Grove Farm Properties, Inc.

June 15, 1998

Ms. Esther Ueda
Executive Officer
State of Hawaii
Land Use Commission
Department of Business. Economic Development and Tourism
P.O. Box 2359
Honolulu, HI 96804-2359

Dear Ms. Ueda:

Subject: Docket No. A89-636 (Increment II), Grove Farm Properties, Inc. Compliance with Condition No. 11

In compliance with condition no. 11 of the State Land Use Commission Decision and Order for the subject docket, Grove Farm Properties, Inc. hereby notifies you of our intent to convey, from Grove Farm Properties Inc., ownership of parcels listed below. Lot numbers are taken from subdivision S-97-34, County of Kauai, dated April 23, 1998. A copy of the affected area from the subdivision map is attached for your reference.

- Lot 1 (14.276 acres) to the State of Hawaii for the new Kauai Intermediate School
 This conveyance is expected to occur in June 1998.
- Lot 2 (7.133 acres) to the County of Kauai for a County park
 This conveyance is expected to occur by the end of 1998.
- 3. Lot 7 (21.317 acres) to a private developer for an assisted living multifamily project

We are currently in the due diligence phase of this agreement. Closing is scheduled for late 1998. The proposed use is consistent with the lot's zoning.

If there are any questions please feel free to contact me at (808) 245-3678.

Sincerely,

GROVE FARM PROPERTIES, INC.

mind 1. Jahren

Michael H. Furukawa

Vice President and Project Manager

Encl.



