

Future Plans for Princeville at Hanalei

Jeff Stone, the principal of Princeville Associates and controlling partner of Princeville at Hanalei, recently outlined current Princeville projects and the Princeville at Hanalei revised plans for development.

Current projects include:

\$60 million renovation of the Princeville Hotel and rebranding as a St Regis (slated to begin in September 2008) (2) completion of the Westin interval ownership hotel; (3) upgrade of the Makai Clubhouse and Golf Course to include a sports club, championship 18-hole golf course, and onsite restaurant (completion by end of 2009) (4) continued renovation of Shopping Center (5) planned renovation of Prince Clubhouse (6) and planned development of a "boutique", upscale resort on the former Club Med site.

Regarding Princeville at Hanalei revised plans for development;

Stone outlined the long range plan to significantly reduce the development density of the Princeville Ranch area. The current Kauai General Plan would have allowed as many as 1450 housing units on the makai side of the highway (between Anini Vista and the Prince Golf Course) and 700 units on the mauka side, e.g., the "Makua Village". Stone announced his revised plan for a reduction to less than 75 homes (ranchettes) on the makai side between Anini Vista and the Prince Course. As for the Mauka Village plan, Stone says there is no current plan to develop.

Stone did not announce any change to his two additional projects; the Greens and the Meadows. The Greens are approximately 36 residential lots with views of the ocean and mountains. However, Stone did announce that these lots will probably not be released in the current real estate market although the roads and infrastructure have been completed for some time. The Meadows is another 200+ home sites. Work on this project has barely begun and there is no timetable for completion.

With respect to the Princeville Airport, Stone indicated that Airport is no longer a helicopter base but helicopter landings will continue. Stone also announced his "Resort Air" venture; a chartered jet shuttle service from Honolulu to Princeville.

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