



**REAL ESTATE COMMISSION**  
 STATE OF HAWAII  
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
 PROFESSIONAL AND VOCATIONAL LICENSING DIVISION  
 1010 Richards Street - P. O. Box 3469  
 Honolulu, Hawaii 96801

**CONDOMINIUM PUBLIC REPORT**

on

WAILUA RANCH CONDOMINIUM  
 6595 Puupilo Road  
 Kapaa, Kauai, Hawaii

Registration No. 1972 (Partial Conversion)

Issued: February 13, 1990  
 Expires: March 13, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of January 19, 1990, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

- PRELIMINARY:** The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.  
*(yellow)*
- FINAL:** The developer has legally created a condominium and has filed complete information with the Commission.  
*(white)*
- No prior reports have been issued  
 Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_
- 
- SUPPLEMENTARY:** Updates information contained in the  
*(pink)*
- Prelim. Public Report dated \_\_\_\_\_  
 Final Public Report dated \_\_\_\_\_  
 Supp. Public Report dated \_\_\_\_\_
- And  Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_
- This report reactivates the \_\_\_\_\_  
 public report(s) which expired on \_\_\_\_\_

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required       Not Required - disclosures covered in this report.

**Summary of Changes from Earlier Public Reports:**

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

[ ] No prior reports have been issued by the Commission.

[ X] Changes made are as follows: see next page.

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*****
*   SPECIAL NOTICE:
*
*   THERE ARE COUNTY RESTRICTIONS ON THE NUMBER OF
*   RESIDENTIAL DWELLING UNITS, OR OTHER STRUCTURES,
*   WHICH MAY BE BUILT UPON THE PROPERTY.  THEREFORE,
*   UNLESS THE PURCHASER IS PURCHASING AN EXISTING
*   RESIDENTIAL DWELLING, THERE IS NO ASSURANCE THAT
*   THE PURCHASER WILL BE ABLE TO BUILD A RESIDENTIAL
*   DWELLING UNIT ON THE PROPERTY.  THERE ALSO IS NO
*   ASSURANCE THAT THE PURCHASER WILL BE ABLE TO CONVERT
*   AN EXISTING NON-RESIDENTIAL STRUCTURE TO A RESIDEN-
*   TIAL USE.  THE PURCHASER SHOULD CONSULT WITH THE
*   COUNTY AGENCY TO DETERMINE WHETHER THE PURCHASER
*   MAY BUILD A RESIDENTIAL DWELLING UNIT, OR ANY
*   OTHER TYPE OF STRUCTURE, UPON THE PROPERTY.
*
*   1.  This Public Report does not constitute an
*       approval of the project nor that all County
*       Codes, Ordinances and subdivision requirements
*       have been complied with.
*
*   2.  This project does not involve the sale of
*       individual subdivided lots.
*
*   3.  Facilities and improvements normally associated
*       with County approved subdivisions may not
*       necessarily be provided for and services such as
*       County street maintenance and trash collection
*       will not be available for interior roads.
*
*   4.  Read Exhibit D (Protective Covenants)
*       and Exhibit J (Letter from County of Kauai)
*       with care.
*
*   5.  Read Exhibit K (Elevation Agreement) with care
*       and please note that a dependable water supply
*       and adequate service may not be assured by the
*       Department of Water under the Elevation Agreement*
*       and a private water tank may be required for
*       Project to provide more water pressure, which
*       requirement has been accepted by the Developer.
*   THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY
*   REVIEW THE DOCUMENTS FOR FURTHER INFORMATION WITH
*   REGARD TO THE FOREGOING.
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CHANGES FROM PRELIMINARY TO FINAL PUBLIC REPORT:

<u>Page</u>	<u>Description of Changes</u>
3.....	Exhibit Titles Changed for A, B, D & J, New Exhibit K
5.....	New description of interest to buyer (top of page), identifying farm shed and house, use of limited common element. Size and description of units changed in Paragraph 5 to show size of sheds and farm dwelling.
6.....	Managing agent changed to Association of Owners.
7.....	Inserts recording information for condominium documents.
8.....	Shows developer reserves right to grant access and utility easements to third parties.
10.....	Discloses which unit has residence and which have sheds. Permitted use description deleted from this page, now on Page 2 and bottom of Page 18.
11.....	Interior descriptions made consistent with other changes. Paragraph 6: each apartment has individual listing for interior space; Descriptions clarified in "Boundaries of Each Apartment" (exhibit reference changed, reference to Kauai County. Planning Department letter, Exhibit J); "Permitted Alterations to Apartments" clarified, no substance change.
12.....	Number of parking stalls changed from one to two.
13.....	Description of Unit 3 expanded, code compliance expanded.
14.....	Limited common element description language clarified
15.....	New title report, no substantial changes in condition of title.
17.....	Construction status changed to show completion of improvements.
18-18a...	New pages replace old page 18; the substance of old page 18 is kept in the first four paragraphs of new page 18; a paragraph is added at the bottom of 18 explaining how a unit owner must engage in agriculture before being allowed to build a residence. Page 18a advises review of the Kauai County Planning Department letter, Ex. J, Discloses that there is an "Elevation Agreement" with the County of Kauai and possible water pressure problems that might necessitate the construction of a water tank for the project, and shows the agreement is attached to the Public Report. It also discloses some of the risks of development, the potential lack of some County Services, the risk of shortage of utility services, and that land use rules may change over time, possibly thwarting expectations.

New Exhibits replace old to update map showing actual locations of improvements (Exhibit A), deletes old Exhibit B for unit location; updated descriptions of as-built improvements to the units (Exhibit B), clarified Exhibit C, adding description of permitted uses, ability to alter units and cautionary comments (Exhibit C); title of Exhibit D changed, signature blocks and notaries deleted; title of Exhibit E changed (no content changes); Encumbrances updated and format changed (no substance change) (Exhibit F); Estimated common expense refined (no substance change) (Exhibit G); Reformatting of Exhibits, no substance change (Exhibit H & I), New exhibit, County Letter (Exhibit J), new exhibit, Water Elevation Agreement, (Exhibit K).

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## GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "*Condominium Property Act*" (Chapter 514A, Hawaii Revised Statutes) must be followed.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

### Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

## SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

**Types of Project:**

1.  New Building(s)  Conversion  
 Both New Building(s) and Conversion
2.  Residential  Commercial  
 Mixed Residential and Commercial  
 Other Agricultural and Residential
3.  High Rise (5 stories or more)  Low Rise
4.  Single or  Multiple Buildings
5. Apartment Description

Apt. NO	Quantity	BR/Bath	Net Living Area (sf)*	Storage Shed/ Lanai/Patio (sf)
<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>90</u>
<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>90</u>
<u>3</u>	<u>1</u>	<u>1/1</u>	<u>885</u>	<u>555</u>
<u>4</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>90</u>
<u>5</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>90</u>

Total Apartments: 5

*\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

*Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.*

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	_____.
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: <u>Each unit has ample area for parking within its limited</u> <u>common element but shall have at least two stall areas at</u> <u>Total Parking Stalls all times.</u>	_____

7. Recreational amenities:

NONE

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: PATRICK COONEY  
Name  
6595 Puupilo Road  
Business Address  
Kapaa, HI 96746

Phone: (808) 245-8928  
(Business)

Names of officers or general partners of developers who are corporations or partnerships:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Sales Agent: JAMES F. DAVIS, dba  
1st CHOICE REALTY  
Name  
4-356A Kuhio Highway  
Business Address  
Kapaa, HI 96746

Phone: (808) 822-5850  
(Business)

Escrow: TITLE GUARANTY ESCROW SERVICES, INC.  
Name  
4290 Rice Street  
Business Address  
Lihue, HI 96766

Phone: (808) 245-3381  
(Business)

Managing Agent: Self-Managed \*  
Name  
\_\_\_\_\_  
Business Address  
\_\_\_\_\_

Phone: \_\_\_\_\_  
(Business)

\*Provided all managing agent laws are complied with in regard to condominium management.

Attorney for Developer: STEVEN R. LEE  
Name  
2959 Umi Street, #300  
Business Address  
Lihue, HI 96766

**II. CREATION OF THE CONDOMINIUM;  
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. **Declaration of Condominium Property Regime** contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

Proposed  
 Recorded - Bureau of Conveyances - Book 23715 Page 446  
 Filed - Land Court - Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

- B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

Proposed  
 Recorded - Bureau of Conveyance Condo Map No. 1245  
 Filed - Land Court Condo Map No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

- C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

Proposed  
 Recorded - Bureau of Conveyances - Book 23715 Page 466  
 Filed - Land Court - Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- D. **House Rules.** The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:

- Proposed                       Adopted
- Developer does not plan to adopt house rules.

**E. Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

- 1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>N/A</u>

The percentages for individual condominium projects may be more than the minimum set by law.

- 2. **Developer:** The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules:

The right to create and grant easements in addition to those shown on the Condominium Map (File Plan) for sundry access and utility purposes.



**B. Underlying Land:**

Address: 6595 Puupilo Road Tax Map Key: (4) 4-2-02:144  
Kapaa, HI 96746 (TMK)

Address  TMK is expected to change because \_\_\_\_\_

Land Area: 18.794  square feet  acre(s) Zoning: Agricultural/Open

Fee Owner: PATRICK COONEY and VICTORIA AMICK  
Name

6595 Puupilo Road  
Address

Kapaa, HI 96746

Sublessor: N/A  
Name

Address

**C Buildings and Other Improvements:**

1.  New Building(s)  Conversion of Existing Building(s)  
 Both New Building(s) and Conversion

2. Buildings: 5 Floors Per Building 1

Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

Concrete  Hollow Tile  Wood (Unit 3)

Other Metal/Aluminum (Units 1, 2, 4 and 5)

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Industrial	_____
<input type="checkbox"/> Residential	_____	<input checked="" type="checkbox"/> Agricultural *	<u>5</u>
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input type="checkbox"/> Other: _____			_____

\* See Pages 18 and 18a of this report.

5. Special Use Restrictions:

The Declaration, Bylaws, and House Rules may contain restrictions on the use and occupancy of apartments. Restrictions for this condominium project include but are not limited to:

Pets Protective Covenants and Building Rules apply (See Exhibit D)

Number of Occupants: \_\_\_\_\_

Other: An owner must engage in agriculture actively to be permitted to construct a residence.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 5

Elevators 0                      Stairways 0                      Trash Chutes 0

<u>Apt.</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)</u>	<u>Lanai/Patio (sf)</u>
<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>90</u>
<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>90</u>
<u>3</u>	<u>1</u>	<u>1/1</u>	<u>885</u>	<u>555</u>
<u>4</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>90</u>
<u>5</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>90</u>
_____	_____	_____	_____	_____

*\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

*Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.*

**Boundaries of Each Apartment:**

See Exhibit A. Within the requirements of the zoning ordinances and Protective Covenants and Building Rules outlined in Exhibit D, each unit owner may place improvements where desired, and subsequently relocate improvements, provided such improvements also comply with the Building and zoning requirements of the County of Kauai. See explanatory and advisory letter from the County of Kauai Planning Department attached as Exhibit J.

**Permitted Alterations to Apartments;**

As allowed by Kauai County zoning ordinances and the Protective Covenants and Building Rules referenced in Exhibit D. Upon construction of each permanent improvement, an amendment to the Declaration of Condominium Property Regime and the Condominium Map (Exhibit A) by the Association of Unit Owners will be required to disclose actual improvements as a matter of public record.

7. Parking Stalls:

Total Parking Stalls: 2 per unit

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for individual units)	_____	_____	_____	_____	_____	_____	_____
Guest	_____	_____	_____	_____	_____	_____	_____
Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra Available for Purchase	_____	_____	_____	_____	_____	_____	_____
Other: _	_____	_____	_____	_____	_____	_____	_____
Total Covered & Open	_____	_____	_____	_____	_____	_____	_____

Each apartment will have the exclusive use of at least two (2) parking stall(s).  
Buyers are encouraged to find out which stall(s) will be available for their use.

- Commercial parking garage permitted in condominium project.
- Exhibit \_\_\_\_\_ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities.

- There are no recreational or common facilities.
- Swimming pool
- Recreation Area
- Tennis Court
- Other: \_\_\_\_\_
- \_\_\_\_\_
- Storage Area
- Laundry Area
- Trash Chute

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least five years):

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

Unit 3 is a one-bedroom, one-bath farm dwelling, with approximately 1440 square feet of living and lanai area. It is 12 years of age and per inspection by Peter N. Taylor, Inc. of September 5, 1989, appears to be in satisfactory condition for its stated age in the following categories:

Visible structural, electrical and plumbing, structural components.

b. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

Per certification letter from the County of Kauai Planning Department dated September 20, 1989, all units are in compliance with all ordinances, codes, rules, regulations and other requirements in force at the time of their construction.

10. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	<u>X</u>	<u>                    </u>	<u>                    </u>
Structures	<u>X</u>	<u>                    </u>	<u>                    </u>
Lot	<u>X</u>	<u>                    </u>	<u>                    </u>

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project intended to be used by all apartment owners. They are owned jointly by all apartment owners.

Exhibit       E       describes the common elements.

As follows:

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

There are no limited common elements in this project.

The limited common elements and the apartments which may use them are:

described in Exhibit       E      

as follows:

The portion of land set aside for the use of each owner of a Unit as set forth in Exhibit A, subject to the roadway and utility easement of each respective owner.

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

Exhibit       C       describes the common interests for each apartment.

As follows:

E. **Encumbrances Against Title:** An encumbrance is a claim against or a liability on the property.

Exhibit F describes the encumbrances against the title contained in the title report dated Nov. 1, 1989 and issued by TITLE GUARANTY OF HAWAII. Developer represents that there have been no other encumbrances since that date.

**Blanket Liens:**

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

- There are no blanket liens affecting title to the individual apartments.
- There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Mortgage(s)	If foreclosed, buyer's deposit will be refunded.

F. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

**Initial Managing Agent:** When the developer or the developer's affiliate is the initial managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial managing agent for this condominium is:

- not affiliated with the Developer.
- the Developer or the Developer's affiliate.
- self-managed by the Association of Apartment Owners.
- other \_\_\_\_\_

G. **Estimate of Initial Maintenance Fees:**

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

Exhibit \_\_\_\_\_G\_\_\_\_\_ contains a schedule of maintenance fees and maintenance fee disbursements.

H. **Utility Charges for Apartments:**

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

- |  |   |
|--|---|
| <input type="checkbox"/> Electricity               | <input type="checkbox"/> Television Cable |
| <input type="checkbox"/> Gas                       | <input type="checkbox"/> Water & Sewer    |
| <input type="checkbox"/> Other _____               |   |
| <input checked="" type="checkbox"/> Not applicable |   |

I. **Construction Warranties:**

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

NONE

2. Appliances:

NONE

J. Status of Construction and Estimated Completion Date:

Construction of structures is now complete.  
Construction of utilities and water line will be complete  
by March 1, 1990. Construction of utilities and water line  
is presently 95% completed.

K. Project Phases:

The developer [ ] has [XX] has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's Present Plans for Future Development:

L. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

[X] Notice to Owner Occupants

[X] Specimen Sales Contract

Exhibit       H       contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated       August 11, 1988      

Exhibit       I       contains a summary of the pertinent provisions of the escrow contract.

[X] Other       Registration Forms

#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Prospective Purchaser:

This is a condominium project, not a subdivision. Units purchased are not subdivided lots. You will be required to comply with zoning codes in order to construct a residence on your limited common element.

To determine whether your expectations can be realized, you should carefully review this Report, especially Exhibit D, Protective Covenants and Building Rules. Among other things, the Protective Covenants and Building Rules state what you may and may not do with the property, what is required of you, and what is and is not available. You should also conduct your own investigations and ascertain the validity of information provided. There is an Architectural Review Committee which must approve of all building plans. Please remember that issuance of this Report does not mean the Real Estate Commission has approved the project.

The County of Kauai Planning Department has advised that, in order to process the necessary permits for the construction of a farm dwelling and the processing of a farm dwelling agreement, authorization from at least 75% of the legal and equitable ownership of the entire project shall be required, consistent with the Declaration of Condominium Property Regime, the Bylaws, and the Protective Covenants and Building Rules.

Except as limited specifically by the Declaration of Condominium Property Regime, the Bylaws and the Protective Covenants and Building Rules, all uses permitted in the Agricultural Zone are permitted. Such uses include, but are not limited to growing crops, raising animals, residence, diversified agriculture, forestry, orchards and nurseries and wildlife management. See Kauai County Comprehensive Zoning Ordinance, Article 8.7.

With reference to page 10 of this report, specifically the permitted uses of buildings and other improvements, structures shall only be occupied or used for agriculture, associated residential uses, and/or other uses permitted under the Kauai County Zoning Ordinances and the Protective Covenants and Building Rules (Exhibit D), herein referenced. An agricultural residence may not be constructed unless the Unit Owner demonstrates to the County his ability to derive income and/or agricultural products from his property. Agricultural use must be established and verified prior to any building permit approval.

Please see cautionary and advisory letter from Kauai County Planning Department attached as Exhibit J.

Developer advises that an "Elevation Agreement" with Kauai County Water Department, Exhibit K, discloses possible limited water supply and possible need for a common on-site water storage tank. See Exhibit K for further clarification.

A buyer should understand that all development and use of the properties shall comply with all County Codes and Ordinances, that owners in this condominium project will not necessarily receive the same County benefits as owners of approved subdivided lots, and that owners who develop their properties later than others may find that land use and zoning changes or insufficient utility capacities may thwart their expectations. Also, zoning and land use restrictions are subject to change and each purchaser should maintain awareness of such conditions.

**Buyer's Right to Cancel Sales Contract:**

A. Rights Under the Condominium Statute:

Preliminary Report: Sales made by the Developer are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

1. The Developer delivers to the buyer a copy of:
  - a. Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report;  
**AND**
  - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
  - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
  - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
  - c. The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

B. Rights Under the Sales Contract:

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Condominium Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other \_\_\_\_\_

If these documents are not in final form, the buyer should ask to see the most recent draft.

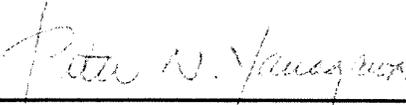
Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs.

This Public Report is a part of Registration No. 1972 filed with the Real Estate Commission on  
August 23, 1988.

**Reproduction of Report.** When reproduced, this report must be on:

yellow paper stock                       white paper stock                       pink paper stock

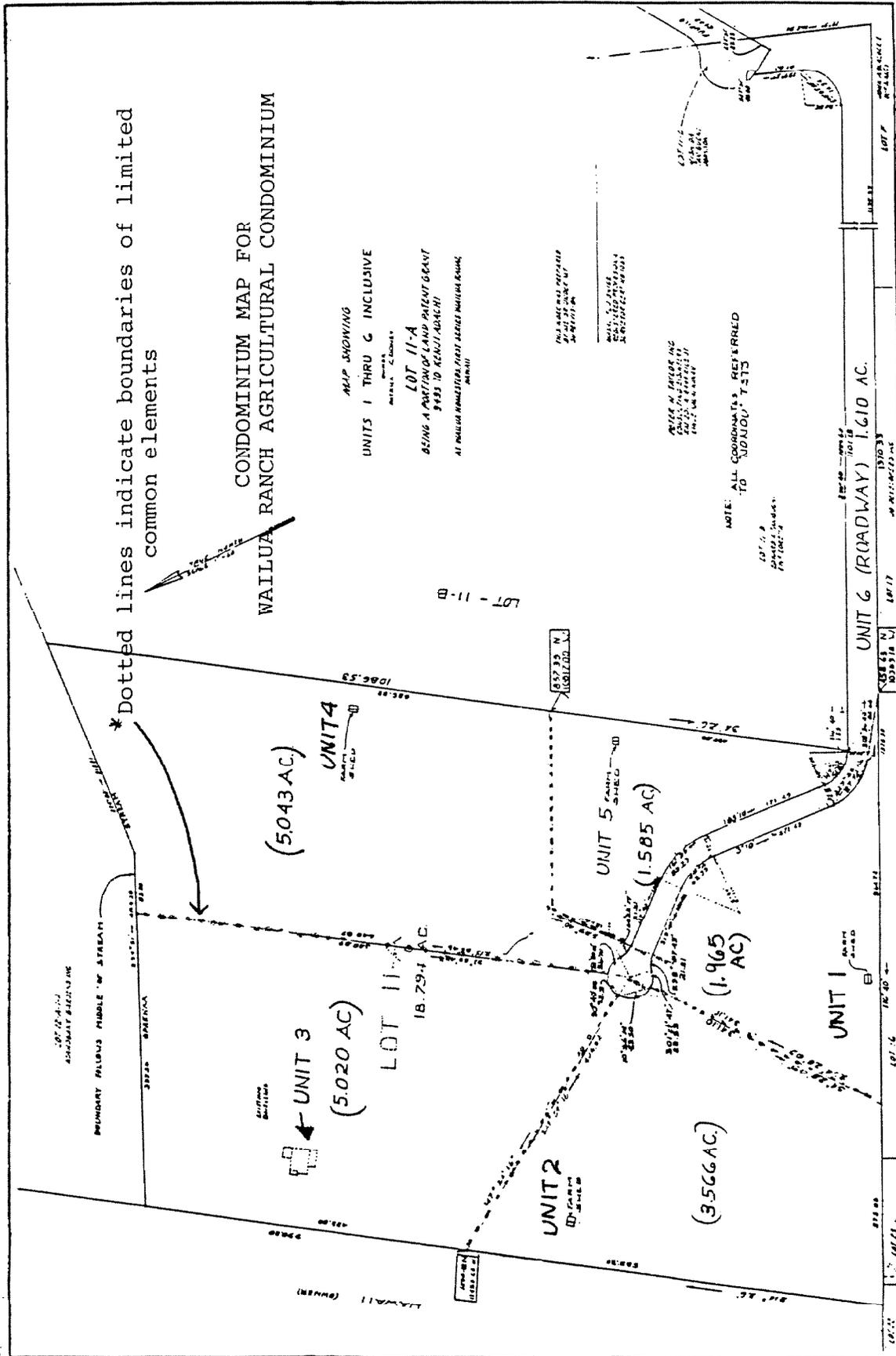
**Expiration Date of Reports.** Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary Public Report is issued or unless the Commission issues an order extending the effective period for the report.

  
\_\_\_\_\_  
PETER N. YANAGAWA, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

**Distribution:**

Bureau of Conveyances  
Department of Finance, County of Kauai  
Planning Department, County of Kauai  
Federal Housing Administration  
Escrow Agent

EXHIBIT A  
 CONDOMINIUM MAP AND  
 LOCATION OF LIMITED COMMON ELEMENTS



\* Dotted lines indicate boundaries of limited common elements

CONDOMINIUM MAP FOR  
 WAILUA RANCH AGRICULTURAL CONDOMINIUM

ARMP SHOWING  
 UNITS 1 THRU 6 INCLUSIVE  
 LOT 11-A  
 BEING A PORTION OF LAND PRESENT GRANT  
 1985 TO KEOLU KAWAHI  
 AT WAILUA HAWAII

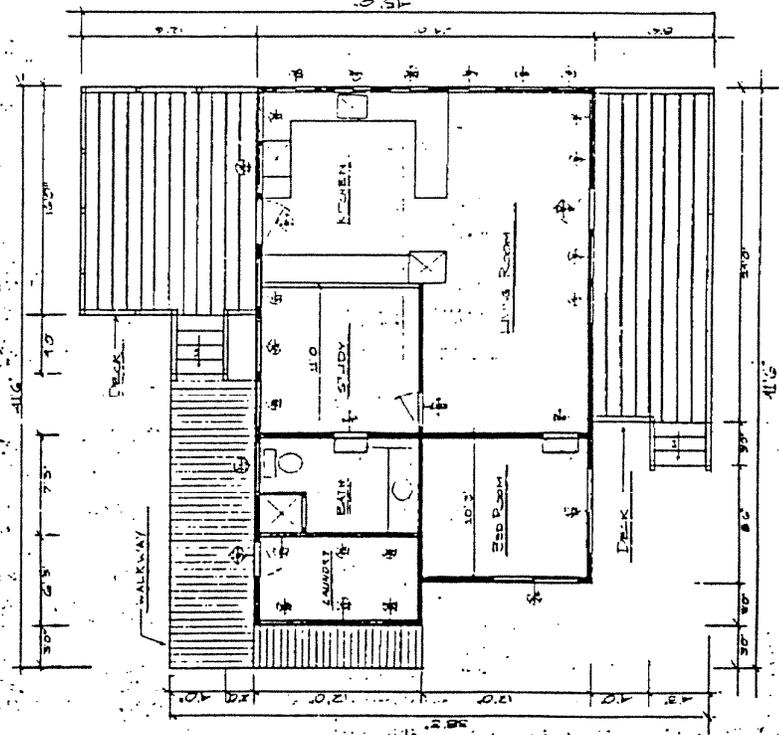
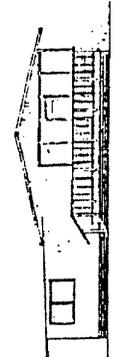
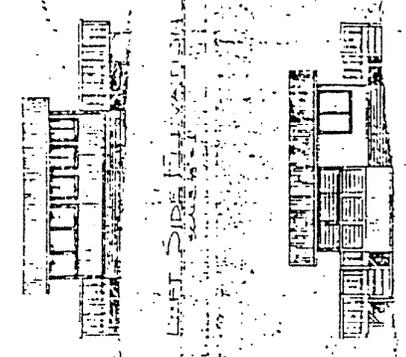
NOTE: ALL COORDINATES REFERRED  
 TO UNITS 1-5  
 UNITS 1-5

THE MAP(S) IS/ARE NOT TO SCALE

# EXHIBIT B

## FLOOR PLANS + ELEVATIONS (UNIT 3)

COONEY RES.  
 10000 300 0000  
 UNIT 3-502-14  
 MAY 16 1988  
 PETER TAYLOR INC.  
 PRINNY B.V.I.



#	CRANE	CRANE	CRANE
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ROOM	Area	Area
Room	25'12"	5'3"
Living	14'12"	11'4"
Bed	12'10"	12'5"
Study	12'12"	5'3"
Laundry	2'12"	7'8"
TOTAL	1122	

Area	Area	Area
Front Deck	5'0"	10'6"
Rear Deck	12'10"	12'5"
Walkway	2'12"	11'4"
TOTAL	1174	

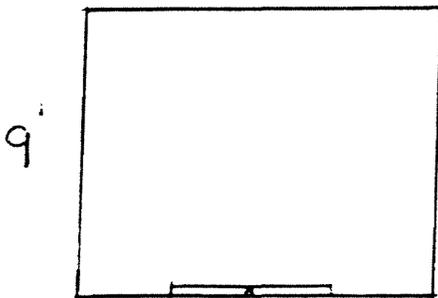
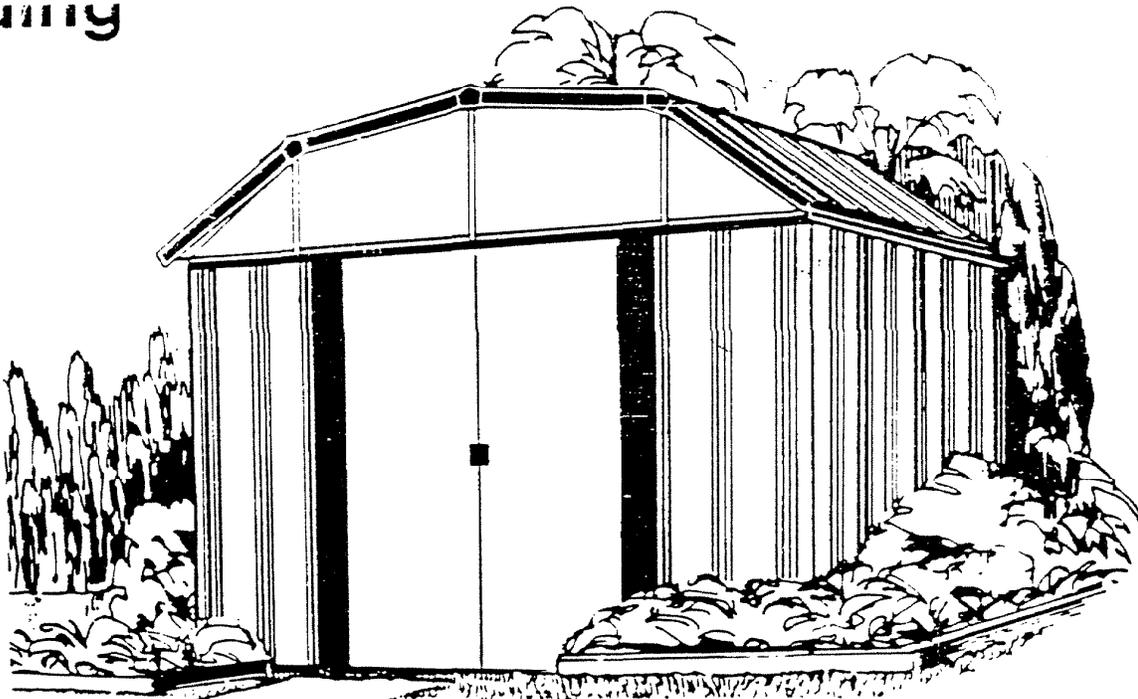
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FLOOR PLAN  
 SCALE: 1/8" = 1'-0"

# EXHIBIT B: WAILUA RANCH

AGRICULTURAL SHEDS FOR UNITS 1, 2  
4, 5

uniting



Floor plan  
No windows

10' Sliding Doors

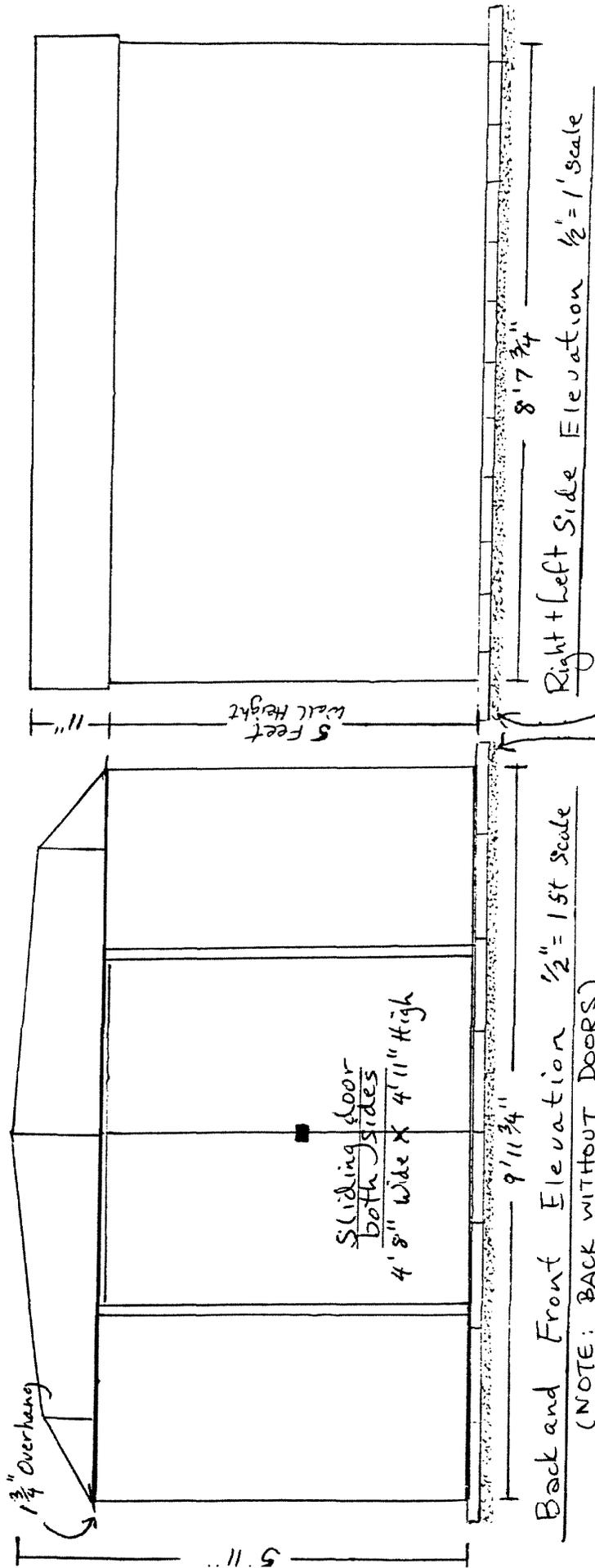
NOTICE TO OWNER-CONTRACTOR  
Approval of this plan is given subject to the following conditions:  
1. All construction shall be in accordance to the approved plan, (i.e. setbacks, height, area, coverage, parking, use of structure, etc.)  
2. If any changes are made to this plan, a revised plan shall be submitted for approval.  
3. Use of materials and lot and all minimum requirements shall conform to all State and County rules, regulations, codes, and ordinances.

Planning Department  
County of Kauai

NOV 7 1989

# EXHIBIT B

WAILUA RANCH  
 FLOOR PLANS +  
 ELEVATIONS  
 UNITS 1, 2, 4, 5



Note - Foundation is solid concrete blocks over gravel over excavated earth. Blocks are 15 7/8" x 7 5/8" x 1 5/8" and are joined with mortar cement (joints 1/4" to 3/8"). Building is fastened to concrete w/lags and anchors. Floor surface is the concrete block.

EXHIBIT C

SCHEDULE OF APARTMENTS AND COMMON INTERESTS  
FOR WAILUA RANCH CONDOMINIUM

Qty.	Apt. No.	*Area of Limited Common Element	No. of BR/BATH	Appx Net Living Area (Sq. Ft.)	Appx Farm Shed Area (Sq. Ft.)	% of Common Int.
1	1	1.965 AC	0	0	90	20
1	2	3.566 AC	0	0	90	20
1	3	5.020 AC	1/1	885	555	20
1	4	5.043 AC	0	0	90	20
1	5	1.585 AC	0	0	0	20

\*Additional land area may be incorporated as easement(s), roadways or common areas.

The common interest appurtenant to each unit shall be permanent. Subject to the zoning requirements and amendments of the Condominium Map and the Declaration, each unit owner may use his unit, alter or add to his farm structure in any manner he deems desirable, so long as it is permitted by the Declaration of Protective Covenants and Restrictions (Exhibit D). If adjoining unit owners desire to alter and/or transfer portions of their respective units, they can do so by the filing of an amendment to the Condominium Map and the Declaration together with their respective signatures and acknowledgment by the Association of Unit Owners that such change is being made. See Exhibit J for cautionary comments from the County of Kauai Planning Department.

END OF EXHIBIT C

EXHIBIT D

**DECLARATION OF PROTECTIVE COVENANTS AND BUILDING RULES  
FOR WAILUA RANCH CONDOMINIUM**

The purpose of these Protective Covenants is to protect all owners and occupants from annoyance and nuisance caused by improper conduct and improper use of the WAILUA RANCH CONDOMINIUM, hereinafter referred to as "Project," and to provide for the maximum enjoyment of the premises, with protection of all owners reasonable expectations. All owners and occupants, their agents, employees and invitees shall be bound by these Building Rules and by standards of reasonable conduct, whether covered by these Building Rules or not.

1. Definitions. As used herein:

a. "Area" refers to the limited common element set aside for the exclusive use of each Unit owner.

b. "Unit" refers to the entire condominium interest held by an owner.

2. Building Permits. Any owner desiring to construct a single family farm dwelling in a unit will have to comply with the Kauai County building and zoning codes, as the same may be changed from time to time. The present requirement is that each owner must demonstrate the ability to obtain sustenance or income from farming on the limited common element before the County will issue a Farm Dwelling Agreement. The County will likely inspect the area before issuing a building permit, to ascertain that farming activities are taking place on the unit seeking to build. Each owner will execute a power of attorney in favor of the developer for the purpose of securing building permits for all units, because a 75% ownership interest must approve of all filings for building permits. When an association of unit owners is created, the power of attorney will be replaced with a power of attorney in favor of the president of the association of unit owners.

3. Water and Utilities. The water, electricity and telephone will be extended from the end of Puupilo Road to a point fronting each Unit abutting the roadway common element. Each Unit Owner will be required to connect such utilities to his respective improvements at his own cost and expense. All utilities in the condominium Area shall be placed underground.

4. Cesspools. There are no sewer lines and no sanitary sewer system. Each Unit owner will be required to have his own cesspool and septic system, to be located within his own limited common element Area.

5. Roadway. The roadway within the Project is unpaved. Each Unit owner will be responsible for clearing all vegetation and growth from his Area to the extent it enters the roadway element.

6. Farming. A Unit owner may farm his own area and/or plant any orchards and/or engage in any other farming activity not prohibited herein. He shall use materials and/or equipment that are maintained and kept in good working order and repair and will not allow any unused and/or junk material and/or vehicles to be stored and kept in the Area or in or on common elements.

7. Construction. In the construction of the farm dwelling and/or any other accessory building, the Unit owner shall not use second-hand materials, quonset huts and/or any other materials that would create a nuisance on the Unit owner's property, or be so to the owners of other Units in the condominium project. Similarly, without unanimous consent of all unit owners, no unit owner may construct any structures that substantially depart from the type of architecture present on the other units (this shall include the colors of such structures); nothing herein stated shall be deemed to preclude construction of what has become known as "plantation style, "hawaiian style," or "ranch style" residences, as those terms are commonly used in architectural circles on Kauai. All finishes on the exteriors of structures, other than the initial farm sheds, shall be of natural colors, complimentary to earth tones.

8. Pets and Farm Animals/Noise in General. Notwithstanding that this is an agricultural condominium, the following animals shall be precluded from possession by owners or occupants of the Project: bulls, pit bull or pit bull mixed dogs, more than one pig or rooster, more than three dogs of any permitted variety, peafowl, and any animals (including those permitted above) that create such levels of noise or noxious odors that two or more unit owners make written objection to the association of unit owners. In the latter case, offending owner(s) shall have 30 days in which to remedy the problem or to dispose of the offending animals.

Additionally, with the exception of seasonal harvesting activities and preparation of ground for crops, no unit owner shall create such levels of noise or dust that the peaceable use of other units is materially affected. The written complaint of two or more unit owners shall be prima facie evidence of material adverse conditions.

9. Common Area Land. The Association shall determine and control the use of the Common Area lands, including but not limited to use for any farming, raising of animals, landscaping, maintenance and/or any other use which may be decided upon by the Association from time to time.

10. Noxious Activities. No unit owner or agent of a unit owner shall have the right or ability to spray noxious chemicals or pesticides within 100 feet of any unit boundary, and no aerial spraying of any kind shall be allowed. For the purposes of this paragraph, "noxious" shall be deemed to mean any chemical that presents a physical danger to humans, domestic pets and farm animals.

11. Common Element Expenses and Enforcement. The Association shall provide for such Common Area expenses necessary or desirable to maintain and keep the Project in acceptable condition. The Association shall have the power to enforce these Rules, including the assessment of the common expenses and the filing of a lien against any Unit owner failing to observe these Building Rules.

12. Repeal or Modification. These may be repealed or modified by Developer at any time prior to issuance of the Final Report by the State of Hawaii, Real Estate Commission. Thereafter they may be modified by an affirmative vote of the holders of 80% of the common interests in the Project.

EXHIBIT E

Common Elements of the Project

The common elements of the project are:

(a) Said land in fee simple;

(b) All future ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, sewage, irrigation and telephone;

(c) Any and all other elements and facilities in common use or necessary to the existence, upkeep and safety of the Project.

Limited Common Elements of Project

Certain parts of the common elements, herein referred to as the "limited common elements" are hereby designated and set aside for the exclusive use of one or more units, and such unit(s) shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved as follows:

(a) That certain land area upon and around which Units 1, 2, 3, 4 and 5 are located, shown and designated on the Condominium Map and the table below, are deemed a limited common element appurtenant to and for the exclusive use of each respective unit.

<u>Unit Number</u>	<u>Area of Limited Common Element</u>
1	1.965 acres
2	3.566 acres
3	5.020 acres
4	5.043 acres
5	1.585 acres

All costs of every kind pertaining to the aforesaid limited common elements, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne solely by the owner of the unit to which said limited common elements are appurtenant.

END OF EXHIBIT E

EXHIBIT F

Encumbrances Against Title

1. Real property taxes, a lien not yet due and payable. Check with the Kauai County Tax Assessor for further information.
  
2. -AS TO LOT 11-A ONLY:-
  - (A) Excepting and reserving the waters and all riparian and other rights in or to the stream passing over and across the land described herein, as excepted and reserved in Land Patent Grant No. 9493 dated May 21, 1928.
  
  - (B) Lack of a recorded easement over and across Tax Map Key 4-2-002-016 for ingress and egress.
  
  - (C) AGREEMENT

DATED : July 21, 1986  
RECORDED : Liber 19787 Page 626  
BY : VICTORIA L. AMICK, wife of Patrick J. Cooney  
WITH : COUNTY OF KAUAI PLANNING DEPARTMENT  
RE : FARM DWELLING
  
  - (D) MORTGAGE

MORTGAGOR : VICTORIA LEE AMICK, unmarried, and PATRICK COONEY, unmarried

MORTGAGEE : G. S. WEISS & ASSOCIATES, INC., PROFIT AND PENSION FUND

DATED : April 14, 1988  
RECORDED : Liber 21831 Page 249  
AMOUNT : \$150,000.00

(E) MORTGAGE

MORTGAGOR : VICTORIA LEE AMICK, unmarried, and PATRICK  
COONEY, unmarried

MORTGAGEE : T. JACK BENNINGTON, Trustee for the Beta  
Pacific Incorporated Employees Retirement Trust

DATED : April 14, 1989  
RECORDED : Liber 23079 Page 1  
AMOUNT : \$30,000.00

(F) AGREEMENT

DATED : March 29, 1989  
RECORDED : Liber 23215 Page 582  
BY : PATRICK COONEY  
WITH : DEPARTMENT OF WATER, COUNTY OF KAUAI  
RE : ELEVATION

3. -AS TO LOT 11-C ONLY:-

(A) GRANT

TO : CITIZENS UTILITIES COMPANY, a Delaware  
corporation, and GTE HAWAIIAN TELEPHONE  
COMPANY INCORPORATED

DATED : July 21, 1988  
RECORDED : Liber 22768 Page 488  
GRANTING : a perpetual right and easement to build,  
construct, reconstruct, rebuild, repair,  
maintain and operate pole and wire lines  
and/or underground lines, etc., for the  
transmission and distribution of electricity,  
etc.

(B) Any matters that a modern survey may reveal.

(E) MORTGAGE

MORTGAGOR : VICTORIA LEE AMICK, unmarried, and PATRICK  
COONEY, unmarried

MORTGAGEE : T. JACK BENNINGTON, Trustee for the Beta  
Pacific Incorporated Employees Retirement Trust

DATED : April 14, 1989  
RECORDED : Liber 23079 Page 1  
AMOUNT : \$30,000.00

(F) AGREEMENT

DATED : March 29, 1989  
RECORDED : Liber 23215 Page 582  
BY : PATRICK COONEY  
WITH : DEPARTMENT OF WATER, COUNTY OF KAUAI  
RE : ELEVATION

3. -AS TO LOT 11-C ONLY:-

(A) GRANT

TO : CITIZENS UTILITIES COMPANY, a Delaware  
corporation, and GTE HAWAIIAN TELEPHONE  
COMPANY INCORPORATED

DATED : July 21, 1988  
RECORDED : Liber 22768 Page 488  
GRANTING : a perpetual right and easement to build,  
construct, reconstruct, rebuild, repair,  
maintain and operate pole and wire lines  
and/or underground lines, etc., for the  
transmission and distribution of electricity,  
etc.

(B) Any matters that a modern survey may reveal.

4. 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 Condominium Property Regime dated September 11, 1989, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 23715 at Page 446, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1245.)
  
5. By-Laws of the Association of Apartment Owners of the Condominium Project known as "WAILUA RANCH CONDOMINIUM" dated September 11, 1989, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 23715 at Page 466, as the same may hereafter be amended.

END EXHIBIT F

EXHIBIT         G        

ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> x 12 months =	<u>Yearly Total</u>
All Units	27.94	335.28 per unit

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.



**EXHIBIT H**  
**SUMMARY OF SALES CONTRACT**

The Wailua Ranch Purchase Agreement, (the "contract") contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

1. The method of payment of the purchase price to the escrow agent, subject to other terms.

2. The purchase price does not include the closing costs, prorations and additional costs provided in other sections of the contract.

3. If at the time of execution of the contract, a final public report has not been issued, the contract is merely a reservation agreement and it may be cancelled at any time by either the Buyer or Seller.

4. The terms and conditions of the sale which include, among other provisions, the following:

(a) Buyer has received the Declaration of Horizontal Property Regime, Bylaws of the Association of Apartment Owners, form of Apartment Deed, and Escrow Agreement and acknowledges that he has had adequate opportunity to read those documents and to examine the project plans and accepts them with such changes and modifications as the project architect may deem necessary.

(b) Buyer agrees that all payments made will be placed on deposit with escrow pursuant to the terms of the Escrow Agreement.

(c) Risk of loss to the apartment and percentage interest in the common elements will be borne by Seller until the date of closing as defined in the contract. Buyer will not be entitled to possession of the apartment until the date of closing.

(d) Seller has reserved the right to make certain modifications to the Declaration, Bylaws, Residential Apartment Deed and other documents as may be required by law, a title insurance company, any institution, mortgagee or governmental agency.

(e) Until the Apartment Deed conveying title is delivered to Buyer, the Seller may exercise all of the powers of the Association and of the Buyer as a member thereof.

(f) After issuance of the Final Public Report and Buyer's waiver of its right to cancel under Hawaii Revised Statutes

Section 514A-62, Buyer shall have the right to rescind the contract only if there is a material change in the project which directly, substantially and adversely affects the use or value of Buyer's apartment or appurtenant limited common elements or those amenities of the project available for the Buyer's use subject to waiver by the Buyer pursuant to the terms set forth in the contract and Hawaii Revised Statutes Section 514A-63.

(g) Time is of the essence of the obligations of Buyer under the contract.

(h) Neither Seller nor any of its representatives has made any representations as to the rental income to be derived from the unit.

(i) Developer makes only those warranties regarding construction and appliances which are set forth in the contract.

(j) The contract shall not be construed as a present transfer of any interest in the property but it is an agreement to transfer in the future.

\* \* \* \* \*

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE CONTRACT. WHILE A BUYER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE BUYER'S RIGHTS AND OBLIGATIONS, THE BUYER MUST REFER TO THE BUYER'S CONTRACT TO DETERMINE THE BUYER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONTRACT, THE CONTRACT WILL CONTROL NOT THIS SUMMARY.

END OF EXHIBIT H

**EXHIBIT I**  
**SUMMARY OF ESCROW AGREEMENT**

The Escrow Agreement ("Agreement") between Title Guaranty Escrow Services, Inc. (the "Escrow") and PATRICK COONEY, VICTORIA AMICK, (the "Seller") contains, among other provisions the following (which may be modified or otherwise limited by provisions not summarized):

1. Whenever Seller enters into a sales contract for the sale of an apartment, Seller will require that payments due under the sales contract be made to Escrow and will deliver an executed copy of the sales contract to Escrow.

2. Escrow will receive payments under the sales contracts and sums received from any other source with respect to the project. Funds held under the Agreement will initially be deposited in an account for the project.

3. Escrow will release from the Trust Fund and disburse Buyer's funds at closing. No disbursements will be made from Buyer's fund until: (a) the Real Estate Commission has issued a Final Public Report on the project and forty-eight (48) hours have elapsed since Buyer's receipt of a copy of the Final Public Report; (b) Buyer has waived its right to cancel the sales contract; and (c) Seller has notified Escrow that all other requirements of Sections 514A-39 and 514A-63, Hawaii Revised Statutes, have been met. Where sales contracts are entered into Escrow will disburse funds upon presentation by Seller of Buyer's signed receipt for the Final Public Report and with notification by Seller that all of the requirements of Sections 514A-39 and 514A-63, Hawaii Revised Statutes, have been met. Escrow will call for payments by the Buyer upon receipt of notice from Seller that any payments are due under any sales contract.

4. Escrow will return deposited sums to the Buyer without interest if Seller gives Escrow written notice to return the funds to Buyer, or with respect to a Buyer whose funds were obtained before the issuance of a Final Public Report, Escrow receives from the Buyer a written request to cancel the sales contract or after issuance of the Final Public Report and Buyer's waiver of his right to cancel the sales contract in accordance with Section 514A-62, Hawaii Revised Statutes, there shall be any material change in the project which directly, substantially and adversely affects the use or value of the Buyer's apartment or appurtenant common elements or those amenities of the project available for Buyer's use, of a nature entitling the Buyer to cancel his sales contract

pursuant to Section 514A-63, Hawaii Revised Statutes. These funds shall be returned to Buyer less Escrow's cancellation fee, if any, any mortgagee's cancellation fee and all other costs incurred in connection with the Escrow, but in the aggregate shall not exceed \$250.00.

5. Escrow will arrange for and supervise the signing of all documents which are to be signed subsequent to an contemplated by the sales contract.

6. As Escrow's compensation for its performance under this Agreement, Escrow will receive \$300.00 for each apartment for which an apartment deed of the project is handled by Escrow and recorded in the Bureau of Conveyances of the State of Hawaii. Escrow will record all applicable documents. Title insurance will also cost an additional \$300.00.

\* \* \* \* \*

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE AGREEMENT. WHILE ONE CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE AGREEMENT, HE MUST REFER TO THE ACTUAL AGREEMENT TO DETERMINE THE RIGHTS AND OBLIGATIONS OF THE PARTIES. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE AGREEMENT, THE AGREEMENT WILL CONTROL AND NOT THIS SUMMARY.

END OF EXHIBIT I

TONY T. KUNIMURA  
MAYOR



TOM H. SHIGEMOTO  
Planning Director

ROLAND D. SAGUM, III  
Deputy Planning Director

Telephone (808)245-3919



COUNTY OF KAUAI  
PLANNING DEPARTMENT  
4280 RICE STREET  
LIHUE, KAUAI, HAWAII 96766

November 9, 1988

Ms. Linda Saito  
Real Estate Commission  
P. O. Box 3469  
Honolulu, Hawaii 96801

Subject: Comments on Condominium Report 1972  
Wailua Ranch at Kapaa, Kauai, Hawaii

Thank you for allowing us this opportunity to comment.

After reviewing the preliminary report, we have the following comments to offer:

1. The amount of limited common elements corresponds to the allowable unit density.
2. Relative to Item 7 Parking, we feel that each limited common element should have at least 2 parking stalls. Comprehensive Zoning Ordinance requirements require 2 parking stalls per dwelling unit.
3. There should be a disclaimer provision written in this and all ensuing condominium reports stating that approval of the report should not be construed to mean that all County Codes and Ordinances have been complied with. Subsequent development and use shall comply to all applicable County Codes and Ordinances. It should also be made clear that the Horizontal Property Regime (HPR) does not necessarily mean that all County requirements pertaining to subdivision of lands have been met. Therefore, such facilities that are normally associated with County approved subdivisions such as fire protection devices, street name and signage, street

**Exhibit J**

Ms. Linda Saito  
Page 2  
November 9, 1988

lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc. may not necessarily be provided for. Further services such as County street maintenance and trash collection will not be available for interior road/driveways.

4. Also of concern are the building rules wherein certain types of agricultural activities are rotated. While this is a private matter, it appears to detract from the uses permitted in Agriculture zoned lands.

Should you have any questions concerning this, please contact Keith Nitta of my staff at 245-3919.



TOM H. SHIGENOTO  
Planning Director

cc: Lorna Nishimitsu,  
County Attorney's Office

EXHIBIT K

RECORDATION REQUESTED BY:

Department of Water

AFTER RECORDATION, RETURN TO:

Department of Water  
P. O. Box 1706  
Lihue, HI 96766

RECEIVED  
BUREAU OF RECORDS  
Received for record on MAY 23 1989  
day of \_\_\_\_\_, A.D., 19\_\_\_\_  
at \_\_\_\_\_ 11:53 o'clock A.M. and  
recorded in Liber \_\_\_\_\_  
on Pages 587

RETURN BY: MAIL (X) PICKUP ( )

ELEVATION AGREEMENT

I (We), Patrick Cooney, being fully aware that my (our) property identified by TMK: 4-2-02-144 is situated at such an elevation that it cannot be assured of a dependable water supply or of adequate service, in consideration of connection with the distribution system of the DEPARTMENT OF WATER, COUNTY OF KAUAI, do hereby agree to abide by Part 2, Section IV of the Rules and Regulations of the DEPARTMENT OF WATER, COUNTY OF KAUAI, relating to elevation and to hold the said DEPARTMENT OF WATER, COUNTY OF KAUAI, harmless from any claim or suit for damages by reason of any inadequacy in the system or water supply.

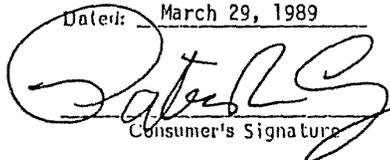
PART 2, SECTION IV  
ELEVATION AGREEMENT, PRESSURE CONTROLS

2. Where property is situated at such an elevation that it cannot be assured of a dependable supply or of adequate service from the Department's distribution system, the consumer, in consideration of connection with the Department's system, must agree to accept such water service as the Department is able to render from its existing facilities and to install, if necessary, and maintain at his expense a tank and pump of suitable design and of sufficient capacity to furnish an adequate and dependable supply of water. When required by the Department, the consumer shall install an air gap or other protective device between the consumer's supply pipe and the service connection. The consumer shall execute a written release in favor of the Department for all claims on account of any inadequacy in the Department's system or inadequacy of water supply to the consumer.

Dated: March 29, 1989

812-1

Account No.



Wailua Homesteads

Location

Consumer's Signature

6595 Puupilo Road, Kapaa

Consumer's Address

4-2-02-144

Tax Map Key

APPROVED:

ACCEPTED:

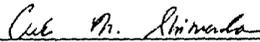
  
Manager and Chief Engineer  
Chairperson, Board of Water Supply

APPROVED AS TO FORM  
AND LEGALITY:

  
County Attorney

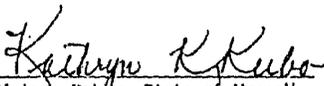
STATE OF HAWAII )  
                          ) ss.  
COUNTY OF KAUAI )

On this 3rd day of May, 1989, before me personally appeared  
PATRICK COONEY, to me known to be the person described in and who  
executed the foregoing instrument, and acknowledged that he/she executed the same as  
the free act and deed.

  
Notary Public, State of Hawaii  
My commission expires: 5/8/91

STATE OF HAWAII )  
                          ) ss.  
COUNTY OF KAUAI )

On this 19 day of May, 1989, before me appeared  
Charlotte S. Kani, to me personally known, who, being by me duly sworn, did  
say that he is the Chairperson of the BOARD OF WATER SUPPLY, COUNTY OF  
KAUAI, and that the foregoing instrument was signed on behalf of said Board by  
authority of said Board, and said \_\_\_\_\_ acknowledged said  
instrument to be the free act and deed of said Board, and that said Board has no  
corporate seal.

  
Notary Public, State of Hawaii  
My commission expires: 6/17/89

U1