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

MANUALOHA I - PHASE II
Ho'ohu Road
Poipu, Kauai, Hawaii

REGISTRATION NO. 1435

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 5, 1982
Expires: February 5, 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 and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JUNE 19, 1981, AND INFORMATION SUBSEQUENTLY SUBMITTED AS OF DECEMBER 10, 1981. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON THE PROJECT, 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 of August 19, 1981, the Developer reports that changes have been made to the Project. This Final Public Report amends the Preliminary Public Report becoming a part of the MANUALOHA I - PHASE II registration.

2. The Developer of the Project has filed all documents deemed necessary by the Commission for the registration of the condominium project and the issuance of this Final Public Report.

3. No advertising or promotional materials have been submitted to the Commission.

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

5. This Final Public Report expires thirteen (13) months after the date of issuance, January 5, 1982, unless a Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective date of this report.

6. This Final Public Report is made a part of the registration of the MANUALOHA I - PHASE II condominium project. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock) together with the Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and securing a signed copy of the receipt therefor.

The information under the topical headings ENCUMBRANCES AGAINST TITLE and STATUS OF PROJECT have been altered as follows. Information disclosed under the remaining topical headings have not been disturbed.

ENCUMBRANCES AGAINST TITLE: A Preliminary Report dated November 4, 1981, issued by Title Guaranty of Hawaii, Inc., 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 of the District in which the premises are situated.

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

3. "A portion of Easement 'A' (10 feet wide) along Bacle Tract, Block 'C', as shown in red in the map attached hereto and incorporated herein as Exhibit 'A'. A grant of easement conveying Easement 'A' and other easements for pedestrian purposes to the County of Kauai, was executed by Leadership Homes of Hawaii, Inc., a Delaware corporation, prior to its conveyance of the above described property to The Housing Group, a California corporation, licensed to do business in Hawaii, and will be executed, dated and recorded by the County of Kauai subsequent hereto. The recordation of

the grant of easement shall relate back and said grant of easement shall be considered to have been in effect prior to the date of the conveyance of the above described property by Leadership Homes of Hawaii, Inc., to The Housing Group,"; as set forth in Deed dated January 17, 1979, recorded in said Bureau in Liber 13428 at Page 521.

4. Restrictive covenants and conditions contained in Declaration dated January 8, 1979, recorded in said Bureau in Liber 13428 at Page 440, as supplemented by First Supplemental Declaration of Covenants and Restrictions dated April 17, 1979, recorded in said Bureau in Liber 13622 at Page 445, Second Supplemental Declaration of Covenants and Restrictions dated May 22, 1979, recorded in said Bureau in Liber 13709 at Page 20, and Third Supplemental Declaration of Covenants and Restrictions dated October 31, 1979, recorded in said Bureau in Liber 14122 at Page 665, and as amended by Amendment and Certificate of Amendment to Declaration of Covenants and Restrictions dated October 3, 1980, recorded in said Bureau in Liber 15058 at Page 76.

5. Grant in favor of Poipu Kai Association, dated August 1, 1979, recorded in said Bureau in Liber 13910 at Page 298; granting a perpetual and non-exclusive easement in, upon, through, over and across a portion of the land, said easement being designated as EASEMENT "2", containing an area of 73,783 square feet, and being more fully described as per survey of Robert W. Cunningham, Registered Professional Land Surveyor, dated June 13, 1979.

Said Grant was amended by instrument dated October 31, 1979, recorded in said Bureau in Liber 14234 at Page 331; Consent to and Joinder in Amendment to Grant of Perpetual Non-exclusive Easement dated November 14, 1979, recorded in said Bureau in Liber 14234 at Page 338.

6. Declaration as to Merger of Increments in a Condominium Project Manualoha by the Palakiko Company, Ltd., a Hawaii registered partnership (Owner of Increment I), and Theodore Barry and Mary Barry, husband and wife, (Owner of Increment II), dated October 31, 1979, recorded in said Bureau in Liber 14168 at Page 201. Said Declaration was amended by instrument dated February 23, 1981, recorded in said Bureau in Liber 15384 at Page 582.

7. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Horizontal Property Regime dated October 31, 1979, recorded in said Bureau in Liber 14168 at Page 215, and the By-laws attached thereto, as the same are or may hereafter be amended in accordance with law. (Project covered by Condominium Map No. 662, as amended.) Said Declaration was amended by instrument dated March 2, 1981, recorded in said Bureau in Liber 15384 at Page 589. Said Declaration was further amended by instruments dated June 17, 1981 and July 30, 1981, recorded in said Bureau in Liber 15633 at Page 46 and Liber 15733 at Page 798, respectively.

8. Grant in favor of The Housing Group, dated October 24, 1980, recorded in said Bureau in Liber 15156 at Page 445; granting a perpetual, non-exclusive easement, for the benefit of and as an appurtenance to Lot D-17, for public vehicular and pedestrian access purposes, and for the construction, installation, maintenance, operation, replacement, repair and removal of lines, transmission facilities and appurtenances for cable television purposes, in, upon, through, over and across a portion of the land, said easement being designated as Easement "AU-1" containing an area of 1200 square feet and being more fully described per survey of William D. Ng, Registered Land Surveyor, dated July 29, 1980.

9. Grant in favor of The Housing Group, dated October 24, 1980, recorded in said Bureau in Liber 15156 at Page 454; granting a non-exclusive easement, for the benefit of and as an appurtenance to Lot D-17, for the construction, installation, maintenance, operation, replacement, repair and removal of lines, transmission facilities and appurtenances for sewer purposes, in, upon, through, over and across a portion of the land, said easement being designated as Easement "U-1" containing an area of 100 square feet and being more fully described as per survey of William D. Ng, Registered Land Surveyor, dated July 29, 1980.

10. Right-of-Entry in favor of Citizens Utilities Company, dated December 1, 1980, recorded in said Bureau in Liber 15196 at Page 581; granting a right-of-entry and temporary easement for construction and maintenance of power and communication lines over the land.

11. Various Deeds, Mortgages and Agreements of Sale covering apartment units within the Condominium Project known as "MANUALOHA I" which have been purposely omitted herefrom.

12. Mortgage and Security Agreement dated August 19, 1981, from The Palakiko Company, Ltd. to Realty Mortgage Corporation, recorded in said Bureau in Liber 15784 at Page 367.

STATUS OF PROJECT: The Developer reports that the Project was completed and issued a Certificate of Occupancy on December 4, 1981.

NOTE: By receipting for this Public Report, the purchaser acknowledges and agrees that all of the purchaser's right, title and interest in and to the Apartment covered by his Sales Contract shall be at all times subordinate to the lien of the Mortgage and Security Agreement dated August 19, 1981 from the Palakiko Company, Ltd. to Realty Mortgage Corporation, recorded in said Bureau in Liber 15784 at Page 367.

The purchaser and prospective purchasers should be cognizant of the fact that this Public Report represents information

disclosed by the Developer in the required Notice of Intention submitted June 19, 1981, and additional information subsequently filed as of December 10, 1981.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1435 filed with the Commission on June 19, 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 Finance
Bureau of Conveyances
Planning Department, County of Kauai
Escrow Agent
Federal Housing Administration

Registration No. 1435

January 5, 1982