REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

SECOND SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on

SANDPIPER VILLAGE I

(Registration for Apartments 109, 111, 114, 116, 118, 126, 130, 201, 202, 207, 209, 211, 213, 214, 219, 222, 223, 227, 228, 231, 235, 236, and 237 only)
Princeville, Kauai, Hawaii

REGISTRATION NO. 1166

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

It was prepared as a supplement to ~~an~~ earlier Reports dated September 28, 1979, January 25, 1980 & October 27, 1980 **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: April 21, 1983

Expires: November 27, 1983

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 AUGUST 30, 1979, AND INFORMATION SUBSEQUENTLY FILED AS OF April 18, 1983. THE OWNER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report dated September 28, 1979, the Supplemental Public Report dated January 25, 1980 and the Final Public Report dated October 27, 1980, on the SANDPIPER VILLAGE I, certain material changes have been made in the Project.

2. The original Developer, SPVI Limited Partnership, has conveyed title to 23 units of the 74 units in the Project to Seafirst Mortgage Corporation and State Savings and Loan Association in lieu of foreclosure of the interim construction loan on the Project. THIS SECOND SUPPLEMENTARY PUBLIC REPORT IS ISSUED ONLY WITH RESPECT TO SUCH 23 APARTMENTS LISTED ON THE FIRST PAGE HEREOF.

3. The Owner/Developers of the project have filed all documents and materials deemed necessary by the Commission for the registration of this condominium project and the issuance of this second Supplementary Public Report.

The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners) were executed on July 3, 1980 and recorded in the Bureau of Conveyances, State of Hawaii in Liber 14936, Page 84. A copy of the floor plans has been filed as Condominium Map No. 744 in said Bureau.

4. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

5. No advertising or promotional matter has been filed pursuant to the Rules and Regulations promulgated by the Commission.

6. This second Supplementary Public Report amends the Preliminary, first Supplementary and Final Public Reports, becoming a part of the SANDPIPER VILLAGE I registration. The Owner/Developers are responsible for placing a true copy of this second Supplementary Public Report (pink paper stock) and attached updated Disclosure Abstract in the hands of all purchasers and prospective purchasers along with a copy of the Preliminary Public Report (yellow paper stock), the first Supplementary Public Report (pink paper stock) the Final Public Report (white paper stock), and securing a receipt therefor.

7. This second Supplementary Public Report automatically expires November 27, 1983, unless a third Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

The information in the Final Public Report of October 27, 1980, under the topical headings DEVELOPER, ATTORNEY REPRESENTING SPVI LIMITED PARTNERSHIP, OWNERSHIP OF TITLE, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING and

STATUS OF PROJECT, and in the Preliminary Public Report of September 28, 1979 under the topical heading MANAGEMENT AND OPERATIONS, has been changed.

OWNER/DEVELOPERS: Seafirst Mortgage Corporation, Fourth and Blanchard Building, Seattle, Washington 98121, Telephone (202) 583-4190 and State Savings and Loan Association, 180 South King Street, Honolulu, Hawaii 96813, Telephone (808) 523-3111.

ATTORNEY FOR OWNER/DEVELOPERS: Carlsmith, Carlsmith, Wichman and Case, 190 South King Street, Suite 2200, Honolulu, Hawaii 96813, Telephone (808) 523-2500 (Attention: Nancy N. Grekin or Deborah M. Chun.)

OWNERSHIP OF TITLE: Ownership of 23 of the 74 units in the fee simple Project was conveyed by SPVI Limited Partnership, to Owner/Developers as follows:

(a) Apartments 109, 111, 114, 116, 118, 126, 130, 201, 202, 207, 209, 211, 213, 214, 219, 222, 223, 227, 231, 235, 236 and 237 were conveyed to Seafirst Mortgage Corporation by Warranty Deed dated September 28, 1982 recorded in the Bureau of Conveyances of the State of Hawaii in Liber 16629, Page 73.

(b) Apartment 228 was conveyed to Seafirst Mortgage Corporation, as to an undivided 10% interest, and to State Savings and Loan Association, as to an undivided 90% interest, together as tenants in common, by Warranty Deed dated September 28, 1982, recorded in said Bureau in Liber 16629, Page 89.

NOTATION: The Verified Statement of Developer Regarding Status of Project reflects that SPVI Limited Partnership has conveyed the remaining 51 units in the Project as follows:

1. UNITS 115, 204 and 206 were conveyed to State Savings and Loan Association, in lieu of foreclosure of the interim construction loan for the project, by Deed dated September 28, 1982, recorded in Liber 16629 at Page 81.

2. UNITS 105, 107, 108, 112, 113, 117, 122, 123, 124, 127, 128, 129, 131, 132, 134, 135, 136, 137, 215, 216, 217, 218, 224, 229, 232 and 234 were conveyed by SPVI Limited Partnership to Syncap, Incorporated.

Subsequently, Syncap, Incorporated conveyed such units to State Savings and Loan Association, in lieu of foreclosure of the individual mortgages on each of the units, by Deed dated October 12, 1982 and recorded in Liber 16665 at Page 748. State Savings and Loan Association immediately thereafter conveyed those units plus Unit 115 to Sandpiper Properties, Inc. by Deed dated October 29, 1982 and recorded in Liber 16665 at Page 766.

3. UNITS 104, 106, 110, 203, 221, 133 and 233 were conveyed by SPVI Limited Partnership to Syncap, Incorporated by the following Deeds:

Apt. No.	Date	Recorded Liber Page
104	August 27, 1981	15785, 199
106	August 27, 1981	15785, 599
110	June 15, 1981	15715, 208
203	September 23, 1981	15855, 258
221	June 15, 1981	15725, 40
133	September 23, 1981	16004, 498
233	September 23, 1981	16004, 565

4. UNITS 101, 102, 103, 119, 120, 121, 125, 205, 208, 210, 212, 220, 225, 226 and 230 were conveyed by SPVI Limited Partnership to bona fide third-party purchasers.

ENCUMBRANCES AGAINST TITLE: The Owner's Policy of Title Insurance issued to Seafirst Mortgage Corporation by Lawyers Title Insurance Corporation on October 8, 1982, and the Owner's Policy of Title Insurance issued to Seafirst Mortgage Corporation and State Savings and Loan Association by Lawyer's Title Insurance Corporation on October 8, 1982, reflect the following encumbrances against the 23 units held by Owner/ Developers:

1. Taxes which may be or become due and owing. Reference is made to the Director of Finance, County of Kauai.

2. Covenants, conditions, restrictions, reservations, easements and liens for assessments, options, power of attorney, limitations on title, and all other provisions contained in or incorporated by reference in the Declaration of Horizontal Property Regime, dated July 3, 1980, and recorded in the Bureau of Conveyances of the State of Hawaii, in Liber 14936, Page 84, and Condominium Map No. 744, as amended; any instrument creating the estate or interest insured by the policy, and in any other allied instrument referred to in any of the instruments aforesaid.

3. Declaration of Restrictions, Covenants and Conditions by Eagle County Development Corporation dated March 1, 1971, and recorded in said Bureau in Book 7444, Page 93, as amended by instrument recorded in said Bureau in Book 13167, Page 37.

4. Easement D-8 (10 feet wide) as shown on File Plan No. 1360 for drainage purposes along the northerly and westerly boundaries of Lot 15.

5. Easement E-18 (10 feet wide) as shown on File Plan No. 1360 for electrical purposes along the easterly boundary of said Lot 15.

6. Grant of Easement in favor of Kauai Electric Division of Citizens Utilities Company and Hawaiian Telephone

Company for utility purposes over and across said Easement E-18, granted in instrument dated December 26, 1974, recorded in said Bureau in Liber 10462, Page 312.

7. Reservations in favor of Consolidated Oil and Gas, Inc., a Colorado corporation, as contained in Deed dated September 28, 1978, recorded in said Bureau in Book 13167, Page 40.

8. Right-of-entry in favor of Hawaiian Telephone Company and Citizens Utilities Company, granting a right of entry and temporary easement for construction and maintenance of power and communication lines to terminate upon recordation of a formal grant of easement with said Bureau.

PURCHASE MONEY HANDLING: The Owner/Developers have entered into an Escrow Agreement dated December 10, 1982 with Long & Melone Escrow Ltd. The Escrow Agreement and Deposit, Receipt, Offer and Acceptance contract ("DROA") to be used by Owner/Developers have been submitted to the Commission and have been found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended. The provisions of the DROA should be carefully read by the purchasers.

Among other provisions, the Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to the purchaser without interest, if the purchaser requires financing and is unable to obtain a mortgage loan within 15 days of the date of his execution of the DROA.

The Escrow Agreement also provides that Escrow shall deposit all funds received in a bank or savings and loan institution selected by Owner and that any interest earned thereon shall accrue to Owner.

The specimen DROA filed with the Commission provides, among other things, as follows:

> Seller makes no express warranties. SELLER DISCLAIMS ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE, ANY IMPLIED WARRANTY OF WORKMANSHIP AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE APARTMENT, THE COMMON ELEMENTS OR THE PROJECT. Buyer acknowledges that neither Seller nor the Seller's agents, representatives or employees have made any warranties, express or implied, with respect to the Apartment, its quality or grade, or any of the common elements of the Project or anything installed therein, their quality or grade. In particular Seller disclaims any and all responsibility or liability for water infiltration, any malfunctions, and construction or design defects, or any other problems which Purchaser may encounter with respect to the Apartment or the Project. BUYER FURTHER ACKNOWLEDGES THAT HIS ATTENTION HAS BEEN DIRECTED TO THIS PARAGRAPH, THAT HE HAS

READ AND UNDERSTANDS SELLER'S DISCLAIMERS OF WARRANTY AND THAT HE EXPRESSLY, KNOWINGLY AND INTELLIGENTLY WAIVES AND RELEASES ANY AND ALL RIGHTS, CLAIMS, ACTIONS OR CAUSES OF ACTION HE NOW HAS OR MAY HAVE IN THE FUTURE ARISING OUT OF, RELATED TO, OR CONNECTED IN ANY WAY WITH, ANY DEFECTS OR DEFICIENCIES IN THE APARTMENT, THE COMMON ELEMENTS OR THE PROJECT.

The DROA also provides that if the purchaser requires financing but cannot obtain a mortgage loan commitment with fifteen days of his execution of the DROA, he shall be entitled to a refund of his deposit.

STATUS OF PROJECT: Construction of the Project is complete and it is ready for occupancy as evidenced by the copies of the Certificates of Occupancy dated March 30, 1981, March 31, 1981, April 6, 1981, April 9, 1981, April 10, 1981, April 14, 1981, and April 24, 1981, submitted to the Commission.

MANAGEMENT AND OPERATION: The Association of Apartment Owners has entered into a Management Agreement dated February 15, 1983, with Crozier Management Corporation. A copy of the Management Agreement has been filed with the Commission.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed in the Notice of Intention submitted August 30, 1979, and additional information filed by Owner/Developers as of April 18, 1983.

THIS SECOND SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1166 filed with the Commission on August 30, 1979. This report when reproduced shall be a true copy of the Commission's Public Report. The proper stock must be pink in color.

G. A. "RED" MORRIS, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

Registration No. 1166

April 21, 1983

SANDPIPER VILLAGE I

DISCLOSURE ABSTRACT

1. Name and Address of Project.

   Sandpiper Village I
   Princeville, Kauai, Hawaii

2. Name, Address and Telephone Number of Owners.

   As to Apartments 109, 111, 114, 116, 118, 126, 130, 201, 202, 207, 209, 211, 213, 214, 219, 222, 223, 227, 231, 235, 236 and 237:

   Seafirst Mortgage Corporation ("Seafirst")
   Fourth and Blanchard Building
   Seattle, Washington 98121
   Attention: Edward T. Eckberg
   Vice President
   (206) 538-7098

   As to Apartment 228:

   State Savings and Loan Association
   (as to an undivided 90% interest) and
   Seafirst (as to an undivided 10% interest)
   together as tenants in common
   180 South King Street
   Honolulu, Hawaii 96813
   Attention: Allen Kubota
   (808) 523-3111

3. Name, Address and Telephone Number of Managing Agent.

   Crozier Management Corporation
   4334 Rice Street
   Lihue, Kauai, Hawaii 96766

4. Breakdown of Annual Maintenance Fees and Monthly Estimated Costs for Each Apartment. See Exhibit A attached hereto.

5. No Warranties for the Apartments and Common Elements. Owners make no express warranties. OWNERS DISCLAIM ANY IMPLIED WARRANTY OF HABITABILITY, ANY IMPLIED WARRANTY OF MERCHANTABILITY, ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE, ANY IMPLIED WARRANTY OF WORKMANSHIP AND ANY OTHER EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE APARTMENTS, THE COMMON ELEMENTS OR THE PROJECT. Owners disclaim any and all responsibility or liability for any water infiltration, any malfunctions, any construction or design defects, or any other problems which purchasers may encounter with respect to the Apartments or the Project.

6. Use of Apartments. All apartments will be used for residential purposes and there will be no commercial or other uses made of the Project.

THE CROZIER MANAGEMENT CORP.
SANDPIPER VILLAGE
1983 ASSOCIATION BUDGET

	1983 YEARLY BUDGET	1983 MONTHLY BUDGET
------INCOME------		
OWNER ASSESSMENTS	180672.00	15056.00
MISCELLANEOUS INCOME	0	0
LATE CHARGE INCOME	0	0
TOTAL INCOME	180672.00	15056.00
------EXPENSES------		
---PAYROLL---		
MANAGER	12000.00	1000.00
FRONT DESK	4620.00	385.00
GROUNDS	24000.00	2000.00
SECURITY	0	0
TOTAL LABOR	40620.00	3385.00
EMPLOYER TAXES	8124.00	677.00
INSURANCE H.M.S.A.	3000.00	250.00
TOTAL PAYROLL	51744.00	4312.00
---PROPERTY OPERATIONS---		
ACCT'S. C.P.A. AUDIT	2400.00	200.00
ACCOUNTING	2664.00	222.00
AUTO	600.00	50.00
BANK CHARGES	240.00	20.00
BUILDING MAINTENANCE	1200.00	100.00
CABLE T.V.	0	0
DEPRECIATION EXPENSES	1800.00	150.00
EMPLOYEE RELATIONS	180.00	15.00
EQUIPMENT MAINTENANCE	1200.00	100.00
GROUNDS & LANDSCAPING	3000.00	250.00
INSURANCE GENERAL	15000.00	1250.00
LEGAL	1800.00	150.00
LICENSES & TAXES	0	0
MANAGEMENT FEE	8880.00	740.00
OPERATING SUPPLIES	660.00	55.00

EXHIBIT A

PEST CONTROL	1200.00	100.00
POOL SUPPLIES	3000.00	250.00
POSTAGE & FREIGHT	300.00	25.00
PRINCEVILLE DUES	2976.00	248.00
PRINTING & STATIONERY	300.00	25.00
RENTAL EXPENSE	14400.00	1200.00
TELEPHONE	900.00	75.00
TREE MAINTENANCE	0	0
UNIFORMS	360.00	30.00
WASTE REMOVAL	2520.00	210.00
TOTAL PROPERTY OPERATION	65580.00	5465.00
---UTILITIES---		
ELECTRICITY	14400.00	1200.00
SEWAGE	11280.00	940.00
WATER	11280.00	940.00
TOTAL UTILITIES	36960.00	3080.00
TOTAL EXPENSES	154284.00	12857.00
SPECIAL ASSESSMENTS	12000.00	1000.00
SPECIAL RESERVE	14400.00	1200.00
TOTAL OWNER ASSESSMENTS	180684.00	15057.00

ASSESSMENTS BY APARTMENT TYPE

A & AA	2276.76	189.73
B & BB	2606.28	217.19
APT. 137	2276.28	189.69

I hereby certify that the foregoing breakdown of the monthly maintenance fees and the monthly cash operating costs have been based on generally accepted accounting principles.

Date: March 6, 1983

THE CROZIER MANAGEMENT CORPORATION

HOLLIS CROZIER, PRESIDENT