

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
WAIKOMO STREAM VILLAS

Poipu Road and Poipu Beach Road
Poipu, Koloa, Kauai, Hawaii

REGISTRATION NO. 1083

IMPORTANT — Read This Report Before Buying

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

It reflects information obtained by the Real Estate Commission in its investigation of the 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: April 8, 1980
Expires: May 8, 1981

SPECIAL ATTENTION

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

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JANUARY 31, 1979 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF MARCH 25, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on WAIKOMO STREAM VILLAS, Registration No. 1083, dated March 14, 1979, the Developer has prepared, assembled and forwarded additional information relating to the project and requested a Final Public Report.

2. This Final Public Report is made a part of the registration on the WAIKOMO STREAM VILLAS condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers along with a copy of the Preliminary Public Report (yellow paper stock) and Disclosure Abstract. Securing a signed copy of the Receipt for the aforementioned from each purchaser and prospective purchaser is also the responsibility of the Developer.

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

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

5. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the approved floor plans) have been recorded in the Bureau of Conveyances of the State of Hawaii. The Declaration of Horizontal Property Regime, dated February 12, 1980, together with the By-Laws of the Association of Apartment Owners, was recorded in the Bureau of Conveyances in Liber 14509, Page 666, and filed in the Office of the Assistant Registrar of the Land Court as Land Court Document No. 997814. The condominium plans have been designated as Condominium File Plan No. 685 in said Bureau and as Condominium Map No. 405 in the Office of the Assistant Registrar of the Land Court.

6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A of the Hawaii Revised Statutes, and the Condominium Rules

and Regulations which relate to Horizontal Property Regime.

7. This Final Public Report automatically expires thirteen (13) months after the date of issuance, April 8, 1980, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

Except for the topical headings which follow, the information contained in the Preliminary Public Report of March 14, 1979 remains unchanged.

LOCATION: Due to the subdivision of Lot 194, the land submitted to the Horizontal Property Regime now consists of 3.861 acres situate at the intersection of Poipu Road and Poipu Beach Road, Poipu, Koloa, Kauai, Hawaii.

RESTRICTION AS TO USE: The recorded By-Laws provide that no livestock, poultry, rabbits or other pets or animals whatsoever shall be allowed or kept in any part of the Project. The By-Laws further require that the apartment owners shall make, build, maintain and repair all fences, sewers, drains, roads, curbs, sidewalks, street lights, parking areas and other improvements which may be required by law to be made, built, maintained and repaired upon or adjoining or in connection with or for the use of the common elements or any part thereof, including, without limitation, the connection of the Project sewage system to a regional or sub-regional sewage system if so required by the County of Kauai.

ENCUMBRANCES AGAINST TITLE: A Preliminary Title Report, dated February 21, 1980 issued by Long & Melone, Ltd. reflects the following encumbrances on the property:

AS TO BOTH PARCELS 76 AND 79

1. For any real property taxes that may be due and owing, reference is made to the Office of the Tax Assessor, Fourth Division.

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

3. Mortgage dated February 2, 1979, from Waikomo Stream Associates, a Hawaii general partnership, in favor of 102650 Holdings Ltd., a corporation organized under the laws of the Province of Alberta, Canada, filed as Land Court Document No. 925370 and recorded in said Bureau in Liber 13513 at Page 531.

By Subordination Agreement dated January 29, 1980, filed as Land Court Document No. 994257 and also recorded in the Bureau of Conveyances in Book 14456, Page 727, 102650 Holdings, Ltd. agreed to subordinate the foregoing mortgage to mortgage in favor of American Savings and Loan Association in the principal sum of \$6,200,000.00.

By Subordination Agreement filed as Land Court Document No. 994259, and also recorded in Book 14456, Page 756, dated December 7, 1979, 102650 Holdings, Ltd. agreed to subordinate the foregoing mortgage to mortgage in favor of Y.N.K. Limited in the principal sum of \$355,885.00.

4. Mortgage, Security Agreement and Financing Statement, dated January 29, 1980 from Waikomo Stream Associates, a Hawaii registered general partnership, in favor of American Savings and Loan Association, filed as Land Court Document No. 994255 and recorded in the Bureau of Conveyances in Book 14456, Page 686, to secure the principal sum of \$6,200,000.00.

5. Security Agreement (Assignment of Sales Contract and Escrow Deposits), dated January 29, 1980 from Waikomo Stream Associates, a Hawaii registered general partnership, in favor of American Savings and Loan Association, filed as Land Court Document No. 994256 and recorded in the Bureau of Conveyances in Book 14456, Page 713.

6. Financing Statement from Waikomo Stream Associates, a Hawaii registered general partnership, in favor of American Savings and Loan Association, recorded on January 30, 1980 in the Bureau of Conveyances in Book 14456, Page 708.

7. Mortgage and Financing Statement dated January 29, 1980 from Waikomo Stream Associates, a Hawaii registered general partnership, in favor of Y.N.K. Limited, a Hawaii corporation, filed as Land Court Document No. 994258 and recorded in the Bureau of Conveyances in Book 14456, Page 733 to secure the principal sum of \$355,885.00.

Terms, covenants, conditions, restrictions and reservations contained in or incorporated by reference in the Declaration of Horizontal Property Regime and By-Laws attached thereto dated February 12, 1980, filed as Land Court Document No. 997814 and also recorded in the Bureau of Conveyances in Book 14509, Page 666, Condominium Map Nos. 405 and 685.

AS TO PARCEL 79

8. Free flowage of Waikomo Stream.

NOTE: The Commission has been furnished with a copy of a Judgment rendered in Civil No. 2096 in the Fifth Circuit Court of the State of Hawaii quieting title to Parcel 76 in favor of the Developer against all persons.

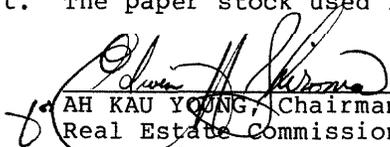
MANAGEMENT OF PROJECT: The Commission has been furnished with a copy of an executed Management Agreement, dated March 21, 1980 which reflects that Certified Management, a division of AR Corporation, 98-1238 Kaahumanu Street, Pearl City, Hawaii, has been appointed as the initial managing agent of the project.

STATUS OF PROJECT: The Commission has been furnished with a copy of an executed construction contract for the Project, dated December 10, 1980 between Developer and Y.N.K., Limited,

together with performance and payment bonds in a penal sum equal to one hundred percent (100%) of the contract price. Construction commenced on or about February 8, 1980 and it is anticipated that the work will be completed on or about December 1, 1980.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in its required Notice of Intention submitted January 31, 1979 and information subsequently submitted as of March 25, 1980.

This report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be white.


AH KAU YOUNG, Chairman
Real Estate Commission
State of Hawaii

Distribution: Department of Taxation
Bureau of Conveyances
Planning Department,
County of Kauai
Federal Building Administration
Escrow Agent

Registration No. 1083

April 8, 1980