



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

BREWER RIDGE CONDOMINIUM
 Wanaao Road
 Kapaa, Kawaihau, Kauai, Hawaii
 Registration No. 2084

Issued: June 15, 1990
 Expires: July 15, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of May 3, 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. This report also includes information submitted by the Kauai County Planning Department dated July 6, 1989.

Type of Report:

- PRELIMINARY:** (yellow) 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.
- FINAL:** (white) The developer has legally created a condominium and has filed complete information with the Commission.
- No prior reports have been issued
 Supersedes all prior public reports
 Must be read together with _____
-
- SUPPLEMENTARY:** (pink) Updates information contained in the
- 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.

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

[] Changes made are as follows:

```
*****
*   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   *
*   APPROPRIATE COUNTY AGENCIES 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. The dotted lines     *
*   on the Condominium Map (Exhibit A) are for       *
*   illustration purposes only.                       *
*   *                                                     *
*   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.                                       *
*   *                                                     *
*   THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY *
*   REVIEW THE DOCUMENTS FOR FURTHER INFORMATION WITH *
*   REGARD TO THE FOREGOING.                          *
*   *                                                     *
*****
```

TABLE OF CONTENTS

	page
Report Purpose	1
Type of Report	1
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Summary of the Condominium Project	5
I. PEOPLE CONNECTED WITH THE PROJECT	6
Developer	
Real Estate Sales Agent	Managing Agent
Escrow Company	Attorney for Developer
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	7
B. Condominium Map (File Plan)	7
C. Bylaws	7
D. House Rules	8
E. Changes to Condominium Documents	8
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	9
B. Underlying Land	10
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	14
E. Encumbrances Against Title	15
F. Management of the Common Elements	15
G. Maintenance Fees	16
H. Utility Charges	16
I. Construction Warranties	16
J. Status of Construction	17
K. Project Phases	17
L. Sales Documents Filed with the Real Estate Commission	17
IV. ADDITIONAL INFORMATION NOT COVERED ABOVE	18
Buyer's Right to Cancel Sales Contract	19
Signature of Real Estate Commission Chairman	20
EXHIBIT A: Condominium Map and Limited Common Element Locations	
EXHIBIT B: Elevations and Floor Plans for Structures	
EXHIBIT C: Schedule of Apartments and Common Interests	
EXHIBIT D: Declaration of Restrictive Covenants	
EXHIBIT E: Common Elements and Limited Common Elements of Project	
EXHIBIT F: Encumbrances Against Title	
EXHIBIT G: Estimate of Initial Maintenance Fees and Disbursements	
EXHIBIT H: Summary of Sales Contract	
EXHIBIT I: Summary of Escrow Agreement	
EXHIBIT J: County of Kauai Planning Department Letter	

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
- 3. High Rise (5 stories or more) Low Rise
- 4. Single or Multiple Buildings

5. Apartment Description

Apt. #	Quantity	BR/Bath	Net Living Area (sf)*	Storage Shed
1	1	0	0	64
2	1	0	0	64
3	1	0	0	64
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 3

**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</u> unit has ample parking area for parking within its limited common element, but shall have at least two stall areas at all times.	_____
Total Parking Stalls	_____

7. Recreational amenities:

NONE

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: MARK BREWER
Name
1481-A Wanaao
Business Address
Kapaa, HI 96746

Phone: (808) 822-0801
(Business)

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

Real Estate Sales Agent: PROSSER REALTY, INC.
Name Attn: Katy Lewi
4379 Rice Street
Business Address
Lihue, HI 96766

Phone: (808) 245-4711
(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)

Attorney for Developer: STEVEN R. LEE
Name
2959 Umi Street, Suite 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 23623 Page 348
 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. 1239
 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 23623 Page 365
 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> </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:

None

B. Underlying Land:

Address: 1481 Wanaao Road Tax Map Key: (4) 6-7-78
Kapaa, Kawaihau, Kauai, Hawaii (TMK)

[] Address [] TMK is expected to change because _____

Land Area: 6.93 [] square feet [X] acre(s) Zoning: Agricultural
and Open

Fee Owner: MARK RATCLIFF BREWER and MARY MARGARET BREWER
Name

1481-A Wanaao Road
Address

Kapaa, HI 96746

Sublessor: _____
Name

Address

C Buildings and Other Improvements:

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

2. Buildings: 3 Floors Per Building 1

[] Exhibit _____ contains further explanations.

3. Principal Construction Material:

[] Concrete [] Hollow Tile [X] Wood

[] Other _____

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
[] Commercial	_____	[] Industrial	_____
[] Residential	_____	[X] Agricultural	<u>3</u>
[] Timeshare/Hotel	_____	[] Recreational	_____
[X] Other: <u>See Page 18 for further explanation.</u>			<u>3</u>

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 Declaration of Restrictive Covenants 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 3

Elevators 0

Stairways 0

Trash Chutes 0

<u>Apt. #</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Storage Shed (sf)</u>
<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>64</u>
<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>64</u>
<u>3</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>64</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 Restrictive Covenants outlined in Exhibit D, each unit owner may place improvements where desired and subsequently relocate improvements, provided such improvements comply with the building and zoning requirements of the County of Kauai.

See explanatory and advisory letter from County of Kauai Planning Department attached as Exhibit J.

Permitted Alterations to Apartments;

As allowed by the Kauai County zoning ordinances and Restrictive Covenants (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: At least two (2) parking stall areas will be required in each limited common element.

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
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): N/A

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

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

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.

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 policy dated January 22, 1990 and issued by Title Guaranty of Hawaii, Inc.

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	If foreclosed, buyer's deposit will be refunded and contract will be cancelled.

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:

All construction is complete

K. Project Phases:

The developer has 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:

Notice to Owner Occupants

Specimen Sales Contract

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

Escrow Agreement dated May 30, 1989

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

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 to be allowed 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, a copy of the recorded Protective Covenants and Restrictions for BETTENCOURT PLANTATION ESTATES, KAPAA HOMESTEADS Subdivision. Among other things, the Protective Covenants and Restrictions 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. 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 BETTENCOURT PLANTATION ESTATES, KAPAA HOMESTEADS Subdivision Protective Covenants and Restrictions.

Except as limited specifically by the Declaration of Condominium Property Regime, the Bylaws and BETTENCOURT PLANTATION ESTATES, KAPAA HOMESTEADS Subdivision Protective Covenants and Restrictions, 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 Restrictions (Exhibit D), herein referenced. An agricultural residence may not be constructed unless the Unit Owner demonstrates to the County his ability to derive income 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.

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 insufficient utility capacities may thwart their expectations. Any unit desiring utilities may be required to provide them at individual expense if other owners do not desire utilities. 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 Declaration of Restrictive Covenants for Bettencourt Plantation Estates (Subdivision).

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. 2084 filed with the Real Estate Commission on September 27, 1989.

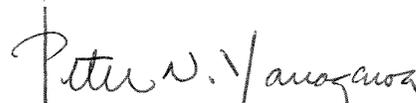
Reproduction of Report. When reproduced, this report must be on:

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

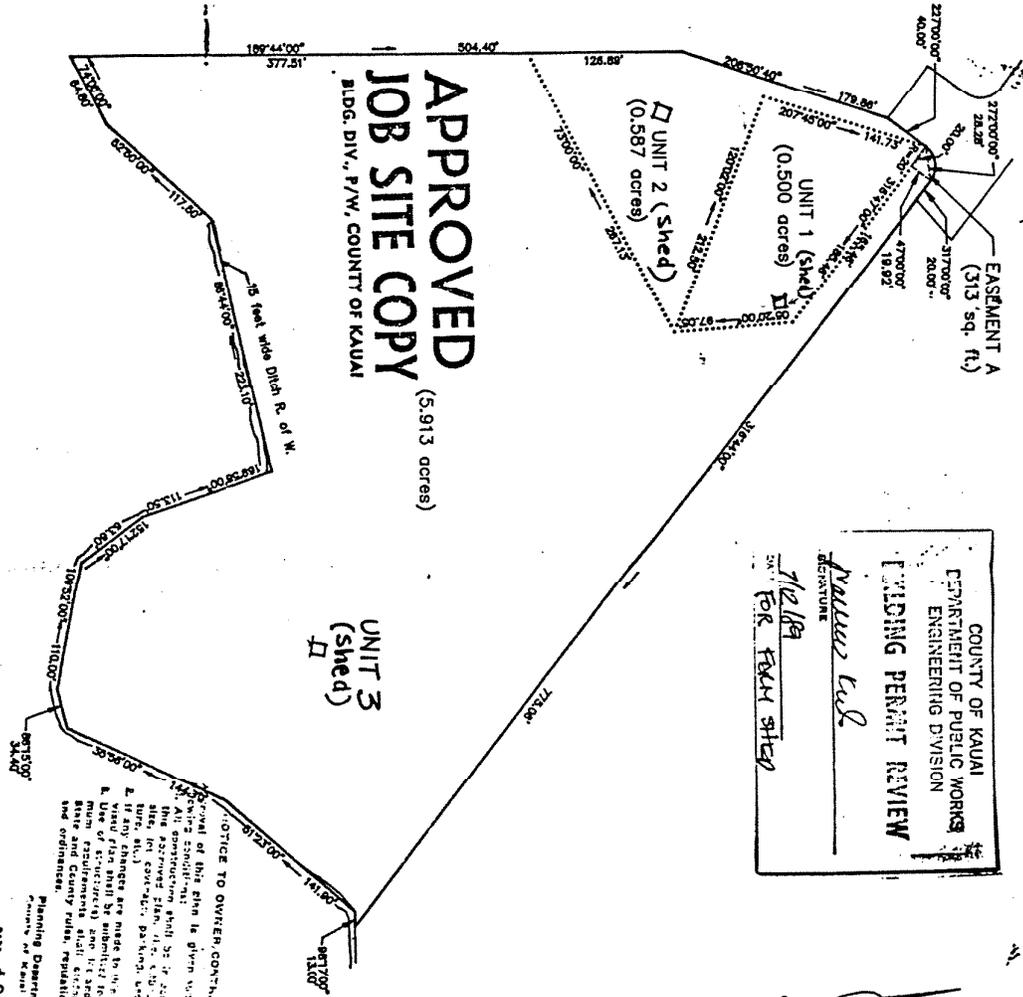
Planning Department, County of Kauai

Federal Housing Administration

Escrow Agent

EXHIBIT "A"
CONDOMINIUM MAP
AND LIMITED COMMON ELEMENTS

88-70



APPROVED
JOB SITE COPY
BLDG. DIV., P/W, COUNTY OF KAUAI
(5.913 acres)

COUNTY OF KAUAI
DEPARTMENT OF PUBLIC WORKS
ENGINEERING DIVISION
FIELDING PERMIT REVIEW
Mark Brewer
Signature
Date: 7/18/89
FOR FIELD SHEET

TRUE NORTH
SCALE 1"=100'



This work was prepared by me
or under my supervision

Wayne T. Wado
Signature
Eoaki Surveying &
Mapping, Inc.

STATE OF HAWAII
DEPARTMENT OF HEALTH
SANITATION BRANCH
Elihue, Kauai
HOUSING CODE REVIEW
W. H. H. H.
Aster
Date: 7/18/89

**BREWER RIDGE
AGRICULTURAL CONDOMINIUM
MAP SHOWING UNITS 1, 2 AND 3
AND EASEMENT A**
Being Lot 78-1 Portion of Lot 78
of Kopoa Homesteads 1st Series
Kopoa, Kowahau, Kaula, Howili
Tax Map Key: 4-6-07: 78
Owner: Mark Brewer
Date: May 23, 1989
Planning Department
County of Kauai
JUL 18 1989

NOTICE TO OWNER, CONTRACTOR, AND ADJACENT OWNERS:
Approval of this plan is given subject to the following conditions:
1. The construction shall be in accordance with the approved plan.
2. If any changes are made to this plan, the applicant shall submit a new plan to the Planning Department for review and approval.
3. Use of the property shall be limited to the purposes stated in the map key.
4. The applicant shall be responsible for obtaining all necessary permits from the State and County Health, Sanitation, Codes, and Ordinance Departments.

EXHIBIT B
Elevations and Floor
Plans for Structures

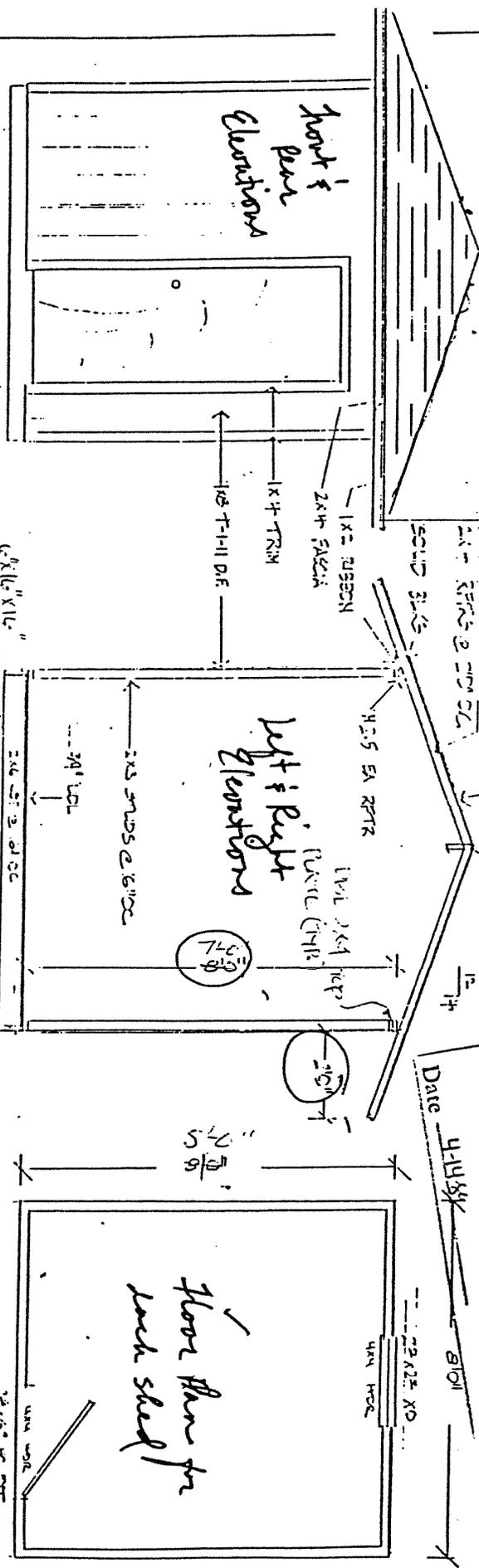
APPROVED
BLDG. DIV. P/W, COUNTY OF KAUAI

GABLE ROOF

20 YR FIBERGLASS SHINGLES

2X6 FIBRE RM ROOFING JOIST SYSTEM

STATE OF HAWAII
DEPARTMENT OF PLANNING
SANITATION BRANCH
1000 KANANI'OLE BLVD
HONOLULU, HAWAII
Date 4-14-84
Dona Kiyoko



EXT ELEVATION

NOTICE TO OWNER/CONTRACTOR

1. All construction shall be in accordance to this approved plan. (i.e. setbacks, height, size, lot 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 structure(s) and lot and all other.
4. All construction shall conform to all State and County rules, regulations, codes, and ordinances.

SECTION

TYPICAL STORAGE BLDG
Brewer Edge Condominium
For Mark Brewer

PLAN FOUR OR MORE
RISERS, PLUMBING
REQUIREMENTS

MAR 29 1989

Planning Department
County of Kauai

TM 4-1 7-70 1.4 70 5.1

1481-A Wanao Rd.
Kapaa, HI 96746

EXHIBIT C

**SCHEDULE OF APARTMENTS AND COMMON INTERESTS
FOR BREWER RIDGE CONDOMINIUM**

<u>Qty.</u>	<u>Apt. No.</u>	<u>Area of Limited Common Element</u>	<u>No. of BR/BATH</u>	<u>Appx Net Living Area (Sq. Ft.)</u>	<u>Appx Farm Shed Area (Sq. Ft.)</u>	<u>% of Common Int.</u>
1	1	0.500 AC	0	0	64	20
1	2	0.587 AC	0	0	64	20
1	3	05.913 AC	0	0	64	60

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 its farm structure in any manner he deems desirable, so long as it is permitted by law and the Declaration of Protective Covenants and Restrictions. 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. See Exhibit J for cautionary comments from the County of Kauai Planning Department.

END OF EXHIBIT C

DECLARATION OF RESTRICTIVE COVENANTS

EXHIBIT D

MASUOKA & HONG

AFTER RECREATION. FUTURE USE:

81-92965

PL 12: 16

18078 167

PL 12: 16

MASUOKA & HONG

P O BOX 1747

LIHUE, HAWAII 96766

RETURN BY: MAIL (X) PICKUP ()

DECLARATION OF RESTRICTIVE COVENANTS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, WILLIAM N. BETTENCOURT, husband of Gloria E. Bettencourt, HAROLD T. BETTENCOURT, husband of Betty G. Bettencourt, ALBERT BETTENCOURT, husband of Helen Bettencourt, and STEPHEN C. BETTENCOURT, husband of Carol Bettencourt, hereinafter called the "Declarants", are all of the owners and/or persons having any interest in Lots 78-A, through 78-G, inclusive, Bettencourt Plantation Estates, Kapaa Homesteads, First Series, Kapaa, Kawaihau, Kauai, Hawaii, being the resulting lots of that certain consolidation and resubdivision of Lot 78, with Lot D and a portion of Lot 79, Kapaa Homesteads, First Series, Kapaa, Kawaihau, Kauai, Hawaii, approved by the Planning Commission of the County of Kauai at its meeting on November 12, 1980; and

WHEREAS, Declarants desire to declare restrictive covenants regarding the use of Lots 78-A, 78-B, 78-C, 78-D, 78-E, and 78-F, excluding Lot 78-G which is a roadway lot, of said consolidation and resubdivision, to insure that the owners and occupants thereof will have a safe, pleasant, sanitary and quality environment,

NOW, THEREFORE, the Declarants do hereby declare the following restrictive covenants on the Lots 78-A, 78-B,

78-C, 78-D, 78-E, and 78-F of Bettencourt Plantation Estates, and that the sale, purchase, development, improvement and use of said Lots shall be subject to said restrictive covenants:

1. No construction of any improvements or any grading or disposal of soil, rubbish or other material which will impede or change the free flow of surface runoff water and of water in the various natural channels and water courses, shall be permitted unless first approved by the Department of Public Works of the County of Kauai.
2. All lots shall be grassed or otherwise planted for erosion control and kept from being overgrown with shrubs, bushes, trees and weeds.
3. All lots shall be kept free of rubbish, garbage, trash, debris, junk, wrecks, and inoperable vehicles, and no lot shall be used as a place for the storage, dumping or disposal of the same.
4. The lots shall only be used for dwelling purposes and such agricultural purposes which are not prohibited herein and that which are not now, may later become or permitted to become, noxious, offensive or a nuisance to others within the subdivision.
5. No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that cattle and horses may be kept so long as limited to one (1) head per acre of land used for pasture. Dogs, cats and other household pets may be kept, provided they are not kept in unusual numbers or bred or maintained for any commercial purpose. For purpose of this paragraph, pigs shall not be deemed to be a household pet and shall not in any number be kept, bred or maintained on any lot.
6. No dwelling erected on any lot shall exceed two (2) stories in height and no other structure, building or improvement of any kind or nature, excluding television or radio antennas, shall exceed one story in height.
7. No dwelling, structure, building or other improvement shall be moved onto, placed or maintained on any of the lots. All dwellings, buildings, structures and other improvements constructed on the lots shall be constructed entirely of new materials, and any dwelling constructed, excluding guest cottages permitted by the County of Kauai, shall have a floor area of not less than 1,200 square feet for a one (1) story dwelling, and 1,600 square feet for a two (2) story dwelling, excluding attached garages, carports, porches, decks and patios.
8. No "quonset", "A-Frame", or "Geodestic" type of dwelling, building or structure shall be constructed on any lot.
9. No metal storage or other metal structures will be permitted on any lot.

10. The roofs of all buildings, structures and dwelling constructed on the lots shall be surfaced with fiberglass tile, wood shingles or shakes, clay tile or their equivalent. Corrugated metal, plastic or fiberglass roofing material and the like are prohibited.
11. No individual water supply system, water tanks, or catch basins shall be permitted on any lot, except ponds or reservoirs are permitted so long as all applicable permits and licenses for the construction and use of the same are obtained from the appropriate governmental agencies.
12. No noxious, offensive or unlawful activity shall be carried on upon any lot nor shall anything be done thereon which is, or may become an annoyance or nuisance to the neighborhood.
13. In the event the subject matter of any restrictive covenant contained herein is governed or regulated or controlled by any law, rule or regulation of the United States of America, the State of Hawaii or County of Kauai or agency, commission or department thereof, the more restrictive of the covenant or law, rule or regulation shall control.
14. These covenants shall run with the land and shall be binding upon any and all persons having any interest in the lots from the date hereof until the first (1st) day of January, 1995, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument executed by a majority of the owners of the lots agreeing to cancel or change the covenants in whole or in part is recorded in the Bureau of Conveyances of the State of Hawaii or unless and until the land use, general plan and zoning designation of any lot is changed.
15. Any and all conveyances of any interest in any of the lots shall be subject to the restrictive covenants herein contained, and any and all instruments of conveyance, including but not limited to, deeds, mortgages, agreements of sale, assignments, and leases shall include the restrictive covenants herein contained. Provided that said inclusion in the instruments may be by reference.
16. Each and all of the foregoing covenants and restrictions shall run with the land, and jurisdiction may be taken in equity at suit of the Declarants or their respective heirs, executors, administrators, personal representatives, successors or assigns, or of any other then owner of any of said lots within the said subdivision, or by the County of Kauai, to restrict or prevent by injunction, mandatory or restraining, any violation of any the said covenants upon the part of the lot owners to be observed and performed, without prejudice to the right of the Declarants, or their respective executors, administrators, personal representatives, successors and assigns, or any other then owner, or the County of Kauai, to adopt or pursue any other remedy thereafter for the same breach or failure, or to take

any action to recover damages for any such breach or failure.

17. Invalidation of any of these covenants by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect for the period uforesaid.

IN WITNESS WHEREOF, the Declarants hereto have hereunto set their hands as of this 7th day of August 1984.

Alfred Victorino
WILLIAM M. BETTENCOURT,
HAROLD T. BETTENCOURT, and
STEPHEN C. BETTENCOURT, by
their Attorney-in-Fact,
Alfred Victorino

Albert Bettencourt
ALBERT BETTENCOURT

STATE OF HAWAII)
)SS.
COUNTY OF KAUAI)

On this 7th day of August, 1984, before me personally appeared ALFRED VICTORINO, to me known to be the person who executed the foregoing instrument in behalf of WILLIAM M. BETTENCOURT, HAROLD T. BETTENCOURT, and STEPHEN C. BETTENCOURT, as their Attorney-in-Fact, and acknowledged that he executed the same as the free act and deed of said WILLIAM M. BETTENCOURT, HAROLD T. BETTENCOURT, and STEPHEN C. BETTENCOURT.

Joe F. Lehman
Notary Public, Fifth Judicial
Circuit, State of Hawaii
My commission expires Sept 3, 1984

EXHIBIT E

Common Elements of the Project

The common elements of the project are:

- (a) Land in fee simple;
- (b) Access and utility Easement A;
- (c) 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, and 3 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	0.500 acres
2	0:587 acres
3	5.913 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 have been fully paid up to and including June 30, 1990.

-Note:- Attention is invited to the fact that the premises covered herein are classified and used for agriculture. Information regarding the possibility of roll-back taxes is pending.

2. Covenants, conditions and restrictions set forth in DECLARATION dated April 16, 1981, recorded in Liber 15491 at Page 651.

3. Covenants, conditions and restrictions set forth in DECLARATION dated August 7, 1984, recorded in Liber 18078 at Page 167.

4. MORTGAGE

MORTGAGOR : MARK RATCLIFF BREWER and MARY MARGARET BREWER,
husband and wife

MORTGAGEE : HAROLD BETTENCOURT, also known as HAROLD T.
BETTENCOURT, husband of Betty Bettencourt,
also known as Betty G. Bettencourt, WILLIAM
BETTENCOURT, also known as WILLIAM M.
BETTENCOURT, husband of Gloria Bettencourt,
also known as Gloria E. Bettencourt, and
STEPHEN C. BETTENCOURT, husband of Carol
Bettencourt, also known as Carol B. Bettencourt

DATED : December 14, 1987
RECORDED : Liber 21421 Page 361
AMOUNT : \$179,000.00

5. AGREEMENT

DATED : December 3, 1987
RECORDED : Liber 21460 Page 243
BY : MARK R. BREWER
WITH : COUNTY OF KAUAI PLANNING DEPARTMENT
RE : FARM DWELLING

6. AGREEMENT

DATED : September 1, 1988
RECORDED : Liber 22374 Page 324
BY : MARK R. BREWER and MARY M. BREWER
WITH : COUNTY OF KAUAI PLANNING DEPARTMENT
RE : FARM DWELLING

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 August 7, 1989, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 23623 at Page 348, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1239.)
8. By-Laws of the Association of Apartment Owners of the Condominium Project known as "BREWER RIDGE CONDOMINIUM" dated August 7, 1989, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 23623 at Page 365, as the same may hereafter be amended.

END OF 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 x 12 months =</u>	<u>Yearly Total</u>
Unit 1	\$22	\$264
Unit 2	\$22	\$264
Unit 3	\$66	\$792

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

 [] common elements only

 [] common elements
 and apartments

Gas

Refuse Collection

Telephone

Water and Sewer

10.00

120.00

Maintenance, Repairs and Supplies

Building

Grounds

40.00

480.00

Management

Management Fee

Payroll and Payroll Taxes

Office Expenses

10.00

120.00

Insurance

50.00

600.00

Reserves

Taxes and Government Assessments

Audit Fees

Other

TOTAL

110.00

1320.00

I, MARK BREWER

as developer for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Mark Brewer

Date: 1 June 90

EXHIBIT H
SUMMARY OF SALES CONTRACT

The BREWER RIDGE 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 Condominium 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, Agricultural 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 Mark Brewer, (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. Interest on all funds will be paid to Seller.

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 be less than \$25.00.

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

EXHIBIT J

County of Kauai Planning Department Letter

JOANN A. YUKIMURA
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

July 6, 1989

Mr. Calvin Kimura, Executive Secretary
Real Estate Commission
Professional and Vocational Licensing Division
Department of Commerce and Consumer Affairs
P. O. Box 3469
Honolulu, Hawaii 96801

Subject: Comments on Brewer Ridge Agricultural Condominium Report
Registration No. 2084 at Kapaa, Kauai, Hawaii
Tax Map Key: 4-6-07:78

After reviewing the subject document, we have the following comments to offer:

The amount of limited common elements as identified on Exhibit "C" does not correspond to the allowable unit density permitted by the CZO. The subject property is zoned Agriculture District (A) and Open District (O) and qualifies for two (2) units.

When applying for Zoning Permits with the Planning Department, the owners must be made aware that 75% of the owners, or their assignee, are required to sign the permit form(s). Should an assignee be designated, such assignee shall present proof of authorization from the 75% of the owners at the time a permit is applied for. This is a requirement because the Planning Department does not recognize the Condominium Report to be a legal subdivision of land.

The uses on the limited common elements shall be limited to those listed as permissible within the "A" Agricultural District in the State Land Use Commission Rules and Regulations. Farm dwellings on the lot shall mean a single-family dwelling located on and used in connection with a farm or where agricultural activity provides income to the family occupying the dwelling.

Mr. Calvin Kimura, Executive Secretary
Real Estate Commission
Page 2
July 6, 1989

The declaration of protective covenants states that certain types of animals are restricted. While this is a private matter, it appears to detract from the stated purpose of agricultural lands.

There should be a disclosure provision written into this and all ensuing condominium reports stating that approval of the report should not be misconstrued to mean that all County Codes and Ordinances have been complied with. Subsequent development and use shall comply with 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/improvements that are normally associated with County-approved subdivisions such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emerging traffic, drainage facilities, etc., may not necessarily be provided for. Further, such services as County street maintenance and trash collection will not be available for interior road/roadways.

Because there are more than one farm dwelling proposed/permitted, the landowners pursuant to the County Farm Dwelling Agreement, should be made aware that any dwelling(s) constructed after the first one will require an inspection of the property by the Planning Department to verify whether agricultural activities are being conducted on the property. If not, such permits to construct additional farm dwellings could be denied.

Should you have any questions, please feel free to contact Bryan Mamaclay of my staff at 245-3919.


TOM H. SHIGEMOTO
Planning Director

END OF EXHIBIT J