



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

**CONDOMINIUM PUBLIC REPORT**

ROLLING MEADOWS CONDOMINIUM

Kapaa, Kauai, Hawaii

Registration No. 2195

Issued: August 8, 1991  
 Expires: September 8, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of June 3, 1991, 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 03/21/90.  
Type of Report:

       **PRELIMINARY:**      The developer may not as yet have created the condominium but has filed with the  
*(yellow)*                      Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.

  X   **FINAL:**                The developer has legally created a condominium and has filed complete information  
*(white)*                      with the Commission.  
                                   [ ] No prior reports have been issued  
                                   [ X ] 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                      [X] 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 page 2a

\*\*\*\*\*  
\* **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 RESIDENTIAL 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 subdivi- \*  
\* sion requirements have been complied with. \*  
\* \* \* \* \*  
\* 2. This project does not involve the sale of individual sub- \*  
\* divided 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, enhanced \*  
\* water facilities, fire service, related services and trash \*  
\* collection will not be available for interior roads. \*  
\* \* \* \* \*  
\* 4. Read Exhibit I (Letter from County of Kauai) with care. \*  
\* \* \* \* \*  
\* 5. Developer/Owner is a licensed Real Estate broker in the \*  
\* State of Hawaii, acting on his own behalf. \*  
\* \* \* \* \*  
\* 6. Prior to construction of a dwelling, the unit owner will be \*  
\* required to enter into a Farm Dwelling Agreement with the \*  
\* County of Kauai. It provides, among other things, penalties \*  
\* (including fine and removal of structures) for failure to \*  
\* continue agricultural uses of the property in the project. \*  
\* Consult with appropriate Kauai County officials for further \*  
\* information. \*  
\* \* \* \* \*  
\* THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE \*  
\* DOCUMENTS FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING. \*  
\* \* \* \* \*  
\*\*\*\*\*

CHANGES FROM PRELIMINARY TO FINAL PUBLIC REPORT:

<u>Page</u>	<u>Description of Changes</u>
1.....	Change of Report from Preliminary to Final.
2.....	Special Notice Box changed to include more information
2a.....	Page added to clarify changes.
3.....	Exhibit Titles Changed for A through J.
5.....	Storage shed sizes changed to reflect what is built on the property.
7.....	Inserts recording information for condominium documents.
11.....	No Protective Covenants as Exhibit D.
12.....	Descriptions clarified in "Boundaries of Each Apartment".
15.....	Title Report updated.
16.....	Exhibit H now contains schedule of maintenance fees.
17.....	Construction status changed to show completion of improvements no later than 30 days after letter of credit expiry.
18.....	New page replaces 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 18 advises review of the Kauai County Planning Department letter, Ex. I, and that land use rules may change over time, possibly thwarting expectations.
	Exhibit B - changed to Summary of Sales Contract
	Exhibit C - changed shed size and percent of common interest
	Exhibit D - changed to Summary of Escrow Agreement
	Exhibit E - no change
	Exhibit F - updated information used
	Exhibit G - changed to the Disclosure Abstract
	Exhibit H - changed to the Maintenance Fees
	Exhibit I - Letter from the County of Kauai
	Exhibit J - List of limited partner of W. John S. Taylor & Co., Ltd.

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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.

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.

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.

### 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  Ohana  
 Mixed Residential and Commercial  Agricultural  
 Other \_\_\_\_\_
- 3.  High Rise (5 stories or more)  Low Rise
- 4.  Single or  Multiple Buildings
- 5. Apartment Description

<u>Apt. No.</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Storage Shed (s) Lanai/Patio (sf)</u>
A - M	13	0/0	0	48
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 13

*\*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)	<u>0</u>
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
Total Parking Stalls	<u>0</u>

**7. Recreational amenities:**

NONE

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: W. JOHN S. TAYLOR & CO., LTD., Phone: (808) 545-5943  
Name W. John S. Taylor, General Partner (Business)  
1212 Nuuanu Avenue  
Business Address  
Honolulu, HI 96817

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

See attached Exhibit J for list of owners.

Real Estate Broker: W. John S. Taylor dba Phone: (808) 545-5943  
SEAHORSE REAL ESTATE (Business)  
Name  
4614 Kilauea Avenue, #481  
Business Address  
Honolulu, HI 96816

Escrow: TITLE GUARANTY ESCROW SERVICES, INC. Phone: (808) 245-3381  
Name (Business)  
4414 Kukui Grove Street, Suite 104  
Business Address  
Lihue, HI 96766

General Contractor: N/A Phone: \_\_\_\_\_ (Business)  
Name  
Business Address  
\*\*Upon compliance with all applicable condominium management laws.

Condominium Managing Agent: \*\*Self-managed by Association of Phone: \_\_\_\_\_ (Business)  
Name Apartment Owners  
Business Address

Attorney for Developer: STEVEN R. LEE Phone: (808) 246-1101  
Name (Business)  
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 - Document No. 90-038504  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

Amended and Restated Declaration dated April 3, 1991 and recorded as Document No. 91-048213.

- 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. 1306  
 Filed - Land Court Condo Map No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

Amended Condominium File Plan simultaneously with Declaration.

- 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 - Document No. 90-038506  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

Amended and Restated Bylaws dated April 3, 1991, and recorded as Document No. 91-048214.

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:**

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules



For Subleaseholds:

- Buyer's sublease may be cancelled if the master lease between the sublessor and fee owner is  
 Cancelled       Foreclosed
- As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is cancelled or foreclosed.

**B. Underlying Land:**

Address: Kapaa, Kauai, Hawaii Tax Map Key: (4) 4-6-07:105, 61 ,  
(TMK) 107,62,63,4,104

Address       TMK      is expected to change because each unit has not yet been  
assigned an address.

Land Area: 49.938       square feet       acre(s)      Zoning: Agricultural

Fee Owner: W. JOHN S. TAYLOR & CO., LTD.,  
Name W. John S. Taylor, General Partner  
1212 Nuuanu Avenue  
Address  
Honolulu, HI 96817

Sublessor: \_\_\_\_\_  
Name  
\_\_\_\_\_  
Address  
\_\_\_\_\_

**C Buildings and Other Improvements:**

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

2. Buildings: 13      Floors Per Building 1  
 Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

- Concrete       Hollow Tile       Wood  
 Other \_\_\_\_\_

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
<input type="checkbox"/> Commercial	_____	_____	<input type="checkbox"/> Industrial	_____	_____
<input type="checkbox"/> Residential	_____	_____	<input checked="" type="checkbox"/> Agricultural	<u>13</u>	<u>yes</u>
<input type="checkbox"/> Timeshare/Hotel	_____	_____	<input type="checkbox"/> Recreational	_____	_____
<input type="checkbox"/> Other: <u>Please see page 18 for further explanation.</u>	_____	_____		_____	_____

Is/Are this/these use(s) specifically permitted by the project's declaration or bylaws?  
 Yes                       No

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: \_\_\_\_\_
- 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):

Elevators 0                      Stairways 0                      Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Storage Shed(s), Lanal/Patio (sf)</u>
<u>A - M</u>	<u>13</u>	<u>0/0</u>	<u>0</u>	<u>48</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 48

*\*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.

**Permitted Alterations to Apartments:**

As allowed by Kauai County zoning ordinances and recorded restrictions on the project, if any. Upon construction of each permanent improvement, an amendment to the Declaration of Condominium Property Regime and the Condominium Map (Exhibit A) will be required to disclose actual improvements as a matter of public record.

**7. Parking Stalls:**

Total Parking Stalls: 0

	<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)	_____	_____	_____	_____	_____	_____	<u>0</u>
Guest	_____	_____	_____	_____	_____	_____	_____
Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra Available for Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	_____	_____	_____	_____	_____	_____	_____
Total	_____	_____	_____	_____	_____	_____	_____
Covered & Open	<u>0</u>		<u>0</u>		<u>0</u>		

Each apartment will have the exclusive use of at least two (2) parking stall(s), when residential improvements are constructed. Buyer(s) 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  Storage Area

Recreation Area  Laundry Area

Tennis Court  Trash Chute

Other: \_\_\_\_\_

\_\_\_\_\_

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, if any.

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  April 26, 1991  and issued by  TITLE GUARANTY OF HAWAII, INC. .

Developer represents that since that date there have been no further encumbrances except for the First Amendment to Restated and Amended Declaration (see page 7).

**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.

Type of Lien

Effect on Buyer's Interest  
If Developer Defaults

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   H   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:

- Not applicable
- Electricity  Television Cable
- Gas  Water & Sewer
- Other \_\_\_\_\_

**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 all sheds will be completed on Rolling Meadows Condominium no less than thirty (30) days prior to expiration of letter of credit (dated February 20, 1991).

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     B     contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated February 5, 1990

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

Other Registration Forms

#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

This is a condominium project, not a subdivision. Therefore, units purchased are not subdivided lots. If a residence is not already built, 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.

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 and the processing of a farm dwelling agreement on agriculturally zoned parcels, 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 and the Bylaws. Except as limited specifically by the project documents of record, 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. In relation to specifically permitted uses of buildings and other improvements, structures shall only be occupied or used for agriculture, associated residential uses, and/or other uses permitted by law and the recorded project documents. An agricultural residence may not be constructed unless the Unit Owner demonstrates to the County his ability to derive income from his property, established and verified prior to any building permit approval.

Please see the advisory letter from the Kauai County Planning Department attached as Exhibit I.

A buyer should understand that development and use of the properties shall comply with all County Codes and Ordinances. If County of Kauai facilities are not already in place, the prospective purchaser is advised that owners in the project will not necessarily receive the same County benefits as owners of approved subdivided lots; owners who develop their properties later than others may find that land use and zoning changes or insufficient utility capacities may thwart their expectations. 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 on the prospective buyer. Sales made by the Developer may be binding on the Developer unless the Developer clearly states in the sales contract that sales 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, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is a part of Registration No. 2195 filed with the Real Estate Commission on  
February 26, 1990.

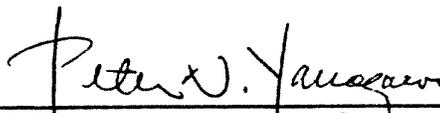
Reproduction of Report. When reproduced, this report must be on:

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

ROLLING MEADOWS CONDOMINIUM

# EXHIBIT A

## Rolling Meadow Condominium

MAP SHOWING

UNITS A THRU M, INCLUSIVE  
ALL BEING PORTIONS OF LOTS  
88-A-1, 86-D-1, 86-D-2, 86-E-1, 85-A-3-A, and 88-A-3  
PORTIONS OF HAUHI MEADOWS II  
AND

DESIGNATION OF EASEMENTS  
14 THRU 16, INCLUSIVE  
AT KAPAA HOMESTEADS, FIRST SERIES,  
KAPAA, MAUI, HAWAII

1:1000  
1" = 100' (Horizontal)  
1" = 20' (Vertical)  
November 14, 1988



*Handwritten signature*

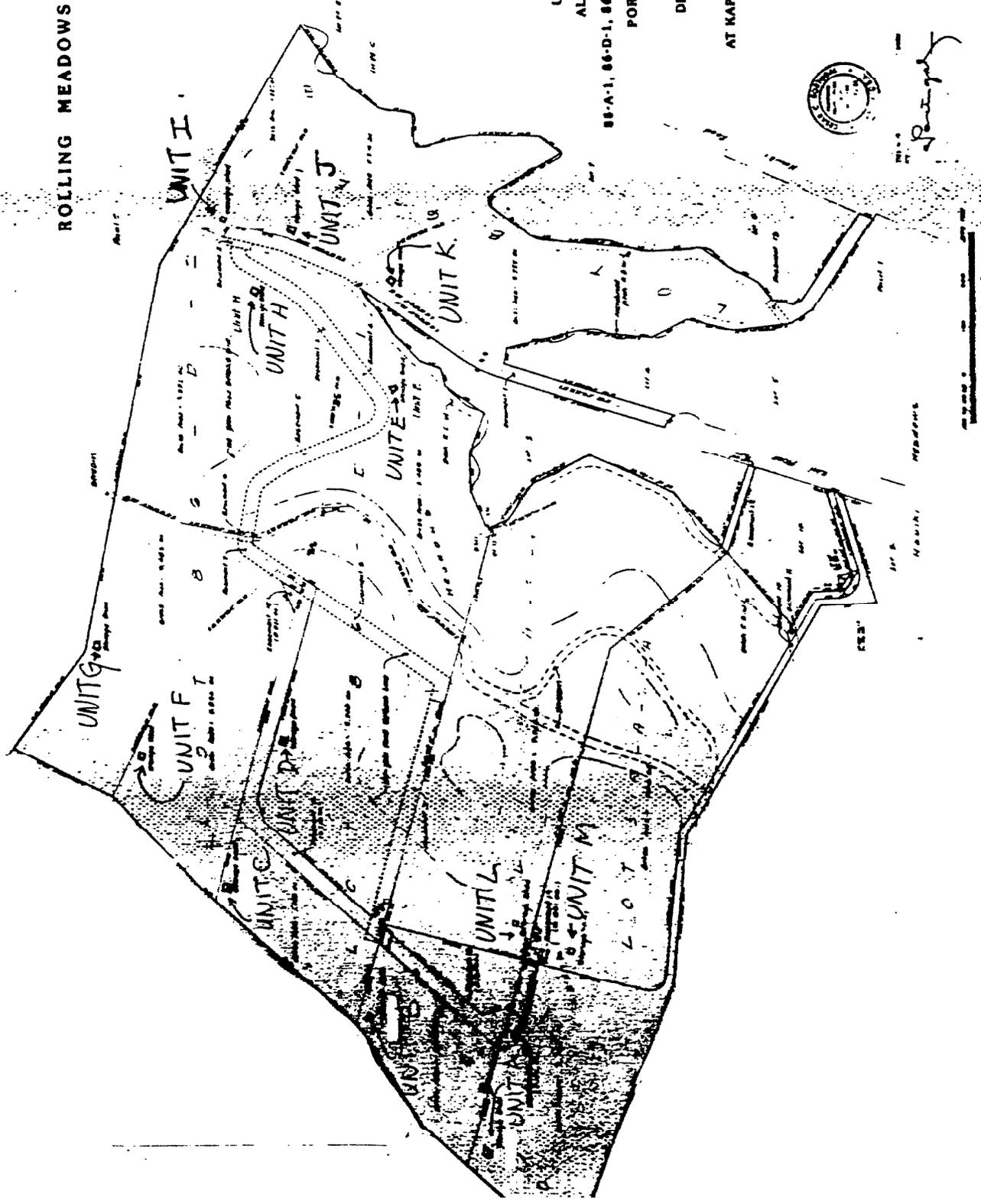


EXHIBIT B

SUMMARY OF SALES CONTRACT

The ROLLING MEADOWS 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) 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.

(e) 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.

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

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

(h) Developer makes no warranties of any kind.

(i) 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 B

EXHIBIT C

SCHEDULE OF APARTMENTS AND COMMON INTERESTS  
FOR ROLLING MEADOWS 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	A	3.765 AC	0	0	48	8
1	B	2.409 AC	0	0	48	7
1	C	1.446 AC	0	0	48	7
1	D	5.569 AC	0	0	48	8
1	E	3.486 AC	0	0	48	8
1	F	2.836 AC	0	0	48	8
1	G	3.483 AC	0	0	48	8
1	H	5.883 AC	0	0	48	8
1	I	1.225 AC	0	0	48	6
1	J	2.794 AC	0	0	48	8
1	K	3.755 AC	0	0	48	8
1	L	7.768 AC	0	0	48	8
1	M	5.519 AC	0	0	48	8

The common interest appurtenant to each unit shall be permanent. Subject to the zoning requirements and amendments of the Condominium Map and the Declaration of Condominium Property Regime, each unit owner may use his unit, alter or add to it in any manner he deems desirable, so long as it is permitted by law and the Declaration of Protective Covenants and Building Rules. 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 of Condominium Property Regime together with their respective signatures. See Exhibit I for cautionary comments from the County of Kauai Planning Department.

END OF EXHIBIT C

## EXHIBIT D

### SUMMARY OF PORTIONS OF ESCROW AGREEMENT

The Escrow Agreement ("Agreement") between Title Guaranty Escrow Services, Inc. (the "Escrow") and W. JOHN S. TAYLOR & CO., LTD., W. John S. Taylor, General Partner, (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 and 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, ONE 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 D

EXHIBIT E

COMMON ELEMENTS OF THE PROJECT

The common elements of the project are:

- (a) 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 A, B, C, D, E, F, G, H, I, J, K, L, and M 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>
A	3.765 AC
B	2.409 AC
C	1.446 AC
D	5.569 AC
E	3.486 AC
F	2.836 AC
G	3.483 AC
H	5.883 AC
I	1.225 AC
J	2.794 AC
K	3.755 AC
L	7.768 AC
M	5.519 AC

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. Six tax parcels comprise the project. Encumbrances noted are to tax parcels, not condominium units.
  
2. -AS TO PARCELS FIRST, SECOND AND SIXTH:-
  - (A) Excepting and reserving therefrom the ditches located within a portion of the land described herein and the necessary rights-of-way, as reserved in Land Patent (Grant) No. 7323, dated August 8, 1919.
  
  - (B) Covenants, conditions and restrictions set forth in instrument dated September 25, 1980, recorded in Liber 15049 at Page 394.
  
3. -AS TO PARCELS FIRST, SECOND, FOURTH AND FIFTH:-
  - (A) Any and all riparian and other rights in and to the Kainahola Stream and the waters thereof.
  
  - (B) 100-year flood setback line, as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.
  
4. -AS TO PARCELS FIRST AND SECOND:-
  - (A) A 30 feet wide access easement, as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.
  
  - (B) Designation of Easement "1", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.

(C) Declaration of Easement dated December 10, 1987, recorded in Liber 21421 at Page 259, by W. John S. Taylor & Co., Ltd., an Illinois partnership, granting a perpetual, non-exclusive easement for access and utility purposes (including water) over, across, under and through a portion of the land described herein, said easement area being designated as Easement "1", containing an area of 0.69 acre, and being more particularly described therein.

5. -AS TO PARCEL FIRST:-

(A) Designation of Easement "4", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.

(B) Designation of Easement "8", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.

(C) Designation of Easement "9", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.

6. -AS TO PARCEL SECOND:-

(A) Designation of Easement "2", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.

(B) Designation of Easement "3", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.

(C) Designation of Easement "5", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.

(D) Designation of Easement "7", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.

(E) Grant in favor of the State of Hawaii, by and through its Board of Land and Natural Resources, dated June 1, 1987, recorded in Liber 21278 at Page 382; granting a perpetual easement for access and utility purposes over, across, under and through a portion of the land described herein, said easement area being a ditch right-of-way containing an area of 5,627 square feet, more or less, and being more particularly described therein.

(F) Grant in favor of the State of Hawaii, by and through its Board of Land and Natural Resources, dated June 1, 1987, recorded in Liber 21278 at Page 389; granting an easement for a tunnel right-of-way over, under, across and through a portion of the land described herein, said right-of-way containing an area of 208 square feet, more or less, and being more particularly described therein.

(G) Grant in favor of W. John S. Taylor & Co., Ltd., an Illinois partnership, dated October 9, 1987, recorded in Liber 21278 at Page 403; granting a perpetual, non-exclusive easement for access and utility purposes over, across, under and through a portion of Kainahola Stream, being located within said Lot 86-D-2, said easement area being designated as Easement "D" (area 840 square feet), and being more particularly described therein.

7. -AS TO PARCEL THIRD:- Designation of Easement "10", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.

8. -AS TO PARCEL FOURTH:- Designation of Easement "11", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.

9. -AS TO PARCEL FIFTH:- Designation of Easement "12", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.
  
10. -AS TO PARCEL SIXTH:-
  - (A) Designation of Easement "13", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.
  
  - (B) Grant in favor of the State of Hawaii, by and through its Board of Land and Natural Resources, dated October 9, 1987, recorded in Liber 21278 at Page 377; granting a perpetual, non-exclusive easement for access purposes to a water gauging station related to the ditch right-of-way which traverses Lot 86-E-1, over, across, under and through a portion of said Lot 86-E-1, said easement area containing an area of 8,858 square feet, more or less, and being more particularly described therein.
  
11. -AS TO PARCELS THIRD, FOURTH, FIFTH AND SIXTH:- Grant in favor of W. John S. Taylor & Co., Ltd., an Illinois partnership, dated October 9, 1987, recorded in Liber 21278 at Page 395; granting perpetual, non-exclusive easements for access and utility purposes over, across, under and through a ditch right-of-way traversing Lots 85-A-1, 85-A-2, 85-A-3 and 86-E-1, said easement areas being designated as Easements "A" (area 692 square feet), "B" (area 264 square feet) and "C" (area 962 square feet), all being more particularly described therein.
  
12. 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 February 21, 1990, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 90-038505, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1306.)

RESTATED AND AMENDED DECLARATION OF CONDOMINIUM PROPERTY  
REGIME OF ROLLING MEADOWS CONDOMINIUM dated April 3, 1991,  
recorded as Document No. 91-048213.

Further amended by instrument dated May 22, 1991 and  
recorded as Document No. 91-065998.

13. By-Laws of the Association of Apartment Owners of the  
Condominium Project known as "ROLLING MEADOWS CONDOMINIUM"  
dated February 21, 1990, recorded in the Bureau of  
Conveyances of the State of Hawaii as Document No.  
90-038506, as the same may hereafter be amended.

AMENDED AND RESTATED BYLAWS OF ROLLING MEADOWS CONDOMINIUM  
dated April 3, 1991, recorded as Document No. 91-048214.

14. -AS TO PARCEL FOURTH AND FIFTH:-

(A) Lot 85-A-2 and Lot 85-A-3 were consolidated and  
resubdivided and are now known as Lot 85-A-2-A and  
Lot 85-A-3-A and the designation of Easement 9-A on Lot  
85-A-3-A, as approved by the Planning Commission of the  
County of Kauai on January 25, 1990.

(B) DECLARATION OF COVENANTS AND RESTRICTIONS dated March  
26, 1990, recorded as Document No. 90-043767.

(C) FIRST AMENDMENT TO RESTATED AND AMENDED DECLARATION  
OF CONDOMINIUM PROPERTY REGIME OF ROLLING MEADOWS  
CONDOMINIUM (Document No. 91-065998 dated May 22, 1991)  
reflecting said above consolidation and resubdivision  
with current legal descriptions of Lots 85-A-3-A,  
83-A-2-A, and Easement 9-A.

EXHIBIT G

DISCLOSURE ABSTRACT FOR  
ROLLING MEADOWS CONDOMINIUM

Pursuant to Hawaii Revised Statutes Section 514(A)-61, the developer of ROLLING MEADOWS Condominium makes the following disclosures:

1. The developer of the project is W. JOHN S. TAYLOR & CO., LTD., W. John S. Taylor, General Partner, 1212 Nuuanu Street, Honolulu, HI 96817, (808) 545-5943.

2. See Exhibit H for the projected annual maintenance fees. The developer hereby certifies that the estimations have been based on generally accepted accounting principles.

3. No warranty will apply to any individual agricultural unit. There are pre-existing structures on the property and no warranty will be made regarding the agricultural buildings.

4. No condominium units will be used for both hotel and residential use; these are condominium units in which residential use is permitted, but hotel use is not.

5. There will be no commercial use except those activities permitted by the Kauai County Comprehensive Zoning Ordinance.

W. JOHN S. TAYLOR & CO., LTD.

  
By: ~~W. John S. Taylor~~  
Its: General Partner

Dated: April 3, 1991

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RECEIPT

The undersigned has received a copy of the foregoing disclosure abstract with Exhibit H this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

Purchaser(s)

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EXHIBIT     H    

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>
Unit A	\$36.40                      \$436.80
Unit B	\$31.85                      \$382.20
Unit C	\$31.85                      \$382.20
Unit D	\$36.40                      \$436.80
Unit E	\$36.40                      \$436.80
Unit F	\$36.40                      \$436.80
Unit G	\$36.40                      \$436.80
Unit H	\$36.40                      \$436.80
Unit I	\$27.30                      \$327.60
Unit J	\$36.40                      \$436.80
Unit K	\$36.40                      \$436.80
Unit L	\$36.40                      \$436.80
Unit M	\$36.40                      \$436.80

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

**Maintenance, Repairs and Supplies**

Building Grounds	\$205.00	\$2,460.00
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**Management**

Management Fee	\$ 50.00	\$ 600.00
Payroll and Payroll Taxes		
Office Expenses		

Insurance	\$150.00	\$1,800.00
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Reserves	\$ 50.00	\$ 600.00
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**Taxes and Government Assessments**

Audit Fees

Other

<b>TOTAL</b>	<b>\$455.00</b>	<b>\$5,460.00</b>
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I/We, W. John S. Taylor, General Partner, 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.

  
Date: April 3, 1991

JOANN A. YUKIMURA  
MAYOR

EXHIBIT I



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

March 29 1990

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 Rolling Meadows Condominium Report  
Registration No. 2195 at Kapaa Homesteads, Kauai, Hawaii  
Tax Map Key: 4-6-07:61, 62, 63

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

The amount of limited common elements corresponds to the allowable unit density permitted by the CZO. The subject properties are zoned Agriculture District (A) and Open District (O) and qualify for the number of units as depicted on Exhibit "A" of the CPR report.

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.

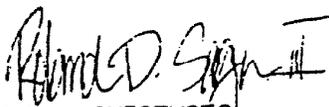
Mr. Calvin Kimura, Executive Secretary  
Real Estate Commission  
Page 2  
March 29, 1990

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.

  
X. TOM H. SHIGEMOTO  
Planning Director

END OF EXHIBIT I

EXHIBIT J

<u>Name</u>	<u>Address</u>	<u>Participation Contributed</u>	<u>Percentage Interest</u>
<u>GENERAL PARTNERS:</u>			
W. John S. Taylor	1516-2 Nehoa Street Honolulu, HI 96822 (808) 947-9105	\$ 33,333.	10%
<u>LIMITED PARTNERS:</u>			
Edward Chez, not indi- vidually but solely as Trustee of the Warwicks Trust	10 S. LaSalle Street Chicago, Illinois (312) 332-1912	7,500.	2.25%
Edward Chez, not indi- vidually but solely as Trustee of the Walsgrave Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not indi- vidually but solely as Trustee of the Lihue Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not indi- vidually but solely as Trustee of the Ellyn Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not indi- vidually but solely as Trustee of the Chicago Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not indi- vidually but solely as Trustee of the Kauai Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not indi- vidually but solely as Trustee of the Church Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not indi- vidually but solely as Trustee of the Revere Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not indi- vidually but solely as Trustee of the Bryant Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not indi- vidually but solely as Trustee of the Costa Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%

<u>Name</u>	<u>Address</u>	<u>Participation Contributed</u>	<u>Percentage Interest</u>
<u>LIMITED PARTNERS:</u> (Continued)			
Edward Chez, not individually but solely as Trustee of the Granview Trust	10 S. LaSalle Street Chicago, Illinois	\$ 7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Walnut Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Contra Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Ontario Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Malton Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Corbett Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Cox Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Gosford Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Glen Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Coventry Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%

<u>Name</u>	<u>Address</u>	<u>Participation Contributed</u>	<u>Percentage Interest</u>
<u>LIMITED PARTNERS:</u> (Continued)			
Edward Chez, not individually but solely as Trustee of the Keresley Trust	10 S. LaSalle Street Chicago, Illinois	\$ 7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Brownhill Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Largs Bay Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Henderson Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Gawcott Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Mellowden Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Stoka Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Buckingham Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Cologne Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Toronto Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%

<u>Name</u>	<u>Address</u>	<u>Participation Contributed</u>	<u>Percentage Interest</u>
<u>LIMITED PARTNERS:</u> (Continued)			
Edward Chez, not individually but solely as Trustee of the Aukland Trust	10 S. LaSalle Street Chicago, Illinois	\$ 7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Wilts Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Calne Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Shilton Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the London Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Binley Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Barnacle Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the St. Mark Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the San Fran Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
Edward Chez, not individually but solely as Trustee of the Sarnia Trust	10 S. LaSalle Street Chicago, Illinois	7,500.	2.25%
TOTAL		<u>\$333,333.</u>	<u>100.0%</u>