



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

CONDOMINIUM PUBLIC REPORT

on

NALU LAWAI

LAWAI, KAUAI, HAWAII

Registration No. 2257

Issued: August 7, 1990
 Expires: September 7, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of July 16, 1990, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

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

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

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

[] Changes made are as follows:

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*****
*   SPECIAL NOTICE:
*
*   NALU LAWAI CONDOMINIUM consists of one residential
*   and one storage shed unit on land to be held in
*   common ownership with the unit owners.
*
*   1. The developer has disclosed that the land area
*   beneath and adjacent to each unit is designated
*   as a limited common element and does not repre-
*   sent a legally subdivided lot. The developer
*   has represented to the Commission that the
*   owners each intend to dwell in their units, that
*   they do not intend to sell the units at this
*   time, and that registration is only for purposes
*   of separating their respective interests.
*   Therefore, for purposes of issuing this report,
*   the Commission has agreed to waive the require-
*   ments of owner-occupant publication and an
*   escrow agreement.
*
*   2. This Public Report does not constitute an
*   approval of the project nor that all County
*   Codes, Ordinances and subdivision requirements
*   have been complied with.
*
*   3. Facilities and improvements normally associated
*   with County approved subdivisions may not
*   necessarily be provided for and services such as
*   County street maintenance and trash collection.
*
*   4. The Developer reports that both units in the
*   project are to be occupied by owners and this
*   Public Report is issued for this purpose only.
*
*   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 Hawaii's "*Condominium Property Act*" (Chapter 514A, Hawaii Revised Statutes) must be followed.

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

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

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

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

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

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

Operation of the Condominium Project

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

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

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

SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

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

Types of Project:

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

5. Apartment Description

Apt. No.	Quantity	BR/Bath	Net Living Area (sf)*	Carport/Lanai+ Storage Shed* (sf)
<u>Unit 1</u>	<u>1</u>	<u>1/1</u>	<u>576</u>	<u>1,472 +</u>
<u>Unit 2</u>	<u>1</u>	<u>0</u>	<u> </u>	<u>40 *</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Total Apartments: 2

**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: see Condominium Map and Declaration

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>1</u>
Guest Stalls	<u> </u>
Unassigned Stalls	<u> </u>
Extra Stalls Available for Purchase	<u> </u>
Other: Each unit has ample parking area within its limited common element, and each unit shall have at least two (2) stall areas at all times, as required by Kauai County Building and Zoning Codes.	
TOTAL PARKING STALLS	<u>1</u>

7. Recreational amenities:

NONE

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: CLIFFORD MICHAEL KAMUELA MUNOS
Name
P.O. Box 221
Business Address
Lawai, HI 96765

Phone: [REDACTED]
(Business)

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

N/A

PLEASE NOTE: The units are to be owner-occupied and are not being offered for sale at this time. The Developer will be required to provide further documents to the Hawaii Real Estate Commission to satisfy Chapter 514A when and if the Developer wishes to offer units for sale.

Real Estate Sales Agent:
Name
Business Address

(Business)

Escrow: Not applicable. Developer does not intend to sell units at this time.
Name
Business Address

Phone: _____
(Business)

Managing Agent: Self-Managed**
Name
Business Address

Phone: _____
(Business)

** Upon compliance with all applicable condominium management laws.

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

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

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

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

The Declaration for this condominium is:

- Proposed
 Recorded - Bureau of Conveyances - Document No. 90-075549
 Filed - Land Court - Document Number _____

Amendment date(s) and recording/filing information:

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

The Condominium Map for this condominium project is:

- Proposed
 Recorded - Bureau of Conveyance Condo Map No. 1328
 Filed - Land Court Condo Map No. _____

Amendment date(s) and recording/filing information:

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

The Bylaws for this condominium are:

- Proposed
 Recorded - Bureau of Conveyances - Document No. 90-075550
 Filed - Land Court - Document Number _____

Amendment date(s) and recording/filing information:

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

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

The House Rules for this condominium are:

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

E. Changes to Condominium Documents

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

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

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

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

2. Developer: The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules: **NONE**

B. Underlying Land:

Address: LAWAI, KAUAI, HAWAII Tax Map Key: (4) 2-5-7:19
(TMK)

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

Land Area: 18,166 square feet acre(s) Zoning: Residential R-4

Fee Owner: CLIFFORD MICHAEL KAMUELA MUNOS, JACQUELINE LEIMOMI MUNOS,
CLYDE TAMOTSU SHIGEMATSU, ALISON GALE HIRANO SHIGEMATSU

Name

P.O. Box 221

Address

Lawai, HI 96765

Sublessor: NONE

Name

Address

C Buildings and Other Improvements:

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

2. Buildings: 2 Floors Per Building 1

Exhibit A contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile and Wood

Other _____

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Industrial	_____
<input checked="" type="checkbox"/> Residential	<u>2</u>	<input type="checkbox"/> Agricultural	_____
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input checked="" type="checkbox"/> Other: <u>Please see Page 18 for further explanation.</u>			_____

5. Special Use Restrictions:

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

- [X] Pets Bulls, pit bull dogs, or more than three dogs. Peafowl or other noisy animals are not permitted. Read Exhibit F, Protective Covenants.
- [] Number of Occupants: _____
- [X] Other: The units are restricted to residential use only, except that Unit 2 may be used for storage purposes only at this time.
- [] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators None Stairways None Trash Chutes None

<u>Apt. No.</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Carport/Lanai+ Storage Shed * (sf)</u>
<u>Unit 1</u>	<u>1</u>	<u>1/1</u>	<u>576</u>	<u>1,472 +</u>
<u>Unit 2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>40 *</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

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

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

Boundaries of Each Apartment: see Exhibit "A" Attached hereto

Permitted Alterations to Apartments;

As noted in Section XVI of the Declaration, individual unit owners may, at their sole discretion and at their own expense, remodel, expand or otherwise alter their unit, provided said alterations are done in complete accordance with all applicable ordinances, codes, rules, regulations and other requirements in force at the time of said construction, and provided that said alterations are in also in compliance with Section XVI of the Declaration of Condominium Property Regime, which includes the Board of Directors' approval of the alterations, the amendments to the Declarations and Condominium Map and its recording thereof.

7. Parking Stalls:

Total Parking Stalls: 1

	<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>1</u>						<u>1</u>
Guest							
Unassigned							
Extra Available for Purchase							
Other: <u> </u>							
Total Covered & Open	<u>1</u>						

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

Units with less than two (2) stalls may be required by the County of Kauai to install same to comply with its Codes and Ordinances.

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 C 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 C

as follows:

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 describes the common interests for each apartment.

As follows: Each unit and its owner(s) shall have appurtenant thereto a one-half (1/2) fractional interest (50.0 percentage interest) in the common elements of the Project, for all purposes including voting, said interest being referred to as the "common interest".

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

Exhibit D describes the encumbrances against the title contained in the title report dated February 20, 1990 and issued by Title Guaranty of Hawaii, Inc. Developers report that no changes have occurred since then except for the Declaration, By-Laws and Condominium Map referred to on Blanket Liens: Page 7 of this Report, plus the Protective Covenants referred to in Exhibit F.

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.

[x] There are blanket liens which may affect title to the individual apartments.

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Blanket Mortgage	Buyer's interest unaffected. Title to individual units will be free and clear at the time of conveyance.

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.

[x] self-managed by the Association of Apartment Owners.

[] other _____

G. Estimate of Initial Maintenance Fees:

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

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

Exhibit G contains a schedule of maintenance fees and maintenance fee disbursements.

H. Utility Charges for Apartments:

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

- Electricity
- Gas
- Other _____
- Not applicable
- Television Cable
- Water & Sewer

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: One-year contractor's warranty.

2. Appliances: NONE INCLUDED IN SALE

J. Status of Construction and Estimated Completion Date:

Project consist of one newly-constructed dwelling, and a storage shed unit also newly constructed. No residential use of the storage shed is permitted.

K. Project Phases:

The developer [] has [X] 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

[X] Specimen Sales Contract

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

[X] Escrow Agreement dated Exhibit "E" discusses the escrow arrangements

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

[] Other _____

IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Unit 2 may not be used as a residential dwelling unless and until a residence is constructed in compliance with Kauai County Zoning Ordinances.

Buyer's Right to Cancel Sales Contract:

A. Rights Under the Condominium Statute:

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

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

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

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

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

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

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

B. Rights Under the Sales Contract:

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

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

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

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

This Public Report is a part of Registration No. 2257 filed with the Real Estate Commission on
May 18, 1990

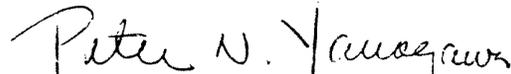
Reproduction of Report. When reproduced, this report must be on:

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:

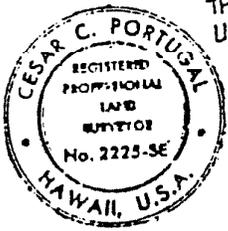
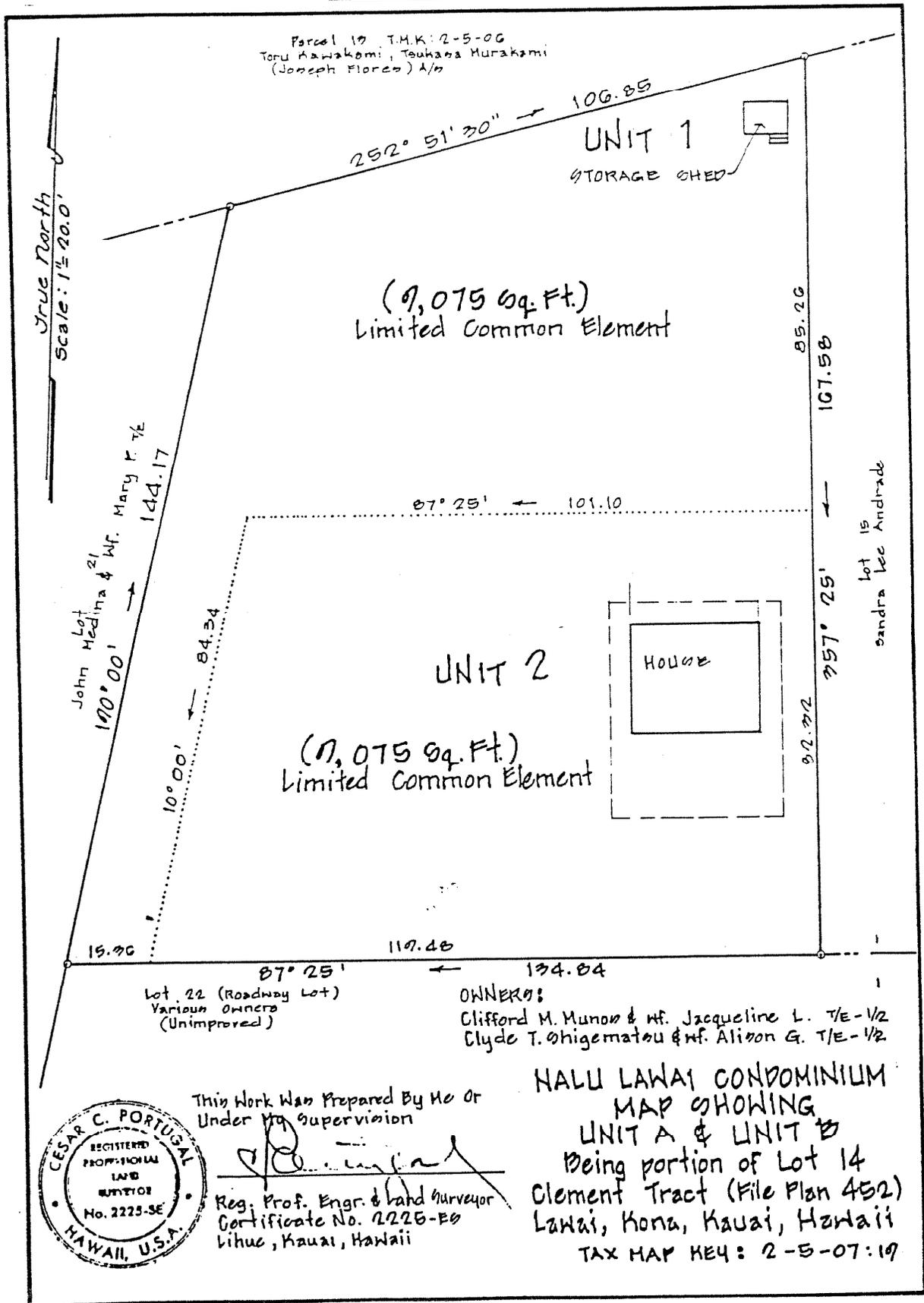
Bureau of Conveyances

Department of Finance, County of Kauai

Planning Department, County of Kauai

Federal Housing Administration

Escrow Agent



This Work Was Prepared By Me or Under My Supervision

[Signature]

Reg. Prof. Engr. & Land Surveyor
Certificate No. 2225-ES
Lihue, Kauai, Hawaii

NALU LAWAI CONDOMINIUM
MAP SHOWING
UNIT A & UNIT B
Being portion of Lot 14
Clement Tract (File Plan 452)
Lawai, Kona, Kauai, Hawaii
TAX MAP KEY: 2-5-07:19

COUNTY OF KAUAI
DEPARTMENT OF PUBLIC WORKS
ENGINEERING DIVISION

BUILDING PERMIT REVIEW

[Signature]
SIGNATURE

DATE 3/27/90

NOTICE TO BUILDERS

PLEASE OBTAIN SEPARATE PERMIT FOR:

- ELECTRICAL INSTALLATION
- PLUMBING INSTALLATION

CALL THE BUILDING DIVISION FOR
ROUGH-IN INSPECTION. DO NOT EN-
CLOSE UNTIL INSPECTION IS MADE.

COUNTY OF KAUAI
DEPARTMENT OF PUBLIC WORKS
RESIDENCE
BUILDING CODE PERMIT NO. 31,395

George Yamamoto
BUILDING OFFICIAL
or his authorized agent

Date 3/30/90

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

STATE OF HAWAII
DEPARTMENT OF HEALTH
SANITATION BRANCH
HOUSEHOLD PLUMBING
[Signature]
Agent
3/27/90

DEPARTMENT OF PUBLIC WORKS
DIVISION OF BUILDINGS
NOTICE TO OWNER AND CONTRACTOR

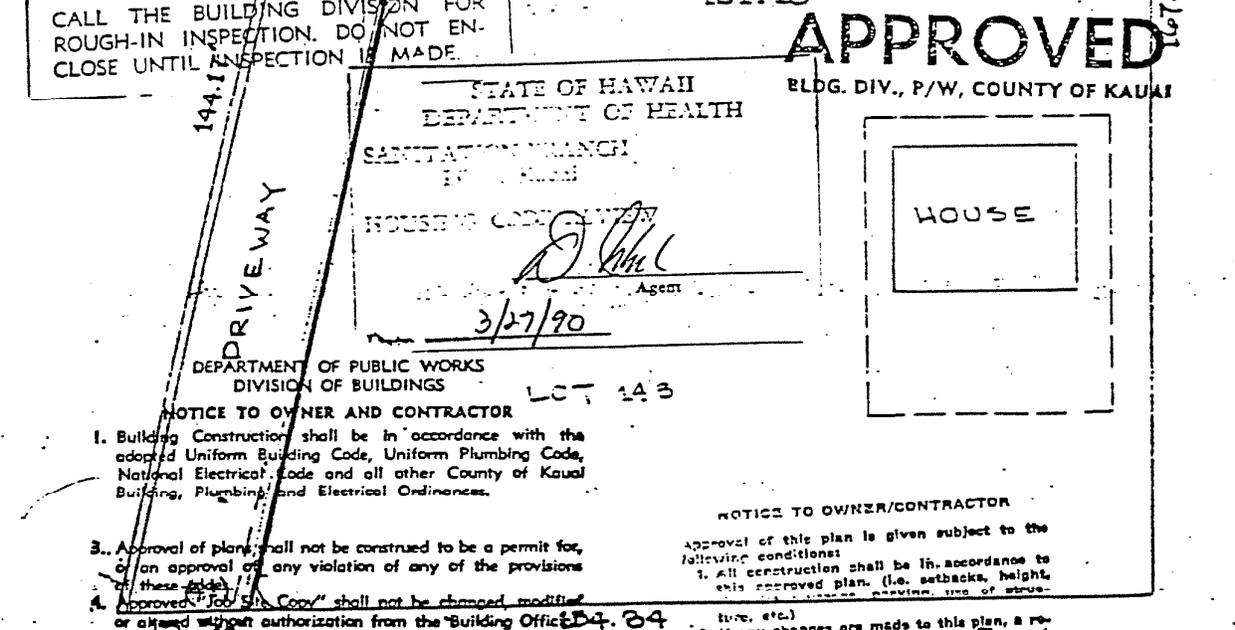
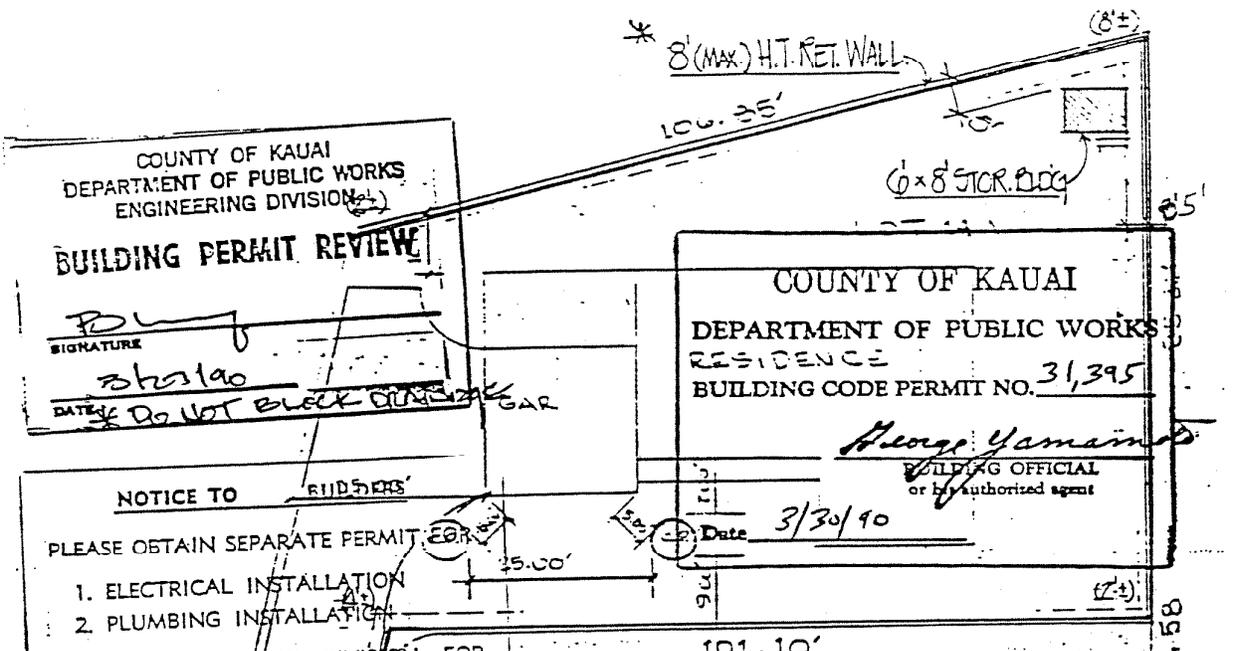
- Building Construction shall be in accordance with the adopted Uniform Building Code, Uniform Plumbing Code, National Electrical Code and all other County of Kauai Building, Plumbing and Electrical Ordinances.
- Approval of plans shall not be construed to be a permit for, or an approval of, any violation of any of the provisions of these codes.
- Approved "Job Site Copy" shall not be changed, modified or altered without authorization from the Building Office.

NOTICE TO OWNER/CONTRACTOR
Approval of this plan is given subject to the following conditions:
1. All construction shall be in accordance to this approved plan. (i.e. setbacks, height, etc.)
2. If any changes are made to this plan, a re-submission shall be submitted for approval.

NOTE:
It shall be the responsibility of the General Contractor to construct this dwelling with strict accordance to the Rules and Regulations of the Uniform Building Code of the County of Kauai.
The owner shall be responsible for all construction changes made by the County Building Department under other Agencies after plans have been drawn.
The Contractor shall verify all dimensions, conditions, and details before starting job. When in doubt the Contractor shall contact the Kauai Building Department.

8' MAX RET. WALL & 6' x 8' STOR. BLDG

FOR
MR & MRS CLIFFORD A. MUNG
ON
LOT: 4-A TAX KEY: 2-5-01-19
LAWAI, KAUAI

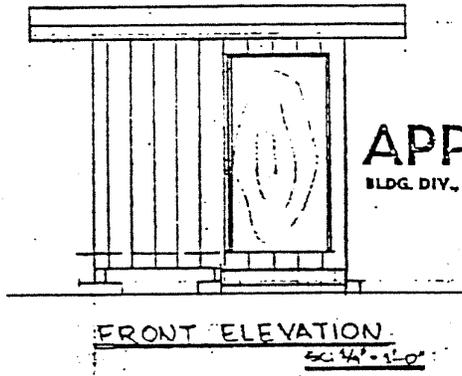
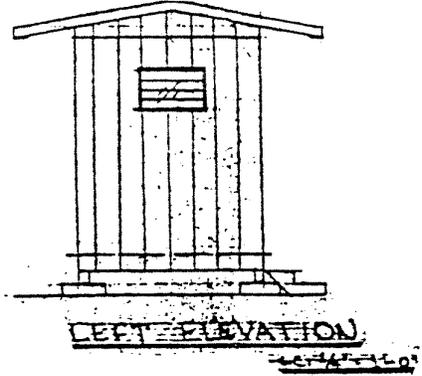
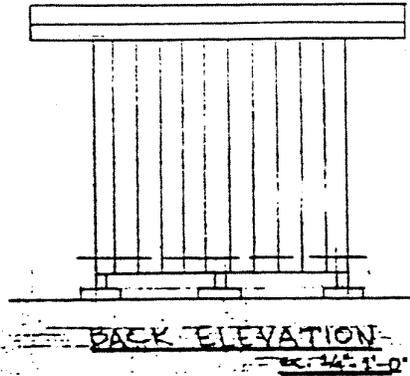


8' MAX RET. WALL & 6' x 8' STOR. BLDG

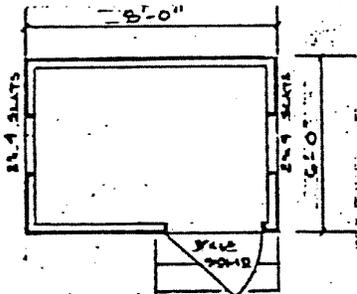
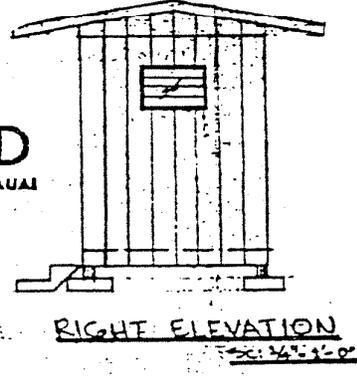
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LAWAI, KAUAI

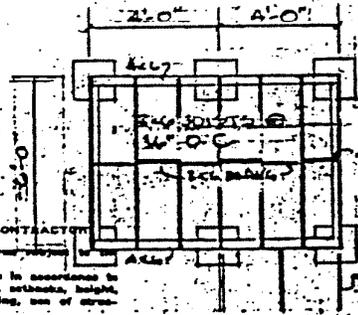
CONDOMINIUM FILE PL
 Nalu Lawai Condomini
 Unit 1 - Elevations and Floor Plan



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



FLOOR PLAN 1/4\"/>



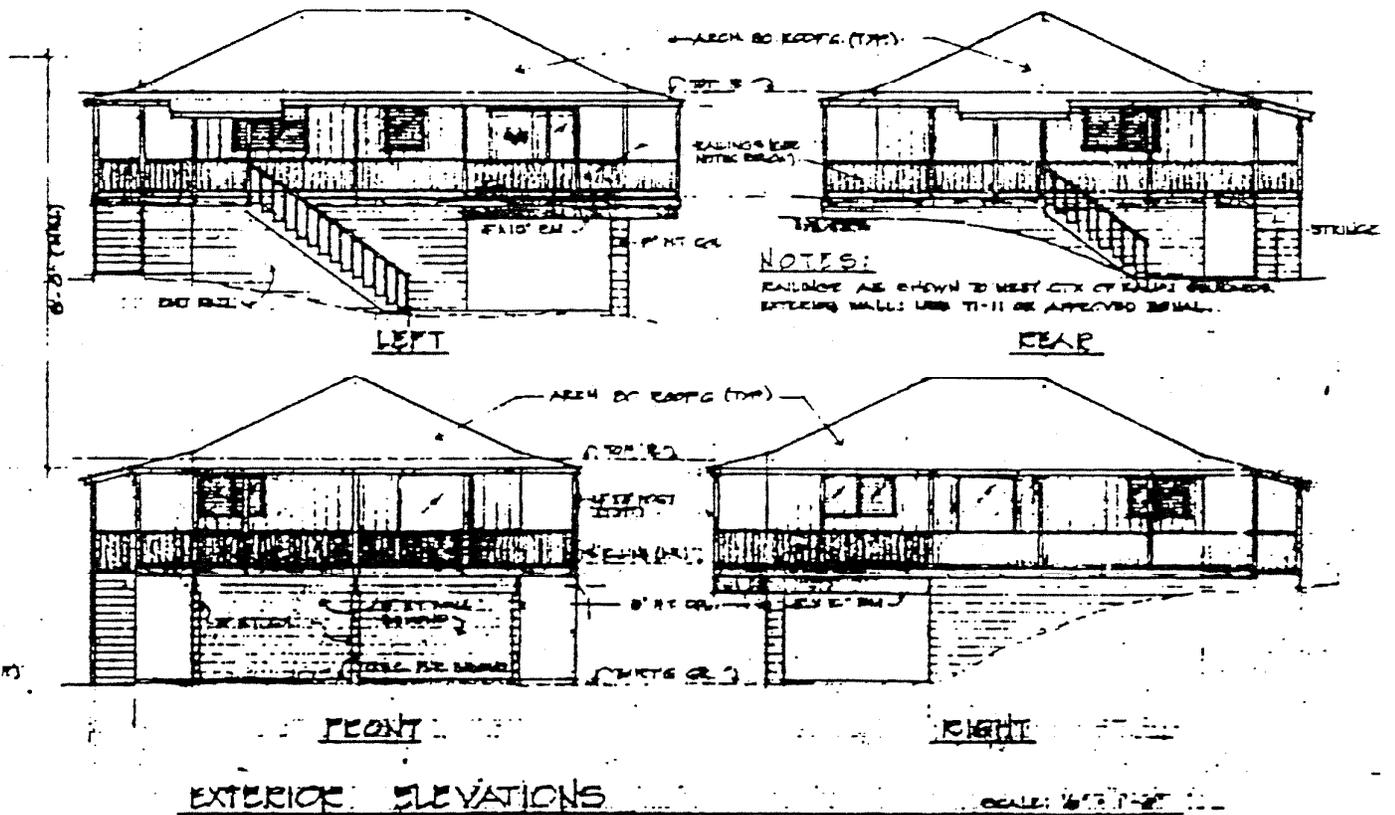
FOUNDATION PLAN 1/4\"/>

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

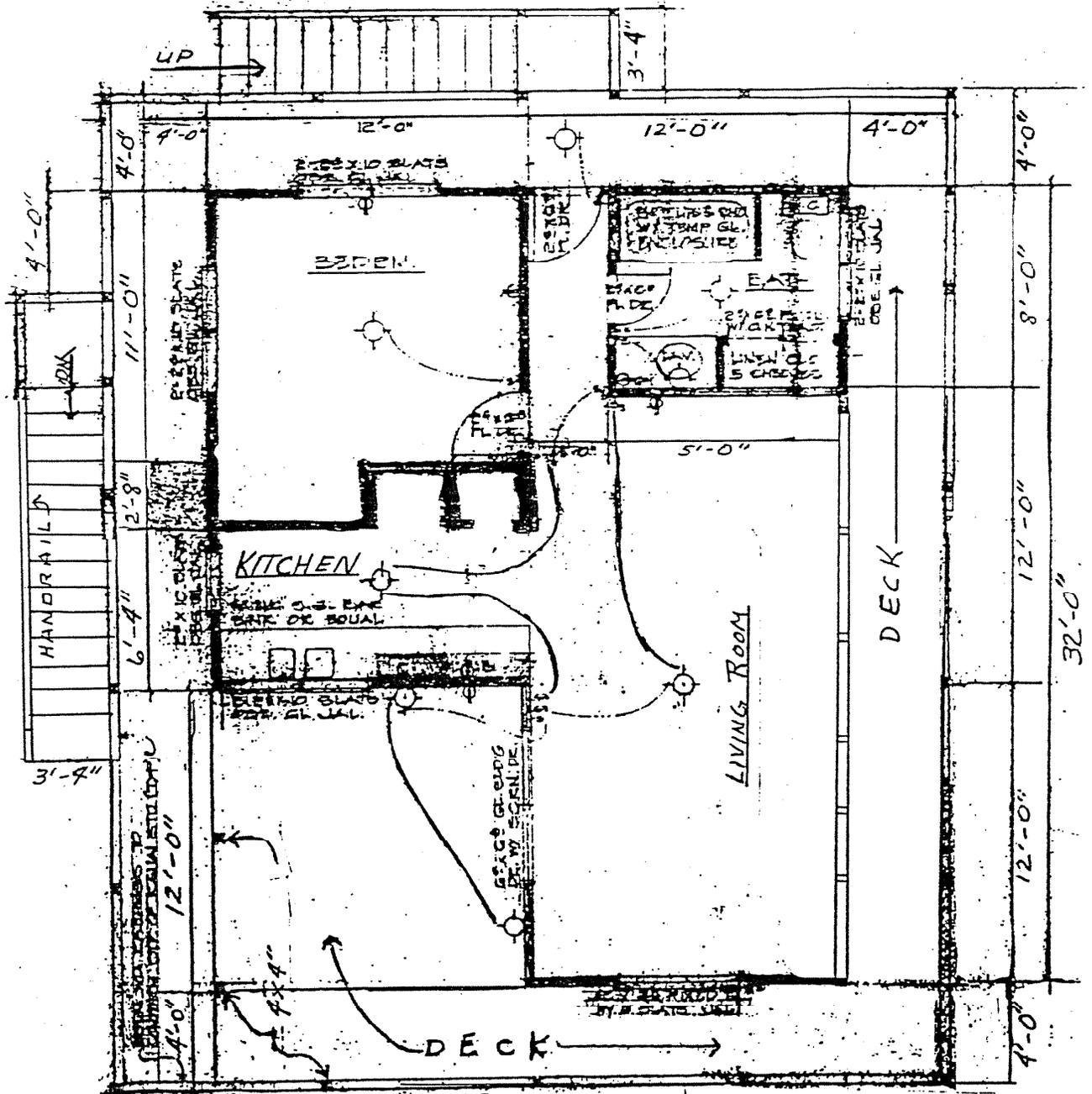
Planning Department
 County of Kauai

MAR 22 1998

CONDOMINIUM FILE PLAN
 Nalu Lawai Condomin n
 Unit 2 - Elevations



CONDOMINIUM FILE PLAN
 Nalu Lawai Condominium
 Unit 2 - Floor Plan



FLOOR PLAN

END OF EXHIBIT A

EXHIBIT B

INDIVIDUAL UNIT DESCRIPTIONS

The Declaration of Condominium Property Regime and plans submitted by the Developer indicated that NALU LAWAI is a fee simple condominium project consisting of a total of two condominium units, one unit comprising a separate single-family structure, and one a storage shed unit. The units are described as follows:

(a) Unit 1 is a 1-bedroom, 1-bath, 2-story, residence constructed of hollow tile and wood with 576 square feet of living area and 704 square feet of lanai area on the top floor; 288 square feet of carport and 480 square feet of storage area on the bottom floor.

(b) Unit 2 is a one room, one story, 40 square foot storage shed constructed of wood, without utilities and with no permitted residential use.

END OF EXHIBIT B

EXHIBIT C

COMMON ELEMENTS

One freehold estate is designated of all the remaining portions of the Project, herein referred to as "common elements", including specifically, but not limited to:

- (a) The land in fee simple;
- (b) all ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, sewage and telephone;
- (c) any and all other elements and facilities rationally in common use or necessary to the present or future existence, upkeep and safety of the Project.

The common elements shall remain undivided, and no right shall exist to partition or divided any part thereof, except as provided in the condominium Property Act. Any such partition or division shall be subject to the prior consent thereto by the holder(s) of all mortgage(s) of any condominium unit(s) which are filed of record.

LIMITED COMMON ELEMENTS

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

- (a) That certain land area upon and around which Unit 1 located, shown and designated on the Condominium Map as "Unit 1", and being approximately 9,083 square feet in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit 1.
- (b) That certain land area upon and around which Unit 2 located, shown and designated on the Condominium Map as "Unit 2", and being approximately 9,083 square feet in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit 2.

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.

NOTE: The land area appurtenant to each condominium unit does not represent a legally subdivided lot.

END OF EXHIBIT C

EXHIBIT D

ENCUMBRANCES AGAINST TITLE

An encumbrance is a claim against or a liability on the property. The following list describes the encumbrances against the title contained in the title report dated February 20, 1990, issued by Title Guaranty of Hawaii, Inc.:

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

MORTGAGOR: CLIFFORD MICHAEL KAMUELA MUNOS and
JACQUELINE LEIMOMI MUNOS, husband and
wife, CLYDE TAMOTSU SHIGEMATSU and
ALISON GALE SHIGEMATSU, husband and wife

MORTGAGEE: KAUAI COMMUNITY FEDERAL CREDIT UNION, a
federally chartered organization

DATED: July 12, 1983
RECORDED: Liber 17182, Page 656
AMOUNT: \$45,500.00

The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, set forth in the Declaration of Condominium Property Regime dated April 19, 1990, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 90-075549, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1328).

Bylaws of the Association of Apartment Owners of the Condominium Project known as Nalu Lawai Condominium dated April 19, 1990, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 90-075550.

Declaration of Protective Covenants and Building Rules for Nalu Lawai Condominium dated May 22, 1990, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 90-075551.

END OF EXHIBIT D

EXHIBIT E

SUMMARY OF SALES CONTRACT AND ESCROW ARRANGEMENTS

SALES CONTRACT: The Owners and Developer intend to keep their units permanently. However, if units are ever offered for sale, Developer will use the standard Hawaii Board of Realtors' Deposit Receipt, Offer and Acceptance (DROA) form as the intended sales contract for the Project. Reference is hereby made thereto, and a copy thereof is attached hereto.

ESCROW ARRANGEMENTS: Since no third party sales are anticipated, there is no escrow agreement. Should there be future sales after deeds of the units are recorded in favor of the current owners of the property, the choice of an escrow agent will be made mutually by the seller(s) and buyer(s) at the time of entering a sales contract (DROA) respecting the sale of each of the individual homes.

END OF EXHIBIT E

EXHIBIT F

DECLARATION OF PROTECTIVE COVENANTS AND BUILDING RULES
FOR NALU LAWAI CONDOMINIUM

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

1. Definitions. As used herein:

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

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

2. Building Permits. Any owner desiring to construct a single family dwelling in a unit will have to comply with the Kauai County building and zoning codes, as the same may be changed from time to time. Each owner will execute a power of attorney in favor of the developer or, thereafter, the President of the Association, for the purpose of securing building permits for all units, because a 75% ownership interest must approve of all filings for building permits. When an association of unit owners is created, the power of attorney will be replaced with a power of attorney in favor of the President of the Association of Unit Owners.

3. Water and Utilities. Water is available at the front of each unit and each unit owner will be required to connect such utilities to its respective improvements at the owners' own cost and expense.

4. Cesspools. There are no sewer lines and no sanitary sewer system. Each Unit owner will be required to have his own cesspool and/or septic system, to be located within his own limited common element area or in any easement for such purpose.

5. Construction. In the construction of dwellings and/or any other accessory building(s), the Unit owner shall not use inferior materials, quonset huts and/or any materials that would create a nuisance on the Unit owner's property, or be so to the owners of other Units in the condominium project.

7. Pets and Animals/Noise in General. The following animals shall be precluded from possession by owners or occupants of the Project: bulls, pit bull or pit bull mixed dogs, more than one pig, roosters, more than three dogs of any permitted variety, peafowl, and any animals (including those permitted above) that create such levels of noise or noxious odors that one of the unit owners makes written objection to the other. In the event of disagreement, binding arbitration shall resolve the matter. In the latter case, the offending owner shall have 30 days in which to remedy the problem or to dispose of the offending animals.

8. Common Area Land. The Association shall determine and control the use of any Common Area land.

9. Storage Shed Unit. No storage shed or garage or warehouse may be used as a residence. Only dwellings permitted by Kauai County Ordinance may be used for residential purposes.

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

11. Repeal or Modification. These may be repealed or modified by an affirmative vote of the holders of 80% of the common interests in the Project.

END OF EXHIBIT F

EXHIBIT G

DISCLOSURE ABSTRACT

Nalu Lawai Condominium Project

Pursuant to Section 514A-61, Hawaii Revised Statutes
Condominium Property Act

Developer:

Mr. Clifford Munos

Project Manager:

Self-Managed

Estimated Maintenance Fees / Costs Per Condominium Unit

MAINTENANCE FEES: The regular maintenance and repair of each condominium unit, including all utility charges, is the sole responsibility of each respective unit owner. The only present common expense requiring monthly assessment is insurance in the amounts following:

Monthly Per Unit

\$20.00

Yearly Total

\$240.00 (per unit)

INDIVIDUAL INSURANCE: Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the improvements portion of the Project. Developer anticipates that the Association will elect to obtain separate policies for each individual apartment pursuant to Section XIV(c) of the Declaration. As such, the premiums on said policies will be the individual responsibility of each unit owner rather than common expenses of the Project.

Use of Condominium Units

Both units comprising the Project are for residential purposes only, and related uses not inconsistent with residential uses. The storage shed will not be used as a residence, but a residence may be constructed upon compliance with Kauai City Zoning Ordinances.

Warranties

Purchasers should be aware that Unit 1 of the Project is a newly-constructed single-family home. Unit 2 is a storage shed. Standard one-year statutory contractor warranties apply to the improvements.

THE FOREGOING NOTWITHSTANDING, NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO THE INDIVIDUAL CONDOMINIUM UNITS OR THE COMMON ELEMENTS OF THE PROJECT. PURCHASERS ARE ADVISED TO CONDUCT THEIR OWN INSPECTION OF THE UNIT THEY DESIRE TO BUY. ALL UNITS ARE SOLD "AS IS" EXCEPT AS TO THE STATUTORY WARRANTY REFERENCED ABOVE. However, NO REPRESENTATIONS OF ANY KIND ARE MADE AS TO THE EXPECTED USEFUL LIFE, IF ANY, OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS MATERIAL TO THE USE AND ENJOYMENT OF SAID CONDOMINIUM UNIT(S).

Code Violations

To the best of the knowledge, information and belief of the undersigned, there are no outstanding notices of uncured violations of the building code or other municipal regulations of the County of Kauai.

Developer:


CLIFFORD MICHAEL KAMUELA MUNOS

END OF EXHIBIT G