

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer W.J. TAYLOR ENTERPRISES, INC.
Address 1212 Nuuanu Avenue, #3911, Honolulu, Hawaii 96817

Project Name(*): ROLLING MEADOWS CONDOMINIUM
Address: Kini Place, Kapaa, Kauai, Hawaii

Registration No. 2195

Effective date: April 10, 1996

Expiration date: May 10, 1997

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

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

 FINAL: The developer has legally created a condominium and has filed complete information with the Commission.
(white)
 [] No prior reports have been issued.
 [] This report supersedes all prior public reports.
 [] This report must be read together with _____

 X SUPPLEMENTARY: This report updates information contained in the:
(pink)
 [X] Preliminary Public Report dated: 5-18-90
 [X] Final Public Report dated: 8-8-91
 [] Supplementary Public Report dated: _____

And [X] Supersedes all prior public reports
 [] Must be read together with _____
 [] This report reactivates the _____
 public report(s) which expired on _____

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report as Exhibit G. 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 developer.

Changes made are as follows: The public report format currently in use by the Real Estate Commission ("Commission") is different from that upon which the preliminary and final public reports for this project were presented. Although this supplementary report supersedes all prior public reports, if a prospective purchaser desires to compare the prior reports to the supplementary report, information contained on a specific page of the supplementary report will not coincide to the same page number in the prior reports. Therefore, it is suggested that the table of contents be referred to when making such comparisons. Although the Rolling Meadows condominium project consists of thirteen (13) units, this supplementary report is to be used in connection with the sale of only Units A, C, D, E, F, G, H, I, J, K and L. Units B and M have already been sold. Changes from the prior public reports include: (a) W. J. Taylor Enterprises, Inc. is successor to W. John S. Taylor, general partner of W. John S. Taylor & Co., Ltd., as the project developer; (b) First Choice Realty, Inc. has replaced Seahorse Real Estate as the real estate broker for the project; (c) developer has entered into a construction contract with Russell J. Rapozo to build the project apartments; (d) project house rules have been formally adopted; and (e) amendments have been made to the Amended and Restated Declaration of Condominium Property Regime, Amended Condominium Map and Amended and Restated Bylaws. The amendments: (1) change the former access and utility easement to an access and utility common element, thus reducing the sizes of the limited common element areas appurtenant to the units; (2) reduce the size of the proposed apartments; (3) establish a common grazing program for the project; (4) designate new easements; (5) provide for the construction of guest houses; (6) prohibit the construction of o'hana or additional dwelling units; (7) implement provisions for County water service at the request of the Department of Water; and (8) establish the number of directors to serve on the initial board of directors.

* * * * *

* **SPECIAL NOTICE:** *

* THERE ARE COUNTY RESTRICTIONS ON THE NUMBER OF DWELLING UNITS, OR *

* OTHER STRUCTURES, WHICH MAY BE BUILT UPON THE PROPERTY. THEREFORE, *

* UNLESS THE PURCHASER IS PURCHASING AN EXISTING DWELLING, THERE IS NO *

* ASSURANCE THAT THE PURCHASER WILL BE ABLE TO BUILD A DWELLING UNIT *

* ON THE PROPERTY. THERE ALSO IS NO ASSURANCE THAT THE PURCHASER WILL *

* BE ABLE TO CONVERT AN EXISTING NON-RESIDENTIAL STRUCTURE TO *

* RESIDENTIAL USE. THE PURCHASER SHOULD CONSULT WITH THE APPROPRIATE *

* COUNTY AGENCIES TO DETERMINE WHETHER THE PURCHASER MAY BUILD A *

* DWELLING UNIT, OR ANY OTHER TYPE OF STRUCTURE, UPON THE PROPERTY. *

* 1. This Public Report does not constitute an approval of the *

* project by the Real Estate Commission, or any other government *

* agency, 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 land area beneath and immediately adjacent to each *

* unit as shown on the Condominium Map is designated as a limited *

* common element for that unit and does not represent a legally *

* subdivided lot. The dotted lines on the Condominium Map merely *

* represent the location of the limited common element assigned to *

* each unit. *

* 3. Facilities and improvements normally associated with County *

* approved subdivisions, such as fire protection devices, County *

* street lighting, electricity, upgraded water facilities, *

* improved access for owner and emergency traffic, drainage *

* facilities, etc., may not necessarily be provided for and *

* services such as County street maintenance and trash collection *

* will not be available for interior roads and driveways. *

* THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE *

* DOCUMENTS FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING. *

* * * * *

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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 the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

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 owners/tenants) 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 at the lessee's expense. 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 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 project's 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 the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the 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 important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: W.J. TAYLOR ENTERPRISES, INC. Phone: (808) 545-5943
Name (Business)
1212 Nuuanu Avenue #3911
Business Address
Honolulu, Hawaii 96817

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

W. John S. Taylor, President, Vice President, Secretary
and Treasurer

Real Estate Broker: FIRST CHOICE REALTY, INC. Phone: (808) 822-5850
Name (Business)
4-356A Kuhio Highway
Business Address
Kapaa, Hawaii 96746

Escrow: TITLE GUARANTY ESCROW SERVICES, Phone: (808) 245-3381
Name INC. (Business)
4414 Kukui Grove Street, Suite 204
Business Address
Lihue, Hawaii 96766

General Contractor: RUSSELL J. RAPOZO Phone: (808) 822-5978
Name (Business)
P. O. Box 862
Business Address
Kapaa, Hawaii 96746

Condominium Managing Agent: Self-managed by the Association of Apartment Owners. Phone: _____
Name (Business)

Business Address

Attorney for Developer: STEVEN R. LEE, ESQ. Phone: (808) 246-1101
Name (Business)
4473 Pahe'e Street, Suite L
Business Address
Lihue, Hawaii 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. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and 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.

- 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. _____

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]: Restated and Amended Declaration dated April 3, 1991, recorded as Document No. 91-048213; First Amendment to Amended and Restated Declaration dated May 22, 1991, recorded as Document No. 91-065998; Second Amendment dated December 11, 1995, recorded as Document No. 96-011681.

- 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 Conveyances Condo Map No. 1306

Filed - Land Court Condo Map No. _____

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]: Amended Condominium File Plan filed simultaneously with Restated and Amended Declaration; Amended Condominium Map filed simultaneously with Second Amendment.

- 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 manner in which meetings will be conducted, whether pets are prohibited or allowed 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. _____

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]: Restated and Amended Bylaws dated April 3, 1991, recorded as Document No. 91-048214; First Amendment to Amended and Restated Bylaws dated January 23, 1996, recorded as Document No. 96-011682.

D. House Rules. The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. 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>80%</u>

* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

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:

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per Month Year

For Subleaseholds:

Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 Canceled 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 canceled or foreclosed.

- Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per Month Year

[] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

(4) 4-6-007-004, 61
62, 63, 104, 105,
112, 113, 114, 115,
116, 117 and 118

B. Underlying Land:

Address: Kini Place Tax Map Key: _____
Kapaa, Kauai, Hawaii (TMK)

[X] Address [] TMK is expected to change because each unit is entitled to receive its own designation.

Land Area: 49.939 [] square feet [X] acre(s) Zoning: Agricultural

Fee Owner : W. JOHN S. TAYLOR & CO., LTD.
 Name
1212 Nuuanu Avenue #3911
 Address
Honolulu, Hawaii 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. Number of 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</u>	<u>Use Permitted</u>		<u>No. of</u>	<u>Use Determined</u>
	<u>Apts.</u>	<u>By Zoning</u>		<u>Apts.</u>	<u>By Zoning</u>
<input type="checkbox"/> Residential	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Ohana	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Industrial	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Agricultural	<u>13</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Recreational	___	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	___	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other: _____	___	<input type="checkbox"/> Yes <input type="checkbox"/> No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?

Yes No

5. Special Use Restrictions:

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

The following animals are not permitted within the project: bulls,
 Pets: pit bull or pit bull mixed dogs, more than one pig, roosters, more than three dogs of permitted varieties and peafowl.

Number of Occupants: _____
 Special use restrictions are as contained in the Declaration of _____

Other: Protective Covenants and House Rules, a summary of which is attached hereto as Exhibit J.

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>Lanai/Patio (sf)</u>	<u>Storage Shed</u>
<u>A - M</u>	<u>1</u>	<u>0/0</u>	<u>0</u>	<u>0</u>	<u>16</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

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.

Boundaries of Each Apartment:

Per Article II of the Second Amendment to Amended and Restated Declaration of Condominium Property Regime, the boundaries of each apartment shall be the outer surface of the entire building. Wire or conduits, pipes or any utility lines running over, under or through any apartment which serve more than one unit shall not be deemed as part of the apartment, the same being deemed common elements.

Permitted Alterations to Apartments:

Permitted alterations to apartments are as allowed by County of Kauai zoning ordinances and the recorded restrictions on the project. Upon construction of each permanent improvement, an amendment to the Restated and Amended Declaration of Condominium Property Regime and Amended 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 each unit)	_____	_____	_____	_____	_____	_____	_____
Guest Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra for Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	_____	_____	_____	_____	_____	_____	_____
Total Covered & Open	_____	_____	_____	_____	_____	_____	_____

*There are no designated parking stalls. However, there is ample area within each unit's limited common element for parking.

Each apartment will have the exclusive use of at least 0* 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 Storage Area Recreation Area
- Laundry Area Tennis Court Trash Chute
- Other: _____

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

- There are no violations. Violations will not be cured.
- Violations and cost to cure are listed below. Violations will be cured by _____

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations
(For conversions of residential apartments in existence for at least five years): N/A

11. 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 other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit E .

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 use them, as described in the Declaration, are:

described in Exhibit E.

as follows: The portion of the 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.

NOTE: Land areas referenced herein are not legally subdivided lots.

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 used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibits C and G.

as follows:

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit F describes the encumbrances against the title contained in the title report dated 2-12-96 and issued by TITLE GUARANTY OF HAWAII, INCORPORATED. (Revised 3-19-96)

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien 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.

- [X] 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. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
---------------------	---

F. 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 .

G. Status of Construction and Estimated Completion Date:

The estimated date of completion is on or before March 1, 1996.

H. Project Phases:

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

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

V. MISCELLANEOUS

A. 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 agreement.
- Other Specimen Apartment Deed

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

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 or Supplementary Report to a Final Report: Sales made by the developer are binding if:

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

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND
- B) 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.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners, as amended.
- D) House Rules.
- E) Condominium Map, as amended.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other _____

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 Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 2195 filed with the Real Estate Commission on 2-26-90.

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

[] yellow paper stock [] white paper stock [X] pink paper stock

C. 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 the contents of this Report, especially Exhibit J, which contains information about the restrictive covenants applicable to the project. Among other things, the restrictive covenants govern land use, building type and materials, animals, cultivation of crops and maintenance of your unit. You should also conduct your own investigations and ascertain the validity of information provided.

County of Kauai ordinances require, in order to process the necessary permits for construction and for 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, 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. A farm dwelling may not be constructed unless the unit owner demonstrates to the County his ability to derive income from his property and, after one residence is completed on the project, agricultural use must be established and verified prior to any building permit approval.

A buyer should understand that development and use of the property shall be in compliance 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.

The sheds designated as the "apartments" for this project were not constructed as of the date of the recording of the Second Amendment to Amended and Restated Declaration of Condominium Property Regime. The developer has submitted an irrevocable standby letter of credit to the Real Estate Commission in an amount equal to the cost of constructing the sheds. A prospective purchaser should confirm the status of construction prior to entering into a contract to purchase a unit in the project.

Pursuant to Sections 16-99-3(g) and 16-99-11(d), Hawaii Administrative Rules ("HAR"), prospective purchasers are also advised that W. John S. Taylor (RB-13620), the President of W.J. Taylor Enterprises, Inc., developer of the Rolling Meadows condominium project, is a current and inactive Hawaii-licensed real estate broker. Further, pursuant to Section 16-99-11(c), HAR, "(n)o licensee shall advertise 'For Sale by Owner, . . .'"

D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of developer's knowledge, information and belief, true, correct and complete.

W.J. TAYLOR ENTERPRISES, INC.

By:



W. JOHN S. TAYLOR
Its President

Date:

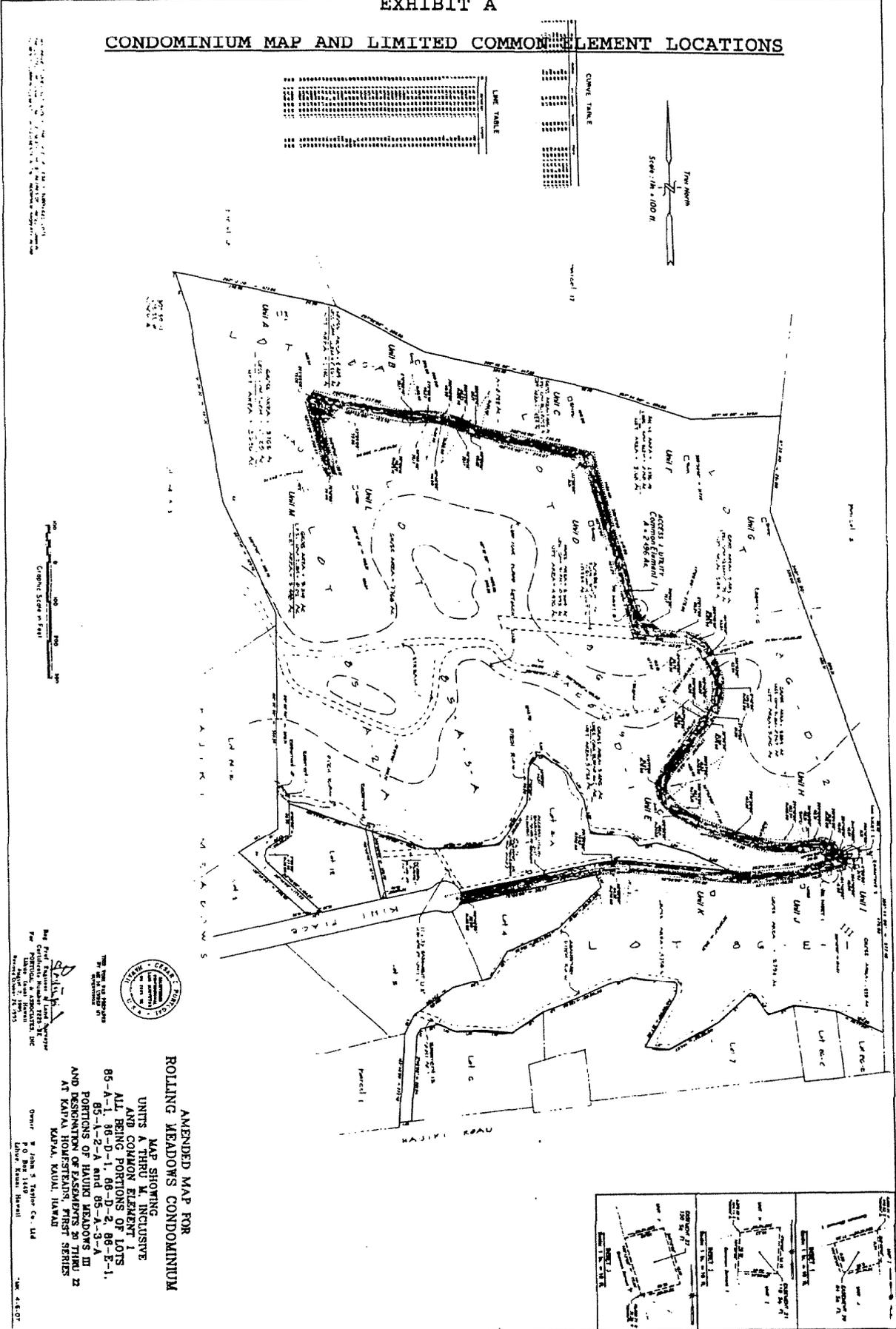
Dec 11 1995

Distribution:

Department of Finance, County of Kauai
Planning Department, County of Kauai
Federal Housing Administration

EXHIBIT A

CONDOMINIUM MAP AND LIMITED COMMON ELEMENT LOCATIONS

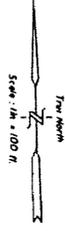


LIMIT TABLE

UNIT	AREA	AREA	AREA	AREA
UNIT A	100	100	100	100
UNIT B	100	100	100	100
UNIT C	100	100	100	100
UNIT D	100	100	100	100
UNIT E	100	100	100	100
UNIT F	100	100	100	100
UNIT G	100	100	100	100
UNIT H	100	100	100	100
UNIT I	100	100	100	100
UNIT J	100	100	100	100
UNIT K	100	100	100	100
UNIT L	100	100	100	100
UNIT M	100	100	100	100
UNIT N	100	100	100	100
UNIT O	100	100	100	100
UNIT P	100	100	100	100
UNIT Q	100	100	100	100
UNIT R	100	100	100	100
UNIT S	100	100	100	100
UNIT T	100	100	100	100
UNIT U	100	100	100	100
UNIT V	100	100	100	100
UNIT W	100	100	100	100
UNIT X	100	100	100	100
UNIT Y	100	100	100	100
UNIT Z	100	100	100	100

COMMON TABLE

COMMON ELEMENT	AREA	AREA	AREA	AREA
COMMON ELEMENT 1	100	100	100	100
COMMON ELEMENT 2	100	100	100	100
COMMON ELEMENT 3	100	100	100	100
COMMON ELEMENT 4	100	100	100	100
COMMON ELEMENT 5	100	100	100	100
COMMON ELEMENT 6	100	100	100	100
COMMON ELEMENT 7	100	100	100	100
COMMON ELEMENT 8	100	100	100	100
COMMON ELEMENT 9	100	100	100	100
COMMON ELEMENT 10	100	100	100	100
COMMON ELEMENT 11	100	100	100	100
COMMON ELEMENT 12	100	100	100	100
COMMON ELEMENT 13	100	100	100	100
COMMON ELEMENT 14	100	100	100	100
COMMON ELEMENT 15	100	100	100	100
COMMON ELEMENT 16	100	100	100	100
COMMON ELEMENT 17	100	100	100	100
COMMON ELEMENT 18	100	100	100	100
COMMON ELEMENT 19	100	100	100	100
COMMON ELEMENT 20	100	100	100	100



Map Prepared by
 Green & Green Engineers, Inc.
 1000 Kalia Road, Suite 1000
 Honolulu, Hawaii 96813
 Tel: (808) 551-1234
 Fax: (808) 551-5678

AMENDED MAP FOR
 ROLLING MEADOWS CONDOMINIUM
 MAP SHOWING
 UNITS A THRU M, INCLUSIVE
 AND COMMON ELEMENT 1
 ALL BEING PORTIONS OF LOTS
 85-A-1, 86-D-1, 86-D-2, 86-E-1,
 85-A-2-A and 85-A-3-A
 PORTIONS OF HAUKI MEADOWS III
 AND RESIGNMENT OF EASEMENTS TO THIRD Z
 AT KAPAA, HONOLULU, HAWAII

Owner: 2, John S. Taylor Co., Ltd.
 P.O. Box 1149
 Kaneohe, Hawaii

DATE: 4-18-07

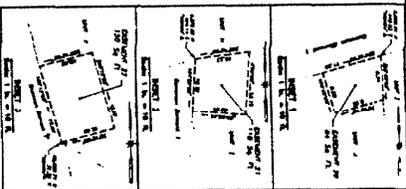


EXHIBIT B

SUMMARY OF SALES CONTRACT

The ROLLING MEADOWS Sales Contract and Receipt (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 closing date for the purchase.

3. Whether, at the time of execution of the contract, an effective date for a final public report has been issued.

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

(a) That Purchaser will receive a copy of the final public report for the project.

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

(c) Seller has a right to extend the closing date by 31 days or by 31 days after the public report effective date is issued, whichever is later.

(d) After issuance of the Final Public Report effective date and Buyer's waiver of its right to cancel under Hawaii Revised Statutes Section 514A-62, Purchaser shall not have the right to rescind the contract.

(e) Purchaser has received a copy of the Escrow Agreement for the Project.

(f) If Purchaser defaults, Seller may cancel the contract or bring legal action against Purchaser to force sale, obtain money damages, or retain Purchaser's deposit money held in escrow.

(g) The unit the Purchaser is purchasing will be shown on a condominium map prior to closing and will have the right to cancel if it is different from that shown on the Exhibit A.

(h) That a deed conveying clear title will be given at closing, subject to certain obligations.

(i) The Purchaser agrees to give future easements if reasonably required for the project.

(j) The Purchaser will accept the Unit "AS-IS". Purchaser assumes all risks regarding any potential hazardous materials on the condo property or property adjoining or in the vicinity, including liability for suits by third parties. Seller is, however, unaware of any such materials, chemicals or conditions on the property.

(k) The payment of commissions, if any, is set out in the contract.

(l) Time is of the essence of the obligations of Purchaser under the contract.

SPECIAL NOTICE: THE FOREGOING SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE CONTRACT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE PURCHASER'S RIGHTS AND OBLIGATIONS, THE PURCHASER MUST REFER TO THE PURCHASER'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

Qty.	Unit No.	Area of Limited Common Element* (Acres)	No. of Br./Bath	Appx. Net Living Area (Sq. Ft.)	Appx. Storage Shed Area (Sq. Ft.)	% of Common Int.
1	A	3.636	0/0	0	16	8%
1	B	2.146	0/0	0	16	7%
1	C	1.424	0/0	0	16	7%
1	D	4.976	0/0	0	16	8%
1	E	3.024	0/0	0	16	8%
1	F	2.768	0/0	0	16	8%
1	G	3.411	0/0	0	16	8%
1	H	5.016	0/0	0	16	8%
1	I	1.225	0/0	0	16	6%
1	J	2.794	0/0	0	16	8%
1	K	3.755	0/0	0	16	8%
1	L	7.768	0/0	0	16	8%
1	M	5.498	0/0	0	16	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 House Rules, if any. 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.

*Note: Land areas referenced herein are not legally subdivided lots.

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., (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 contract 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, unless: (a) Buyer has elected within seven days of signing the sales contract to cancel and receive all funds paid, without deduction; or (b) the Real Estate Commission has not issued an effective date for a Final Public Report on the project or the requirements of the sales contract have not been met; or (c) Seller has not satisfied Escrow that all other requirements of Hawaii Revised Statutes have been met.

4. Escrow will return deposited sums to the Buyer without interest if Seller and Buyer give Escrow written notice to return the funds to Buyer, if there is a right to cancellation and refund of monies under the sales contract or otherwise. If there is a cancellation under the seven-day right, no fees will be charged Buyer. Thereafter, in the event of a cancellation as a matter of agreement or right, Buyer's funds shall be returned to Buyer less Escrow's cancellation fee, if any, and all other costs incurred in connection with the Escrow, not 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 its schedule rate 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. The cost of title insurance will be an additional amount, based upon schedule rate.

SPECIAL NOTICE: 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) the land in fee simple;
- (b) the 2.498 acre common access and utility element shown on the Amended Condominium Map;
- (c) all commonly used present or future ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, sewage, irrigation and telephone;
- (d) any and all other elements and facilities in common use or necessary to the Project.

LIMITED COMMON ELEMENTS OF THE PROJECT

Certain parts of the common elements, referred to as the "limited common elements", have been designated and set aside for the exclusive use of one or more units, and such unit(s) have appurtenant exclusive easements for the use of such limited common elements. The limited common elements set aside, reserved and deemed a limited common element appurtenant to and for the exclusive use of each respective unit are:

(a) those certain land areas upon and around which Units 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 13 are located, shown and designated on the Amended Condominium Map and the table below:

<u>Unit Number</u>	<u>Area of Limited Common Element*</u>
A	3.636 acres
B	2.146 acres
C	1.424 acres
D	4.976 acres
E	3.024 acres
F	2.768 acres
G	3.411 acres
H	5.016 acres
I	1.225 acres
J	2.794 acres
K	3.755 acres
L	7.768 acres
M	5.498 acres

***Note: Land areas referenced herein are not legally subdivided lots.**

(b) the existing perimeter fencing abutting a unit is deemed a limited common element appurtenant to and for the exclusive use of each respective unit. A prospective purchaser should refer to Section IV of the Second Amendment to Amended and Restated Declaration of Condominium Property Regime for additional information regarding the fencing and a common grazing program for the Project.

END OF EXHIBIT E

EXHIBIT F

ENCUMBRANCES AGAINST TITLE

1. Real Property Taxes. Check with the County of Kauai, Department of Finance, Real Property Tax Division, for detailed information.
2. -AS TO LOTS 86-D-1, 86-D-2 AND 86-E-1:
 - (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 Number 7323 dated August 8, 1919.
 - (B) The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in instrument dated September 25, 1980, recorded in Liber 15049 at Page 394.
3. -AS TO LOTS 86-D-1, 86-D-2, 85-A-2A AND 85-A-3A:-
 - (A) Any and all riparian and other rights in and to the Kainahola Stream and the water 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 LOTS 85-A-1, 85-A-2A AND 85-A-3A:- Excepting and reserving therefrom the ditches located within a portion of the land and the necessary rights-of-way, as reserved in Land Patent Grant No. 6847, dated May 8, 1917.
5. -AS TO LOTS 86-D-1 AND 86-D-2:-
 - (A) A 30-foot 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.

6. -AS TO LOT 86-D-1:-

- (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.
- (D) Designation of Easement "14", as shown on Amended Condominium Map No. 1306 dated December 14, 1989.

7. -AS TO LOT 86-D-2:-

- (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 "6", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.
- (E) Designation of Easement "7", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.
- (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 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.
- (G) 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, across, under 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.

- (H) 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.
 - (I) Designation of Easement "15", as shown on Amended Condominium Map No. 1306 dated December 14, 1989.
 - (J) Designation of Easement "22", as shown on Amended Condominium Map No. 1306 dated August 2, 1985.
8. -AS TO LOT 85-A-1:-
- (A) Designation of Easement "10", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.
 - (B) Designation of Easement "16", as shown on Amended Condominium Map No. 1306 dated December 14, 1989.
 - (C) Designation of Easement "17", as shown on Amended Condominium Map No. 1306 dated December 14, 1989.
9. -AS TO LOT 85-A-2A:-
- (A) Designation of Easement "11", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.
 - (B) Designation of Easement "18", as shown on Amended Condominium Map No. 1306 dated December 14, 1989.
10. -AS TO LOT 85-A-3A: - Designation of Easement "12", as shown on the map prepared by Oscar C. Portugal, Registered Professional Land Surveyor, dated April 23, 1986.
11. -AS TO PARCEL 86-E-1:-
- (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, and being more particularly described therein.
 - (C) Designation of Easement "20", as shown on Amended Condominium Map No. 1306 dated October 26, 1995.
 - (D) Designation of Easement "21", as shown on Amended Condominium Map No. 1306 dated October 26, 1995.
12. -AS TO LOTS 85-A-1, 85-A-2A, 85-A-3A AND 86-E-1:- 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.
13. The terms and provisions, including the failure to comply with the covenants, conditions and reservations, contained in Declaration of Condominium Property Regime for "ROLLING MEADOWS CONDOMINIUM" Condominium Project 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.)
- Amended and Restated Declaration of Condominium Property Regime of Rolling Meadows Condominium dated April 3, 1991, recorded as Document No. 91-048213, as amended by instruments dated May 22, 1991 and December 11, 1995, recorded as Document Nos. 91-065998 and 96-011681, respectively.
14. The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in the Bylaws of the Association of Apartment Owners of said condominium project 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 By-Laws of Rolling Meadows Condominium dated April 3, 1991, recorded as Document No. 91-048214, as amended by instrument dated January 23, 1996, recorded as Document No. 96-011682.

15. -AS TO LOTS 85-A-2A AND 85-A-3A:- The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in DECLARATION dated March 26, 1990, recorded as Document No. 90-043767.
16. Right-of-Entry in favor of Citizens Utilities Company and GTE Hawaiian Telephone Company Incorporated, dated June 1, 1995, recorded as Document No. 95-141051; granting a right-of-entry and easement for the purposes of building, constructing, repairing, maintaining and operating pole and wire lines and/or underground lines, etc., for the transmission and distribution of electricity.
17. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Declaration dated October 19, 1995, recorded as Document No. 96-011683.
18. Grant in favor of W. John S. Taylor & Co., Ltd., an Illinois partnership, dated August 7, 1995, recorded as Document No. 96-011685; granting a perpetual right and nonexclusive easement for access and utility purposes.

END OF EXHIBIT F

EXHIBIT G

DISCLOSURE ABSTRACT FOR
ROLLING MEADOWS

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

1. The Developer of the project is W.J. TAYLOR ENTERPRISES, INC., 1212 Nuuanu Avenue, #3911, Honolulu, Hawaii, 96817.

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 units. There are pre-existing structures on the property and no warranty will be made regarding the agricultural buildings.

4. If any condominium unit is converted to residential use, no such 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.

6. Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which common interest has been computed for the above-referenced project. There are thirteen units, each of which sustains a structure and each of which has a different size of appurtenant limited common element. Therefore, the assessment of undivided interest both for common expense and for voting is as follows: Units A, D, E, F, G, H, J, K, L, M - 8% each; Units B and C - 7% each; and Unit I - 6%.

W.J. TAYLOR ENTERPRISES, INC.

By: 

W. JOHN S. TAYLOR
Its President

Dated: Dec 11 1995

RECEIPT

The undersigned has received a copy of the foregoing disclosure abstract with Exhibit H this ___ day of _____, 19__.

Purchaser(s)

EXHIBIT H

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>
A	\$36.40	\$436.80
B	\$31.85	\$382.20
C	\$31.85	\$382.20
D	\$36.40	\$436.80
E	\$36.40	\$436.80
F	\$36.40	\$436.80
G	\$36.40	\$436.80
H	\$36.40	\$436.80
I	\$27.30	\$327.60
J	\$36.40	\$436.80
K	\$36.40	\$436.80
L	\$36.40	\$436.80
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
Elevator
Gas
Refuse Collection
Telephone
Water and Sewer

Maintenance, Repairs and Supplies

Building Grounds	\$205.00	\$2,460.00
Management	\$ 50.00	\$ 600.00
Management Fee		
Payroll and Payroll Taxes		
Office Expenses		
Insurance	\$150.00	\$1,800.00
Reserves(*)	\$ 50.00	\$ 600.00
Taxes and Government Assessments		
Audit Fees		
Other		
TOTAL	\$455.00	\$5,460.00

I, W. JOHN S. TAYLOR, President of W.J. TAYLOR ENTERPRISES, INC., developer of the condominium project ROLLING MEADOWS CONDOMINIUM, hereby certifies that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

W.J. TAYLOR ENTERPRISES, INC.

By:



W. JOHN S. TAYLOR
Its President

Date:

Dec 11 1995

(*) Mandatory reserves in effect January 1, 1993

EXHIBIT I

JOANNA YU LETTER(S) FROM COUNTY OF KAUAI PLANNING DEPARTMENT TOM H. SHIGEMOTO
MAYC 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.

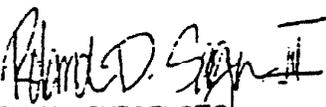
Mr. Calvin Kimura, Executive Secretary
Real Estate Commission
Page 2
March 29, 1990

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 land-owners 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 I

EXHIBIT J

SUMMARY OF DECLARATION OF PROTECTIVE COVENANTS AND HOUSE RULES

This is a summary of the recorded Declaration of Protective Covenants and House Rules ("House Rules") for the condominium project. This summary is not meant to completely recite the actual provisions of the House Rules, nor to cover every issue in which a purchaser might have interest. The prospective purchaser is urged to obtain a full copy of the House Rules from the condominium developer prior to entering into an agreement to purchase a unit in this project.

Building Permits. The County will likely inspect the area before issuing a building permit to ascertain that farming activities are taking place on the unit whose owner desires to build. The developer or, thereafter, the president of the Association, shall apply for building permits for all units.

Water and Utilities. Each unit owner will be required to connect water, electricity and telephone to his/her improvements at his/her own cost and expense.

Wastewater Treatment. Each unit owner will be required to install a sanitary sewer system pursuant to the sewer regulations of the Department of Health, State of Hawaii.

Roadway. Each unit owner is responsible for clearing vegetation from his/her limited common element to the extent it enters the area of the roadway.

Farming. Unit owners must engage in agricultural activity as a condition precedent to the ability to build or occupy a "Farm Dwelling". Farming materials and equipment shall be kept in good order and repair.

Construction. There are limits on materials and types of construction.

Pets and Farm Animals/Noise in General. There are restrictions on types and numbers of animals, as well as the levels of noise and dust permissible within the project.

Common Area Land. The Association shall determine and control the common area land.

Noxious Activities. There are restrictions regarding the spraying of chemicals and pesticides.

Common Element Expenses and Enforcement. The Association shall provide for common area expenses necessary to maintain the project in acceptable condition.

Non-Agricultural Commercial/Private Activities. Non-agricultural commercial activities is prohibited and there are limits on the types of private activities permitted within the project.

Permissible Uses within the "A" Agricultural District. Per that certain Declaration dated March 26, 1990, recorded as Document No. 90-043767, two of the lots comprising the project (Lots 85-A-2-A and 85-A-3-A) are, as a condition of subdivision approval, limited to those uses within the "A" Agricultural District. With the adoption of these House Rules, the remaining lots comprising the units of the project are also limited to such uses.

Building Quality and Size. All buildings shall be constructed of entirely new materials. An architectural committee must approve the plans for all farm dwellings and guest houses placed on the units. There are minimum requirements for the sizes of such structures.

Landscaping, Grazing and Fencing. Owners shall maintain their units in a neat, orderly condition. A grazing and fencing plan has been adopted for the project.

Garbage and Refuse. Equipment for storage/disposal of refuse and garbage shall be kept in a clean and sanitary condition.

Temporary Structures. No temporary buildings or structures shall be permitted to remain on any unit except for those incidental to construction of improvements upon the property.

State Ditch. Owners of units abutting the state-owned ditch shall indemnify and hold harmless the State of Hawaii from and against claims for loss, liability or damage.

Enforcement. This paragraph discusses the method by which the House Rules may be enforced.

Term, Repeal or Modification. The House Rules shall terminate on January 1, 2010. If not abandoned by an 80% majority vote, the House Rules will automatically renew for successive five year periods. The House Rules may be modified by an affirmative vote of the holders of 80% of the common interests in the project.

END OF EXHIBIT J