REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
1010 RICHARDS STREET
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HONOLULU, HAWAII 96801

SUPPLEMENTARY
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT

on
KUHIO SHORES AT POIPU
(Formerly known as "KOLOPA")
Rt. 1 - Lawai Beach Road
Koloa, Kauai, Hawaii

REGISTRATION NO. 540

This Report Is Not an Approval or Disapproval of This Condominium Project

It was prepared as a supplement to an earlier Report dated July 27, 1973, **issued by the Real Estate Commission on the above project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.**

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project until

(1) A copy of this Report has been given to the prospective purchaser,
(2) The latter has been given an opportunity to read same, and,
(3) His receipt taken therefor.

Issued: November 1, 1974
Expires: February 27, 1975

SPECIAL ATTENTION

A comprehensive reading by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MARCH 27, 1973 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF NOVEMBER 1, 1974. THE DEVELOPER IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL AND SUBMITTING ADDITIONAL INFORMATION, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514, HAWAII REVISED STATUTES.

1. The Developer has complied with Chapter 514, Hawaii Revised Statutes and has fulfilled the requirements for the issuance of a Supplementary Public Report.

2. Since the issuance of the Commission's Preliminary Public Report on Registration 540, dated July 27, 1973, the Developer has forwarded additional information reflecting material changes which have been made in the documents and plans for the project.

3. KUHIO SHORES AT POIPU is a fee simple condominium project consisting of a four (4) story building, without a basement, consisting of a South Wing containing forty (40) apartments and an East Wing containing thirty-five (35) apartments. There are a total of seventy-five (75) residential apartments and seventy-six (76) parking spaces.

4. This Supplementary Public Report is made a part of the registration of KUHIO SHORES AT POIPU (formerly known as "KOLOPA") condominium project. The Developer is responsible for placing this Supplementary Public Report (pink paper stock) in the hands of all purchasers and prospective purchasers receiving the Preliminary Public Report (yellow paper stock). Securing a signed copy of the Receipt for Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

5. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Supplementary Public Report.

The Developer reports that the basic documents (Declaration of Horizontal Property Regime, with By-Laws of the Association of Apartment Owners attached, and a copy of the approved Floor Plans) have not yet been recorded in the Bureau of Conveyances of the State of Hawaii.

6. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.

7. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to horizontal property regimes.

8. This Supplementary Public Report automatically expires on February 27, 1975, unless the Commission upon review of the registration, issues an order extending the effective period of this report.

NOTE: The Real Estate Commission has approved a further three (3) month extension of the Preliminary Public Report as requested by the Developer in a letter dated October 30, 1974.

The information in the topical headings of the Preliminary Public Report of July 27, 1973, with the exception of NAME OF PROJECT, ENCUMBRANCES AGAINST TITLE, MANAGEMENT OF THE PROJECT and STATUS OF PROJECT, has not been disturbed.

NAME OF PROJECT: The name of the project has been changed from "KOLOPA" to "KUHIO SHORES AT POIPU".

ENCUMBRANCES AGAINST TITLE: A Preliminary Report dated October 3, 1974, issued by Title Guaranty of Hawaii, Incorporated, as submitted to the Commission, provides that the following are encumbrances against title to the property:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

2. Ten (10) foot road setback along Lawai Beach Road.

3. Exception and reservation of all such water rights and konohiki rights as are, or may be, appurtenant to the lands of the project.

4. The location of the seaward boundary in accordance with the law of the State of Hawaii.

5. For any taxes that may be due and owing and a lien on the lands of the project, reference is hereby made to the Office of the Tax Assessor of the Fourth Division, State of Hawaii.

NOTE: The Developer advises that the sewer line easement appurtenant to the lands of the project will be relocated.

NOTE. The specimen sales agreement includes a provision under which the purchaser agrees that until the Developer has closed out the sale of all of the apartments in the project, or until December 31, 1977, whichever shall first occur, the purchaser will not enter into an agreement with any owner, purchaser or lessee of another apartment in the project and/or any third party under which the purchaser agrees to share expenses and/or rentals of apartments in the project, and that this agreement of the purchaser shall survive the issuance to the purchaser of the apartment deed conveying the premises and shall bind the purchaser and purchaser's heirs, executors, administrators, successors and assigns during the term thereof.

NOTE: The specimen sales agreement states that in the event less than thirty (30) apartment units are sold prior to November 30, 1975. Seller may at its option cancel the contract and refund all monies to buyers, without interest. The specimen sales agreement also provides:

> "In the event development and construction of the project is delayed due to governmental restrictions or regulations enacted after the date of this Agreement, or by occurrence of a contingency, the non-occurrence of which was a basic assumption on which this Agreement was made, and Seller determines that increases in development and construction costs because of such delay require increases in apartment sales prices to maintain financial feasibility of the project, then in any such event Seller may at its option terminate this Agreement and cause Escrow to refund to Buyer all monies paid, without interest, and less Escrow's cancellation fee, and Seller shall be released from all liability hereunder, provided, however, that Seller shall offer to Buyer the first right to execute a new sales agreement in a form similar hereto at the increased apartment sales price."

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the project shall be conducted for the Association of Aparment Owners under the direction of the Board of Directors by a responsible managing agent. The specimen sales agreement provides that the Developer may appoint the initial managing agent for the project. The Developer informs the Commission that it has not yet appointed said initial managing agent.

NOTE: Developer advises that no representations or references will be made to either purchasers or prospective purchasers concerning rental of the apartment, income from the apartment or any other economic benefit to be derived from the rental of the apartment, including but not limited to, any reference or representation to the effect that Developer or the Managing Agent of the project will provide, directly or indirectly, any services relating to the rental or sale of the apartment, or as to possible advantages from the rental of an apartment under federal or state tax laws. Rental of the apartments and the provision of management services in connection therewith is and shall be the sole responsibility of the purchaser.

STATUS OF PROJECT: The Developer advises that construction of the project was substantially completed in October, 1974.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted March 27, 1973, and additional information subsequently filed as of November 1, 1974.

This is a SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 540 filed with the Commission March 27, 1973. This report when reproduced shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be pink.

(for) DOUGLAS R. SODETANI, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING COMMISSION, COUNTY OF KAUAI
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 540

November 1, 1974