Key to Success: Trust, Hungry, Humble & Smart
Partners: Private, Public, and Community Partnership

MĀLAMA THIS BEAUTIFUL ʻĀINA!

ALOHA!
Enjoy the +600 acres of natural, undeveloped lands conserved in a private, public and community partnership (hui) between Turtle Bay Resort, the State of Hawai‘i, the City & County of Honolulu, the Army, the Trust for Public Land, and the North Shore Community Land Trust.
Kuilima to Malama the Aina
Why? For the Keiki, Guests, Visitors & Residents
Historical Overview

VIEW OF TURTLE BAY (1970)
Historical Overview

- **1972**: Hotel opened
- **1998**: Purchased by Oaktree Capital
- **2006**: Increased debt load
- **2009**: Lost lawsuit regarding entitlements
- **2010**: Relinquished control to loan syndicate
  - Replay appointed as asset manager—transformation begins
- **2013**: $45 million renovation complete
- **2014**: Recapitalization
- **2015**: Completed real estate entitlements for 725 units & $45 million conservation easement
Who is Replay Destinations?

**MIXED-USE DEVELOPMENT EXPERTISE**

The Replay Resorts team has extensive experience in both destination resort development and urban development through its sister company, Intracorp. The Replay team is composed of the former key senior executives of Intrawest, which was sold to Fortress Investments for $2.8B at the end of 2006. Intracorp was founded in 1994 as a spin-off of Intrawest’s urban development division and is still owned by Joe Houssian, Chairman of Replay Resorts. This unique relationship allows Replay to leverage expertise in both destination resort development and urban development. Some of Joe’s and the Replay team’s accomplishments are outlined below.

<table>
<thead>
<tr>
<th><strong>RESORT MIXED-USE DEVELOPMENT EXPERTISE</strong></th>
<th><strong>URBAN MIXED-USE DEVELOPMENT EXPERTISE</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>18 Master Planned Resorts</td>
<td>132 Communities Developed Across North America</td>
</tr>
<tr>
<td>11,000+ Residences Built &amp; Sold</td>
<td>15,000 Residences Built</td>
</tr>
<tr>
<td>8,400 Lodging Units Managed</td>
<td>$4.4 Billion Real Estate Revenue</td>
</tr>
<tr>
<td>$100M Annual Retail Revenue</td>
<td>20 Million SF Residential Space Built</td>
</tr>
<tr>
<td></td>
<td>3 Million SF Commercial Space Built</td>
</tr>
<tr>
<td>$5 Billion Real Estate Revenue</td>
<td>8 Million Annual Visitors</td>
</tr>
</tbody>
</table>
OUR RESORT PEDIGREE

INTRAWEST
MASTER PLANNED RESORTS

- Whistler
- Blackcomb
- Honua Kai, Maui
- Sandestin, Florida
- Tremblant
- Keystone
- Copper
- Panorama
- Blue Mountain
- Mountain Creek
- Snowshoe
- Stratton
- Winter Park
- Snowmass
- Squaw Valley
- Mammoth Mountain
- Les Arcs
- Lake Las Vegas
- Solitude
CURRENT PROJECTS

- Half Moon Bay, Antigua
- Healdsburg, California
- Kukui‘ula, Hawaii
- Lift, Utah
- One Ocean, Bahamas
- Turtle Bay, Hawaii
- Tamarack, Idaho
- Loreto Bay, Mexico
- Yellowstone Club, Montana
- Ritz Carlton Club & Residences, Kapalua
- Roco Key, Dominican Republic
New Turtle Bay
TBR Holdings

845 Acres Makai
468 Acres Mauka
410 Hotel Keys in Tower
42 Beach Cottages
57 Ocean Villas
368 Kuilima Condos
2 18 Hole Golf Courses
Wastewater Treatment
Supplemental Environmental Impact Statement (SEIS)

Project Schedule: As our milestones are met, additional information will be posted on our website and schedule updated accordingly.

- Supreme Court Decision
  April 18, 2010

- Notice of Intent
  January 28, 2011

- SEIS Preparation Notice
  August 8, 2011

- Public Scoping Period
  August 8th - September 7th, 2011

- Draft SEIS
  August / September 2012

- 45-Day Public Comment Period
  2012

- Agency Review and Comment

- Final SEIS
  December 2012

- Waiting Period
  February 2013

- Record of Decision
  March 2013
Community Engagement

Turtle Bay ... Tomorrow's Ahupua‘a
“Tomorrow’s Ahupuaʻa” is Turtle Bay Resort’s guiding philosophy for its future, with the understanding that the North Shore experience is about the social and cultural vitality tied so closely to precious coastal lands. The newly inspired plan is grounded in these traditional land divisions, ahupuaʻa, defined as ‘Opana-Kawela, Hanaka‘oe and Kahuku. Most of the proposed density and activity will be focused in the resort’s existing core of Hanaka‘oe, and then sprinkled throughout ‘Opana-Kawela and Kahuku ahupua‘a in order to maintain ample open space.

- Listening to and engaging with community stakeholders
- Understanding its roles as steward of the land
- Advocating the host culture
- Creating a respectful balance of community values, economic goals and environmental protection
Legal Entitlements

Note: Shoreline shown per 2006 Shoreline Certification
Tomorrow’s Ahupua‘a
A Balanced Approach To Development

Our proposed action represents our best efforts to balance economic, community and environmental interests. The SEIS studies other options too - including a Conservation Partner alternative allowing for significantly less density.
Learning From the Past, For Tomorrow

**The Old Plan**
- 3,500 total units
- 2,500 hotel units
- 5 hotel sites
- 5 public shoreline access ways
- 100 feet of shoreline setbacks
- 4 public parks, totaling 50 acres
- 91 affordable housing units
- **High Density** along entire coastline

**Tomorrow's Ahupua'a**
- 1,375 total units
- 2 hotel sites 625 hotel units
- 12 public access ways to the entire shoreline
- 150 to 300 feet of minimum shoreline setbacks, totaling about 42 acres of setback area
- 5 public parks, totaling 73 acres
- 160 affordable housing units, 2.7 x MORE than minimum required
- Design, cultural, and operations covenants supporting principles of Tomorrow's Ahupua'a
- 469 acres of conservation easement, preserving agricultural lands forever of mauka lands
- About 100 acres for the Punahoe'olapa Marsh wildlife preserve
- A Farmer's Market
- **+$18 million** in regional traffic improvements to get vehicles off Kamehameha Hwy, calm and keep traffic moving safely
Cultural Preservation & Protection

To support the principles of Tomorrow’s Ahupua’a and out of hō’ihi (respect) for the land’s history and community concern, Turtle Bay Resort conducted a cultural impact assessment and voluntarily conducted a supplemental archaeological inventory survey plan for the proposed project, to be approved by the State Historic Preservation Department of the Department of Land and Natural Resources.

"Our family is from this community. In all my years, I’ve seen developers come and go, but the new owner has really tried hard to involve the community in this project. They listened to our mana’o about respecting iwi kupuna. The proof is in action, and I’ve...been part of recommendations for caring for our iwi kupuna.”

- Aunty Pua Colburn, Kahuku Burial Committee member & Native Hawaiian Kūpuna
The Supplemental Environmental Impact Study found Tomorrow’s Ahupua’a could impact up to 32 marine species, 6 plant species and 2 tree species.

To protect and mitigate impact, Turtle Bay Resort is recommending the establishment of a konohiki council of local kupuna, government agencies and environmental groups to implement a Cultural and Natural Resources Management Plan.

Of the many precious species near the resort, the study finds that monk seal and sea turtle populations are on the rise and are not likely to be harmed or affected by the new development plan. And, with increased shoreline setbacks, Turtle Bay Resort is taking extra precaution to protect both species. But the role of the konohiki council would go further to provide culturally and environmentally appropriate management measures including signage and education.
Positive Economic Impacts

Tomorrow’s Ahupua’a also means jobs and economic growth for North Shore families, in keeping with one of the resort’s original purposes of developing a diversified and stable economy in the area.

It means:

- **CONSTRUCTION JOBS**
  - over 11 years
  - 3,263 direct & 5,482 indirect

- $473m in construction wages

- **VISITOR SPENDING by 2025**
  - 758 new resort jobs
  - 443 off-site jobs

- $77.6m in stabilized annual wages with $31.1m in the Kahuku North Shore region

- $163.4m in new state tax revenues
- $45.6m during build-out period

---

“Kahuku High School graduates over 200 students a year. Turtle Bay represents an opportunity for future jobs, internships and training for us students, right in our own backyard. Most of the people who work at Turtle Bay are also from our community, so it’s a good place to have opportunities near home too.”

- Jennifer Nacepuy, Kahuku High School student, 15 years old
Traffic Situation

North Shore’s unique characteristics, including world-famous beaches and surf, attracts locals and visitors alike, creating bottleneck conditions along Kamehameha Highway. Over half of visitors to Waikiki visit the North Shore.

- North Shore traffic has steadily grown for years due to continued development of homes and businesses, and the growing draw of North Shore attractions.
- Turtle Bay Resort has **not expanded** its density in its **40-year existence**.
- North Shore traffic will continue to grow through 2025, even without the resort’s future plans.
- The **least** amount of traffic in the region is in the vicinity of the resort, **49% lower** than Hale‘iwa, and **56% lower** than Kahalu‘u.

VOLUME OVER 24 HRS

COUNT LOCATION

- < 11,000
- 11,001 - 14,000
- > 14,000
Rebranding/Repositioning
Focus of Rebranding

The market shift is towards

TRAVELERS
NOT TOURISTS

Active, affluent, and adventurous. They travel to live the life, not see the sights.

65%
2015

ADVENTURE TRAVEL MARKET GROWTH
(source: Peak and Skift Report)
CONNECT WITH THIS NEW CUSTOMER

ACTIVE
“DO”
More fun, more activities, more social media.

AFFlUENT
“SPEND”
More on room rate, more on dining & activities, more frequent visits.

TRAVELER
“CRAVE”
Native culture, regional guides, local ways, authentic experiences.

THEY HAVE THE TIME OF THEIR LIFE
RETURN AGAIN & AGAIN
BOOK EARLIER / STAY LONGER
RECOMMEND FRIENDS & FAMILY

BECOME ADVOCATES
Rebranding/Repositioning

THE MARKET OPPORTUNITY

1. The more affluent global experiential traveler

2. Both global and local surfers. There are an estimated 23 million of them in the world and 200+ million who are attracted by the fashion, music and art of the surfer culture, just as they are to other X-sports

3. The potentially vast Stand Up Paddle Boarding market, a surprisingly high percentage of them women. Paddle Boarding is going to transform wave-riding perhaps to an even greater degree than snowboarding did for sliding

4. Day or overnight visitors briefly escaping the non-stop congestion and commotion of Waikiki

5. Residents of Honolulu (for brief, relaxing “staycations” away from the city)

6. Corporate event planners

7. Function planners – weddings, anniversaries, notable birthdays, etcetera. Turtle Bay hosts more than 300 weddings a year
Our Mission

To welcome guests, from near and far, who seek and appreciate the varied, unique and memorable experiences of Oahu’s Fabled North Shore.

Our Vision

To become the most differentiated, truly one-of-a-kind resort in Hawai‘i.
PILLAR ONE.

OAHU’S FABLED NORTH SHORE

One of the world’s premier travel magazines, Travel + Leisure, recently described it as “the fabled North Shore where local and visiting pro and amateur surfers, TV and movie types, and tourists meet in an international pop-culture mecca.”

But in addition to its epic surf, the North Shore is also renowned for its legendary beaches and quaint shops and cafes housed in plantation-era buildings. The North Shore is a favorite refuge, a quick escape, for residents of Honolulu and a must-see for visitors to Waikiki. From tropical orchards and the world-class botanical garden at Waimea Falls (where you can also visit Hawaii’s oldest, largest and most significant anthropological sites) to the more than colorful atmosphere of Haleiwa town, there is plenty to see and do on the North Shore. It’s a region of rare beauty, diverse wildlife both on land and sea, authentic pageantry, and a rainbow tribe of fascinating people whose roots go back to ancient Hawaii and many countries around the Pacific Rim. There are dozens if not hundreds of resorts that could legitimately vie for the title of “True Hawaii” but, as the only resort on the this stretch of coastline, we are indisputably the “True North Shore.” The uniqueness of the North Shore and Turtle Bay’s position within this miraculous, organic and most resolutely democratic of places, is a story we must share with the world as part of our brand.
PILLAR TWO.
EVENTFUL

Turtle Bay should be thought of as being an “eventful place,” meaning one designed specifically to host a calendar full of highly memorable events – and a place that both in-house and external event planners and programmers will find extremely user friendly, in part because they have been consulted on the design of the venues and specifications of the technologies.

Truly special events, such as the World Paddleboard Championship, a Slack Key Playoff or a Festival of Cane Spirits (rums, rhums and rons – remembering this was once a sugar cane plantation) are key to increasing global awareness of Turtle Bay and driving future development. Turtle Bay already plays host to the annual Vans Triple Crown Of Surfing and Surfer Magazine’s Surfers’ Poll Awards, both of them broadcast around the hemisphere. Events – be they spectacles or small moments of close-knit discovery – are the new “community creators” in a world where people are feeling increasingly detached from reality. They long for the experience of actually being in the presence of one another, of being part of a happening, of being able to say to friends “I was there.”

Events allow us to expose Turtle Bay to several thousand on site spectators at a time and, through the magic of the Internet, to worldwide audiences of hundreds of thousands or more, depending on the significance of the event. The value of this exposure is inestimable.
PILLAR THREE.
WATERMAN

Surfers, a.k.a. water shooters, belong to a category of super-athletes known as “Waterman” — although the name applies to both men and women.

As 1960’s world champion surfer Mike Doyle pointed out in his autobiography Morning Glass, “The tradition of the Waterman comes from Polynesia and is different from the tradition of the sailor. The Waterman’s skills include surfing, paddling, rowing, and rough-water swimming. He might also be skilled at diving, fishing, spear fishing, tandem surfing, lifeguarding, and handling outrigger canoes. But he isn’t necessarily skilled at sailing or navigation. The difference is that a Waterman focuses on the coastal waters, while the sailor’s realm is the deep water.”

Embracing the Waterman ideal, while still focusing on surfing, both broadens and deepens the appeal of the Turtle Bay story. Watermen are committed to saving the seas and, annually, they stage events to raise many millions of dollars to fund those initiatives. As Watermen, many surfers have gone on to become marine biologists, oceanographers and leaders of watersport companies. And, because the concept of “Waterman” is not widely known, Turtle Bay has the opportunity to introduce something new, something different to a twittering world that has an insatiable need for word buzz.

We believe that North Shore surfing and by extension the Waterman culture, is 70 percent of the reason that Turtle Bay can become an experiential traveler destination versus a tourist one, a Butterfield & Robinson journey rather than an Expedia one.
PILLAR FOUR.
AGRICULTURE

In ancient Hawaii, ahupua‘a was the common subdivision of the land. It consisted most frequently of a slice of an island that went from the top of the local mountain to the shoreline, often following the boundary of a stream.

It was an enlightened form of land management – an extremely early form of self-sufficiency and sustainability that Turtle Bay’s master planners have looked to for inspiration. The refreshed Turtle Bay master plan encompasses the site’s three original pre-contact (pre-1873) ahupua‘a, known as ‘O‘ōpana, O Hanaka‘oe and O Kahuku.

The seeds of a new industry have been planted in Hawaii. Called “agritourism”, this blend of travel associated with farming is a growing phenomenon. We have an opportunity to authentically link our vision for the site to its agricultural roots, including the truck farming that occurs to this day. Those connections will include:

1. Fresh local foods, from both land and sea, prepared in the resort’s kitchens and on the decks of hotel. That includes heirloom species of exotic fruits and vegetables that have largely disappeared from the islands but will be grown here; among them sweet-hot peppers, juicy tomatoes, and luscious fruits like Maoli Manini and small, colorful bananas.

2. Interpretive tours of the resort’s own farmlands – tours that include an explanation of ahupua‘a (at Turtle Bay it is a form of living history).

3. Partnering with our farmers to develop resort-branded products that can be shipped around the world – from a refreshing pineapple gin to specialized sea salt (which is also known as Bay Salt).

4. Building a small working sugar mill as part of our agritourism initiative.
PILLAR FIVE.

ROMANTICISM

The dictionary definition of romance is, “A spirit or feeling of adventure, excitement, the potential for heroic achievement, and the exotic.” It can also mean, “fascination or enthusiasm with something, especially of an uncritical or inexplicable kind.”

There are many places in the world that conform to this definition but in the minds of many romantics Turtle Bay has long been a place for kindling and keeping the flame alive. From proposals to weddings, honeymoons to anniversaries, or just a romantic getaway, Turtle Bay Resort is a spectacular setting for life's special occasions. With breathtaking ocean views, miles of pristine beaches and verdant natural settings, Turtle Bay is perfect for escapes. Sparkling seas, soft breezes and fragrant tropical blooms set the mood for romance. Turtle Bay is ranked among Hawaii’s Top Ten Honeymoon Hotels. Each year, an incredible 350+ weddings are staged on the lawns and beaches of the resort. Favorite among the romantics are the luxurious Beach Cottages featuring Four Diamond quality and the inspired style of renowned designer Michael Smith.

Turtle Bay’s proximity to Honolulu, Waikiki and an international airport, make it an accessible yet secluded getaway for both residents of Oahu and international travelers alike. The relaxed vibe and the combination of traditional Hawaiian culture and global sophistication add to the romantic appeal - as does the variety of events and activities both at the hotel and along the North Shore.

The definition of romantic also includes the photographers, painters, writers, musicians and cultural creatives who come to be inspired by the dreamscapes, landscapes and fascinating faces they find on the North Shore.
PILLAR SIX.

TALK STORY

“Talk story” is a Hawaiian expression, used as a noun or verb, meaning “an informal chat” or “to chat informally.” It is an evolution of that much earlier oral tradition of pre-contact Hawaii.

Talk stories are used to express ideas, experiences and feelings and, in the case of Turtle Bay, reaction – both complementary and critical – to the vision for the resort. Talk story is neither a dialogue nor an interview and is certainly not a negotiation. It is a willingness to talk openly, honestly and respectfully and to derive enjoyment, even entertainment, from it – as in “the lost art of conversation.” It is one manifestation of aloha spirit.

TALK STORY WILL BE:

① The way we engage the entire community in the resort design and planning process

② The way we entertain audiences in the hotel’s Surfer, The Bar. Renowned surfers, authors (e.g. Susan Casey, The Wave), musicians, filmmakers, etcetera will “talk story” in Surfer, The Bar. When we expand our technical capability in the room, those stories can be broadcast on our own Internet channel to audiences around the world

③ The spirit in which we communicate the Turtle Bay story to guests, day visitors, residents, prospective real estate purchasers, web-surfers and others around the world. We are a story-driven organization

④ A strong influence on the development of our distinctive service culture, one that is story-driven
Results

TURTLE BAY RESORT CASE STUDY

We transformed an underperforming hotel into an experience-driven destination resort that earned revenues beyond rooms.

<table>
<thead>
<tr>
<th></th>
<th>% GROWTH 2009 - 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL REVENUES</td>
<td>70%+</td>
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<tr>
<td>ADR</td>
<td>55%+</td>
</tr>
<tr>
<td>RevPAR</td>
<td>65%+</td>
</tr>
<tr>
<td>Spa GOP</td>
<td>325%+</td>
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<tr>
<td>Golf GOP</td>
<td>35%+</td>
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<tr>
<td>TrevPAR</td>
<td>70%+</td>
</tr>
<tr>
<td>Hotel NOI</td>
<td>320%+</td>
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<tr>
<td>Resort Valuation</td>
<td>150%+</td>
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$50M of Physical Enhancements

Turtle Bay Resort  
Capital Expenditures Summary  
As of 1/28/2016

<table>
<thead>
<tr>
<th>Capital Summary</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
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<tbody>
<tr>
<td>Hotel</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guestrooms</td>
<td>$25,372,955</td>
<td>$ 535,772</td>
<td>$ 291,577</td>
<td>$26,200,304</td>
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<tr>
<td>Cottages</td>
<td>-</td>
<td>1,077,936</td>
<td>2,067,843</td>
<td>3,145,779</td>
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<tr>
<td>Lobby &amp; Common Areas</td>
<td>226,809</td>
<td>856,040</td>
<td>241,243</td>
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<td>F&amp;B &amp; Retail</td>
<td>2,095,785</td>
<td>256,756</td>
<td>262,121</td>
<td>2,614,663</td>
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<tr>
<td>Pool, Spa &amp; Fitness</td>
<td>2,822,233</td>
<td>1,839,144</td>
<td>694,088</td>
<td>5,355,465</td>
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<td>Exterior, Infrastructure, Systems &amp; Mechanical</td>
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<td>3,525,394</td>
<td>606,187</td>
<td>7,689,885</td>
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<tr>
<td>Hotel Other</td>
<td>299,547</td>
<td>481,554</td>
<td>305,502</td>
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<tr>
<td>Soft Costs</td>
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<td>Miscellaneous</td>
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<td>33,240</td>
<td>424,519</td>
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<tr>
<td>Total Hotel</td>
<td>$35,435,892</td>
<td>$ 9,146,986</td>
<td>$ 5,091,015</td>
<td>$49,673,892</td>
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</table>
Each of the Hotel's recently renovated standard guestrooms features a view of the ocean and its own balcony.
The Hotel’s sixth floor features the newly-branded Premier Rooms, offering unobstructed views of the ocean, turndown service, walk-in stone showers, and deep soak tubs.
Cottages

Located directly next to the ocean, the recently renovated beach cottages offer a more luxurious, secluded experience for guests. The waters in front of the beach cottages are a globally-recognized refuge for sea turtles, whales, and seals.
After - Kula Grille
Fitness Center - Before
The world-class fitness center offers unparalleled ocean views, and is accessible 24 hours a day.
Pool Area - After
Conservation Easement

Summary

September 2015

A Legacy for ALL
Mauka & Makai Conservation Easement

- 468 + 663 Acres = Over 1,100 acres of Conserved Lands
Mauka Lands Conserv. Easement

- Closed in April 2016
What's Next

OVERALL PROPOSED MASTER PLAN
Turtle Bay Development of H1 - H2 - RR3
Mahalo