsement insuring the State against loss or damage sustained by reason of the existence of present violations of any enforceable covenants, conditions, or

restrictions or notices of any violations. The endorsement also insures against loss or damage sustained be reason of violation of the zoning and reclassification conditions as long as the use of the land is limited to public school and ancillary school recreational uses and community gatherings.

Phase I ESA/Phase II soil sampling and analysis: Tetra Tech EM Inc. (Tetra Tech) prepared a Phase I Environmental Site Assessment report dated January 18, 2010, updated January 23, 2014. Based on Tetra Tech's review of historic records, photographs, maps, and interviews with people familiar with the property, Tetra Tech reported that no recognized environmental conditions were identified on the subject property. A copy of the Executive Summary dated January 23, 2014 from the Phase I Environmental Site Assessment report is attached as Exhibit C.

Notwithstanding these findings, Tetra Tech also conducted a limited Phase II confirmation sampling effort. Soil-sampling analysis tested for several contaminants of potential concern (COPC), including total petroleum hydrocarbon (TPH as fuel scan), Resource Conservation and Recovery Act (RCRA) 8 heavy metals, and polychlorinated biphenyls (PCB). The COPC were compared with the State Department of Health (DOH) Tier 1 Environmental Action Levels (EALs) applicable to the subject property for non-restricted sites above non-drinking aquifers receiving less than 200 inches of rainfall that are also greater than 150 meters from a surface water body. Based upon the laboratory analysis, TPH as fuel scan, RCRA 8 metals, and PCBs were either non-detect or below their respective DOH Tier 1 EALs applicable to the subject property.

Conveyance Document: A copy of the proposed draft conveyance document is attached as Exhibit D for your reference. It is noted that the attached document contains two material differences from the State's standard warranty deed.

1. **Hazardous waste testing provision:** Horton requests the omission of the following provision from the state's standard warranty deed form.

"AND, the Grantor warrants that if any lender or governmental agency shall ever require testing to ascertain whether there has been any release of hazardous materials by Grantor on or adjacent to the Property, as determined by Grantee in its sole discretion, then the Grantor shall be responsible for the reasonable costs thereof. In addition, Grantor shall execute affidavits, representations and the like from time to time at Grantee's request concerning Grantor's best knowledge and belief regarding the presence of hazardous materials on the Property placed or released by Grantor."

In lieu of the above-cited hazardous waste testing provision Horton agreed to provide soil sampling and testing based on criteria approved by the State Department of Health (DOH). As previously stated, based upon the laboratory

analysis, TPH as fuel scan, RCRA 8 metals, and PCBs were either non-detect or below their respective DOH Tier 1 EALs applicable to the subject property.

Considering the proposed use of the subject site and the soil testing results, the in lieu of the standard testing provision is recommended. The soil testing results provide an affirmative conclusion that the subject site is suitable and safe for elementary school use. Inasmuch as the results of soil sampling indicated no suspected or likely releases and the sample results were below applicable EALs, State guidelines do not require DOH notification or preparation by DOH of a no further action letter.

Additionally, the State's standard hazardous waste indemnity deed provision will not be omitted from the final deed document form but has been revised as follows:

"The Grantor agrees to indemnify, defend, and hold Grantee harmless, from any damages and claims resulting from the release of hazardous materials on or about the caused by Grantor."

2. **Deed use restriction:** Based upon Section 2.c of the ECA, the deed document proposes the following limitation on use provision: *" the Grantee hereby acknowledges and agrees that use of the Property shall be limited to public school and ancillary school recreational uses and community gatherings, regardless of the zoning of the land, unless, after the school is constructed and in operation, the Property is sold under the terms provided in Hawaii Revised Statutes, section 302A-1608 and any amendments thereto, or used for any other public purpose. The Grantee represents and warrants to the Grantor that construction funds for this Property have been released by the Department of Budget and Finance to Grantee.."*

RECOMMENDATION: That the Board:

1. Authorize the acquisition of the subject private lands under the terms and conditions cited above which are by this reference incorporated herein and further subject to the following:
 - A. The terms and conditions of the deed document form that is attached to this submittal as Exhibit D.;
 - B. Review and approval by the Department of the Attorney General;
 - C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

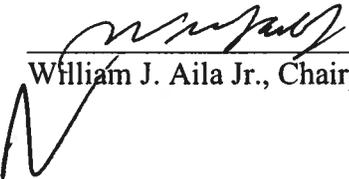
2. Approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to Department of Education under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
3. Issuance of a right-of-entry agreement (ROE) from DLNR which would allow Department of Education to continue with ongoing site investigation and commence with construction of new elementary school facilities. This ROE would become effective upon approval of this submittal and terminate upon issuance of an executive order setting the subject lands to Department of Education.

Respectfully Submitted,



Kathryn S. Matayoshi
Superintendent

APPROVED FOR SUBMITTAL:



William J. Aila Jr., Chairperson

EXHIBIT A



EXHIBIT B

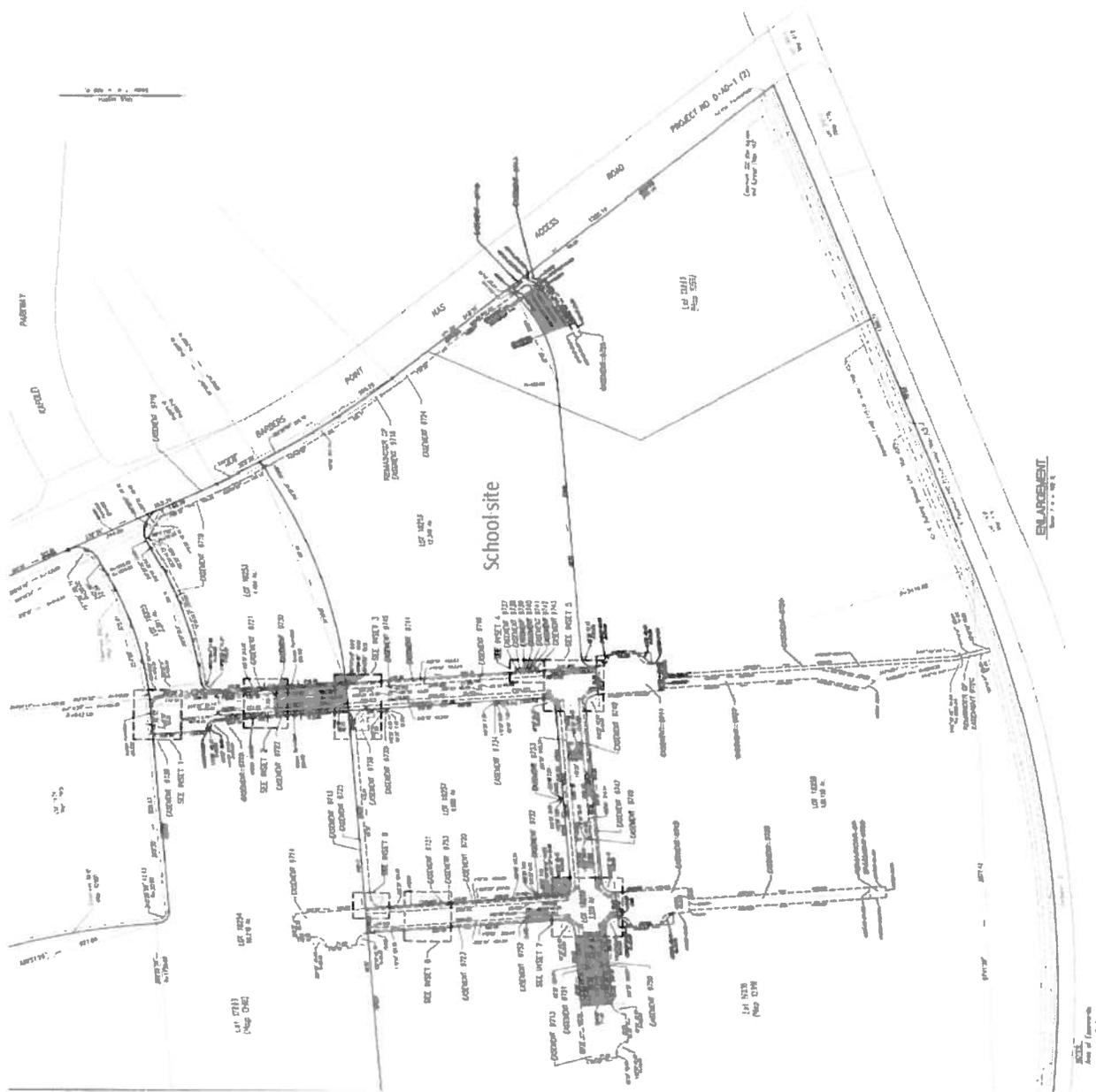


EXHIBIT C

*Phase I Environmental Site Assessment
Elementary School at Mehana, Kapolei, Honolulu County, Hawai'i 96707
Tetra Tech, Inc. Project Number 112C04889.1301.HI0711A*

January 23, 2014

EXECUTIVE SUMMARY Elementary School at Mehana West of Fort Barrette Road Kapolei, Honolulu County, Hawai'i

D.R. Horton, Inc. (D.R. Horton) engaged Tetra Tech, Inc. (Tetra Tech) to perform a Phase I Environmental Site Assessment (ESA) of the above referenced property in conformance with the scope and limitations of the ASTM International (ASTM) Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process (E1527-05) and the requirements of "All Appropriate Inquiries" ("AAI", at 40 CFR 312 *et seq.*). This site assessment for the Elementary School at Mehana (the target property), which was authorized by Myra Ingersoll on November 20, 2013 and confirmed by issue of Tetra Tech Project Order 112C04889.1301.HI0711A, was conducted in accordance with ASTM E 1527-05 in consideration of a real estate transaction. This report is prepared for use by D.R. Horton, its subsidiaries, the Department of Land and Natural Resources (DLNR), the Department of Education (DOE) and the State of Hawai'i (SOH). The project scope-of-work was designed and executed to assess the potential for recognized environmental conditions (RECs) associated with the target property.

PROPERTY DESCRIPTION

The target property, which is currently owned by D.R. Horton and retains no physical address at this time, consists of approximately 12.35 acres of cleared and graded land located southwest of the intersection at Fort Barrette Road and Kapolei Parkway. The target property is comprised by portions of two contiguous parcels, the majority of which is identified as Tax Map Key (TMK) No. (1) 9-1-016: Parcel 124. The target property's western boundary is encompassed by portions of TMK No. (1) 9-1-016: Parcel 131. The target property is zoned by the City and County of Honolulu Planning Department as A-1-Agriculture and is classified under State zoning as U-Urban.

The target property is bordered to the north by undeveloped land with Kapolei Parkway beyond. To the east, the target property is bordered by Fort Barrette Road with Kapolei High School beyond. The target property is bordered to the south by a single-family residential development. To the west, the target property is bordered by Kunehi Street with a residential development beyond. The target property vicinity can be described as a residential setting with a high school campus located directly across Fort Barrette Road.

SITE RECONNAISSANCE

On November, 26, 2013, Tetra Tech representative Kelly Kolysko conducted a site reconnaissance of the target property. At the time of Tetra Tech's site reconnaissance, the target property consisted of approximately 12.35 acres of cleared and graded land. The entire property was graded with a homogeneous yellow-colored coralline fill material, the origin and quality of which is further discussed in the On-Site Conditions section below. The sparse vegetation observed at the target property consisted of grasses and low-lying shrubs. The southern portions of the property sloped moderately to the south to a lower-lying area which exhibited moderate vegetative coverage. An area to the south and a portion of the southeastern corner of the target property formally comprised Kekona's Pit, a large coral borrow pit which has been filled and is further discussed in the Off-Site Conditions section below. A drainage swale was observed along the eastern boundary which discharged into a storm drain on the southeastern corner of the target property. A chain-link fence also ran along portions of the eastern property boundary along Fort Barrette Road. Tetra Tech observed two small piles of debris in the southwestern and southeastern corners of the target property, respectively. Debris included wood pallets, a PVC pipe, and various household items. Additionally, one pad-mounted transformer was observed along the western boundary of the target property.

HISTORICAL REVIEW

Tetra Tech's review of historical information included aerial photographs, a topographic map, and historical information indicates that the target property and immediate vicinity have long been historically used for commercial cultivation of sugar cane, dating back to at least 1951. Kekona's Pit was first observed on the southern adjacent property in the 1951 aerial photograph.

REGULATORY REVIEW

Tetra Tech's review of available regulatory information indicated no RECs or developmental conditions pertaining to the target property. Tetra Tech recommends no further investigation in this regard.

ON-SITE CONDITIONS

Tetra Tech did not identify any on-site RECs associated with the target property.

In 2006, over 200,000 cubic feet of fill material was imported to the site from Campbell Industrial Park for grading purposes across the target property. This fill reportedly originated from a harbor dredging operation located near the harbor at Barber's Point. The depth of the fill was estimated to be to approximately 5 feet below ground surface (bgs) and variable across the property. Based on the unknown character of this material, Tetra Tech conducted Limited Phase II investigation at the target property on December 27 and 28, 2009. During this investigation, Tetra Tech collected four multi-incremental soil samples across the target property. These samples were analyzed for total petroleum hydrocarbons (TPH), Resource Conservation and Recovery Act (RCRA) 8 heavy metals including lead and arsenic, and poly-chlorinated biphenyls (PCBs). The laboratory analytical results were compared to Hawai'i State Department of Health (HDOH) Tier 1 Environmental Action Levels (EALs) for non-restricted sites for properties above non-drinking aquifers receiving less than 200 inches of annual rainfall that are also greater than 150 meters from a surface water body. Analytical results revealed concentrations either below laboratory detection limits or below the respective HDOH Tier 1 EALs. Tetra Tech determined that no further action was necessary with regard to the imported fill material at the target property.

OFF-SITE CONDITIONS

Tetra Tech did not identify any off-site RECs to the target property.

An area to the south of the target property as well as a portion of the southeastern corner of the target property formally comprised Kekona's Pit, an approximately 4-acre coral borrow pit which has since been filled. The majority of this former pit was located to the south and southeast of the target property and was reportedly a source of coralline utilized at developments throughout the island. When excavation activities encountered the Ewa caprock aquifer, a water "well" or trench was utilized for agricultural irrigation activities in the area by the Ewa Plantation Company and Oahu Sugar Company. As agricultural activities in the area diminished, off-site areas of the pit appear to have been utilized for vehicle salvage and incineration activities. During site re-development activities, conditions associated with vehicle salvage and incineration activities within the pit were removed and disposed off-site and backfilling accomplished. Since vehicle salvage and incineration activities occurred in locations of the former pit that were off-site and hydrologically down-gradient from the target property and conditions abated during site re-development activities, the Kekona's Pit is not considered a REC to the target property. No further investigation is warranted at this time.

OTHER POTENTIAL ISSUES OF CONCERN

Tetra Tech conducted a review of other potential issues of concern, which may warrant further investigation. Issues of concern may impact or affect the manner or timeline in which development of the property can occur. Other potential issues of concern may include, but are not limited to the presence of suspect Asbestos-Containing Material (ACM) and damaged Lead-Based Paint (LBP) in structures located on the property, the presence of wetlands and threatened or endangered species, and the incidence of designated 100- year and 500-year flood zones in relation to the target property.

Based on our site reconnaissance of the target property and corresponding due diligence activities, none of the above-mentioned items are deemed apparent potential issues of concern for the target property.

CONCLUSIONS AND RECOMMENDATIONS

This Phase I has revealed no RECs in connection with the target property, and no further action is warranted. Tetra Tech performed this assessment in general conformance with the scope and limitations of ASTM E 1527-05 of the target property to identify RECs in connection with the target property including the presence, or likely presence, of hazardous substances or petroleum products on the target property under conditions that indicate an existing release, a past release, or a material threat of a release into structures on the target property or into the ground, groundwater, or surface water. This assessment included an evaluation to the extent practicable of the past and present land uses at the target property and on adjacent properties. Any exceptions to, or deletions from, the ASTM E 1527-05 scope are described in Sections 2.2 and 2.3 of this report.

1532 filed in the Land Court with Land Court Application No. 1069, each as more particularly described in Exhibit "A" (collectively, the "Property").

AND the reversions, remainders, rents, income and profits thereof, and all of the estate, right, title, and interest of the Grantor, both at law and in equity, therein and thereto.

SUBJECT, HOWEVER, TO the easements, restrictions, reservations, covenants, liens, acknowledgments, and other encumbrances on or affecting the Property hereby conveyed, as set forth in Exhibit "A" attached hereto or herein contained and by reference made a part hereof.

EXCEPTING AND RESERVING unto the Grantor, its successors and assigns, each and all of those easements, restrictions, reservations, covenants, liens, and acknowledgments set forth in Exhibit "A" hereto and herein contained, each and all of which shall run with the land, burden the Property and benefit Grantor and the lands of Grantor surrounding the premises.

TO HAVE AND TO HOLD the same, together with all improvements, rights, easements, privileges and appurtenances thereunto belonging or in any ways appertaining or held and enjoyed therewith in fee simple unto said Grantee, the Grantee's successors and assigns, forever, free and clear of all liens and encumbrances, except as noted herein.

The Grantor, for itself, its successors and assigns, does hereby covenant with the Grantee, its successors and assigns, that the Grantor is lawfully seised in fee simple and possessed of the above-described land and premises; that it has a good and lawful right to convey the same as aforesaid; that the same is free and clear of all liens and encumbrances, excepting the lien of real property taxes assessed for the current fiscal year but not yet due, and further excepting any and all exceptions, reservations and encumbrances created by or as set forth in this Deed; and that it will and its successors and assigns, shall WARRANT AND DEFEND the same unto the Grantee, its successors and assigns, forever, against the claims and demands of all persons whomsoever.

AND, the Grantee hereby acknowledges and agrees that use of the Property shall be limited to public school and ancillary school recreational uses and community gatherings, regardless of the zoning of the land, unless, after the school is

constructed and in operation, the Property is sold under the terms provided in Hawaii Revised Statutes, section 302A-1608 and any amendments thereto, or used for any other public purpose. The Grantee represents and warrants to the Grantor that construction funds for this Property have been released by the Department of Budget and Finance to Grantee.

The Grantor agrees to indemnify, defend, and hold Grantee harmless, from any damages and claims resulting from the release of hazardous materials on or about the Property caused by Grantor.

For the purpose of this deed "hazardous material" shall mean any pollutant, contaminant, toxic substance, hazardous waste, hazardous material, hazardous substance, or oil, as all of the above are defined in or pursuant to the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, the Federal Clean Water Act, Chapter 128D, Hawaii Revised Statutes, or any other federal, state, or local law, regulation, ordinance, rule, or bylaw, whether existing as of the date hereof, previously enforced, or subsequently enacted.

AND, the Grantee covenants that this conveyance of real Property has had prior approval by the Attorney General pursuant to section 26-7 and section 107-10, Hawaii Revised Statutes as to legality and form, exceptions, and reservations.

The Grantor shall be responsible for payment of all property taxes up to the date of execution of this Warranty Deed.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, D.R. HORTON - SCHULER HOMES, LLC, a Delaware limited liability company, dba D.R. Horton-Schuler Division, the Grantor herein, has caused these presents to be executed this _____ day of _____, 20____, and the STATE OF HAWAII, by its Board of Land and Natural Resources, the Grantee herein, has caused the seal of the Department of Land and Natural Resources to be hereunto affixed and these presents to be executed this _____ day of _____, 20____, both effective as of the day, month, and year first above written.

Approved by the Board of
Land and Natural Resources
at its meeting(s) held on

_____.

D.R. HORTON - SCHULER HOMES, LLC,
a Delaware limited liability
company, dba D.R. Horton-Schuler
Division

By VERTICAL CONSTRUCTION
CORPORATION,
a Delaware corporation
Its Manager

By _____
ROBERT Q. BRUHL
Vice President, Hawaii
Division

GRANTOR

APPROVED AS TO LEGALITY,
FORM, EXCEPTIONS, AND
RESERVATIONS:

Deputy Attorney General

Dated: _____

STATE OF HAWAII

By _____
WILLIAM AILA JR.
Chairperson
Board of Land and
Natural Resources

GRANTEE

STATE OF HAWAII)
)
CITY & COUNTY OF HONOLULU) SS.

On this _____ day of _____, 20 ____, before me
appeared Robert Q. Bruhl, to me personally known, who, being by me
duly sworn, did say that he is the Division President of the Hawaii
Division of Vertical Construction Corporation, which is the
managing member of D.R. HORTON - SCHULER HOMES, LLC, and that said
instrument was signed in behalf of said corporation by authority of
its Board of Directors and in behalf of D.R. HORTON - SCHULER
HOMES, LLC, and the said Robert Q. Bruhl acknowledged said
instrument to be the free act and deed of said corporation and said
D.R. HORTON - SCHULER HOMES, LLC.

Notary Public, State of Hawaii

Print Name: _____

My commission expires: _____

Date of	#
Doc: _____	Pages: _____
Name of _____	
Notary: _____	Notes: _____
Doc. _____	
Description: _____	
_____	(stamp or seal)

Notary Signature _____	Date _____
First Circuit, State of Hawaii	
NOTARY CERTIFICATION	

EXHIBIT "A"

END OF EXHIBIT "A"