

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
LANIKAI
390 Papaloa Road
Oloheua, Kauai, Hawaii

REGISTRATION NO. 1429

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: January 26, 1982
Expires: February 26, 1983

SPECIAL ATTENTION

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

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED WITH THE REAL ESTATE COMMISSION ON MAY 27, 1981 AND THE INFORMATION SUBSEQUENTLY FILED AS OF JANUARY 22, 1982. THE DEVELOPER, IN 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 on LANIKAI, Registration No. 1429, dated June 25, 1981, changes have been made in the plan and setup of the project. The changes have been determined to be a material revision to the information previously disclosed.

2. This Final Public Report is made a part of the registration on the LANIKAI Condominium Project. The Developer is responsible for placing a true copy of 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 the Disclosure Statement. The Developer is responsible for securing from each purchaser and prospective purchaser a signed receipt, signifying that the purchaser and prospective purchaser has had an opportunity to read both reports.

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

4. The Developer advises that the Declaration of Horizontal Property Regime and attached By-Laws have been recorded in the Bureau of Conveyances, State of Hawaii, in Liber 16087, Page 38. The floor plans have been recorded and designated as Condominium Map No. 836.

5. Advertising and promotional matter has not yet been submitted to the Commission pursuant to its Rules and Regulations.

6. 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.

7. This Final Public Report automatically expires thirteen (13) months after date of issuance, January 26, 1982, unless a Supplementary Public Report is issued or the Commission, upon review of the registration, issues an order extending the effective period of this report.

The information under the topical headings of the Preliminary Public Report dated June 25, 1981 has not changed, except for ZONING, DESCRIPTION OF PROJECT, COMMON ELEMENTS, OWNERSHIP OF TITLE, ENCUMBRANCES AGAINST TITLE, MANAGEMENT AND OPERATION, STATUS OF PROJECT and the addition of PROGRAM OF FINANCING.

ZONING: Residential R-20.

DESCRIPTION OF PROJECT: The description of the project as stated in the Preliminary Public Report remains the same except for the square footage of the two bedroom apartments and the three bedroom apartment. Exhibit A attached hereto has been amended to reflect that type 2A has a lanai area of approximately 168 square foot, type 2B has a

lanai area of approximately 280 square feet, and type 3 has a lanai area of approximately 280 square feet. Also, the description of the method of computation of the square footage has been amended as reflected on Exhibit A. Exhibit B attached hereto has also been changed to reflect the change in square footage and to note that there are two storage areas and two air conditioning units in the type 3 apartment. In all other respects, the description of the project remains the same.

COMMON ELEMENTS: The common elements will include all portions of the Project, other than the apartments, including, specifically, but not limited to, all of the land submitted to the Horizontal Property Regime, in fee simple, the common elements mentioned in the Act which are actually constructed on the land, and all other portions of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use, and which are not included as part of an apartment, including, but not limited to, the following:

a. All foundations, columns, girders, beams, supports, perimeter walls (excluding the interior decorated or finished surfaces), load-bearing walls, roofs, walkways, boardwalk, ducts, pumps, pipes, wires, conduits, and generally all equipment, apparatus, installations and personal property existing for common use in the building or located on the Project lands;

b. All driveways, roads and other common ways, landscaping, yards, fences, refuse collection areas, accessory equipment and guest parking areas situate on the Project lands;

c. Said land in fee simple;

d. The swimming pool and support building;

e. All central and appurtenant installations for services such as power, lights, telephone, gas, hot and cold water lines, television lines, sewage disposal and other utilities (including pipes, ducts, wires, cables and conduits used in connection therewith, whether located in common areas or in apartments), and all tanks, pumps, motors, fans, ducts and other apparatus and installations existing for, or in the buildings for common use; and

f. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, and normally in common use and which are not part of any apartment.

OWNERSHIP OF TITLE: A Preliminary Title Report dated November 3, 1981, issued by Title Guaranty of Hawaii, Incorporated states that fee simple title to the land is in the name of LK Development Associates, a registered Hawaii limited partnership, the Developer.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report states that title to the property is subject to the following encumbrances:

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

2. Location of the seaward boundary in accordance with the laws of the State of Hawaii and shoreline setback line in accordance with County and/or Ordinance.

3. Mortgage made by LK Development Associates, a registered Hawaii limited partnership, in favor of Seafirst Mortgage Corporation, a Washington corporation, dated September 10, 1981, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 15857, Page 1.

4. By Assignment of Sales Agreement and Escrow Deposit dated as of September 10, 1981, recorded in Liber 15856, at Page 20, LK Development Associates, a registered Hawaii limited partnership, assigned to Seafirst Mortgage Corporation, a Washington corporation, all right, title and interest in and to any sales agreement or agreements, whether now or hereafter executed, covering a portion of the land described to secure the payment of all sums now or at any time hereafter due and secured by said Mortgage and Security Agreement.

5. By Assignment of Rents dated September 10, 1981, recorded in Liber 15856, at Page 796, LK Development Associates, a registered Hawaii limited partnership, assigned to Seafirst Mortgage Corporation, a Washington corporation, all right, title and interest in and to the right to the use and possession including any and all rents, issues, profits, and avails now due and which may hereafter become due under and by virtue of any lease, whether written or oral, etc., of any part of the land described, to secure the payment of the indebtedness evidenced by that certain note in the principal sum of \$2,750,000.00 dated September 10, 1981, secured by said Mortgage and Security Agreement.

6. Mortgage made by LK Development Associates, a Hawaii limited partnership, in favor of Lyle A. Guslander and Grace B. Guslander, also known as Grace W. Guslander, husband and wife, acknowledged September 14, 1981, recorded in Liber 15856, Page 784.

MANAGEMENT AND OPERATION: The Developer has entered into a management agreement with Colony Condominium Management, Inc., a Hawaii corporation, as the initial Managing Agent for the Project. A copy of the Management Agreement dated November 4, 1981 has been submitted to the Commission.

PROGRAM OF FINANCING: The Developer has received commitments for interim and permanent financing. The interim loan commitment of \$2,750,000.00 has been made by Seafirst Mortgage Corporation, a Washington corporation, of Seattle, Washington. The permanent financing will be made available through the same lender, Seafirst Mortgage Cor-

poration. The mortgage documents and the agreement letter indicating the conditions for the making of the interim and permanent loans have been forwarded to the Commission.

The Developer has also forwarded to the Commission a verified statement of the total development costs.

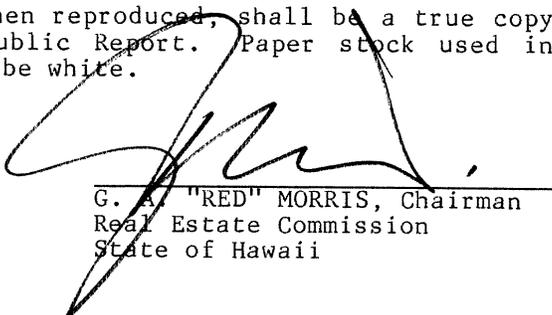
STATUS OF PROJECT: The Developer has entered into a construction contract with Kenneth Shioi and Co., Ltd., dated August 6, 1981. The Developer estimates that construction will be completed on or about July 1, 1982.

NOTE: Upon completion of the various buildings in the Project, purchaser shall be given occupancy of the completed buildings with the approval of the Building Department of the County prior to the completion of the entire Project.

A purchaser or prospective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted on May 27, 1981, and additional information filed as of January 22, 1982.

THIS FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 1429 filed with the Commission on May 27, 1981.

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



G. A. "RED" MORRIS, Chairman
Real Estate Commission
State of Hawaii

Distribution:

Department of Taxation
Bureau of Conveyances
Planning Development
City and County of Kauai
Escrow Agent
Federal Housing Administration

Registration No. 1429

January 26, 1982

<u>Building No.</u>	<u>Apt. No.</u>	<u>Type</u>	<u>Floor</u>	<u>Number of Rooms</u>	<u>Approximate Square Feet of Living Area</u>	<u>Approximate Square Feet of Lanai Area</u>	<u>Gross Area</u>	<u>Percentage of Undivided Interest</u>
1	111	3	1	8	1962	280	2242	7.59
1	112	1	1	5	1003	168	1171	3.85
1	113	2B	1	6	1445	280	1725	5.59
1	114	2A	1	6	1416	168	1584	5.48
1	121	2B	2	6	1445	280	1725	5.59
1	122	2A	2	6	1416	168	1584	5.48
1	123	2B	2	6	1445	280	1725	5.59
1	124	2A	2	6	1416	168	1584	5.48
1	131	2B	3	6	1445	280	1725	5.59
1	132	2A	3	6	1416	168	1584	5.48
1	133	2B	3	6	1445	280	1725	5.59
1	134	2A	3	6	1416	168	1584	5.48
2	211	2B	1	6	1445	280	1725	5.59
2	212	2A	1	6	1416	168	1584	5.48
2	221	2B	2	6	1445	280	1725	5.59
2	222	2A	2	6	1416	168	1584	5.48
2	231	2B	3	6	1445	280	1725	5.59
2	232	2A	3	6	1416	168	1584	5.48

Notwithstanding the limits of the apartments as herein stated, the approximate square footage for the respective types of apartments have been computed from and to center lines of the apartment party walls and the exterior surface of all other apartment perimeter walls, and no reduction has been made to account for interior walls, ducts, shafts, and the like located within the perimeter walls.

EXHIBIT A

DESCRIPTION OF APARTMENT

(a) One Bedroom Apartment. There is only one type 1 which is a one (1) bedroom apartment which includes a living/dining room, kitchen, powder room (1/2 bath), bedroom, a full bath with tub with an approximate living area of 1,003 square feet, plus a lanai of approximately 168 square feet with a storage area.

(b) Two Bedroom Apartments. There are two different types of two (2) bedroom apartments. Type 2a includes a living/dining room, kitchen, entry, two bedrooms, two bathrooms with an approximate living area of approximately 1,416 square feet, plus a lanai area of approximately 168 square feet with a storage area. Type 2b includes a living/dining room, kitchen, entry, two bedrooms, two bathrooms with an approximate living area of 1,445 square feet, plus a lanai area of approximately 280 square feet with a storage area.

(c) Three Bedroom Apartment. There is only one type 3 which is a three (3) bedroom apartment which includes a living/dining room, kitchen, entry, three bedrooms, three bathrooms with an approximate living area of 1,962 square feet, plus a lanai area of approximately 280 square feet with two storage areas and two air conditioning units.

EXHIBIT B