



**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

2200 KOLO ROAD CONDOMINIUM

Kilauea, Kauai, Hawaii

Registration No. 2286

Issued: December 11, 1990  
 Expires: January 11, 1992

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of November 8, 1990, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully. This report also includes information submitted by the Kauai County Planning Department  
Type of Report: dated August 27, 1990.

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

  X   **FINAL:**                      The developer has legally created a condominium and has filed complete information  
 (*white*)                              with the Commission.  
    No prior reports have been issued  
    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:
*
*   THERE ARE COUNTY RESTRICTIONS ON THE NUMBER OF
*   RESIDENTIAL DWELLING UNITS, OR OTHER STRUCTURES,
*   WHICH MAY BE BUILT UPON THE PROPERTY. THEREFORE,
*   UNLESS THE PURCHASER IS PURCHASING AN EXISTING
*   RESIDENTIAL DWELLING, THERE IS NO ASSURANCE THAT
*   THE PURCHASER WILL BE ABLE TO BUILD A RESIDENTIAL
*   DWELLING UNIT ON THE PROPERTY. THERE ALSO IS NO
*   ASSURANCE THAT THE PURCHASER WILL BE ABLE TO CONVERT
*   AN EXISTING NON-RESIDENTIAL STRUCTURE TO A RESIDEN-
*   TIAL USE. THE PURCHASER SHOULD CONSULT WITH THE
*   APPROPRIATE COUNTY AGENCIES TO DETERMINE WHETHER THE
*   PURCHASER MAY BUILD A RESIDENTIAL DWELLING UNIT,
*   OR ANY OTHER TYPE OF STRUCTURE, UPON THE PROPERTY.
*
*   1. This Public Report does not constitute an
*   approval of the project nor that all County
*   Codes, Ordinances and subdivision requirements
*   have been complied with.
*
*   2. This project does not involve the sale of
*   individual subdivided lots. The dotted lines
*   on the Condominium Map (Exhibit A) are for
*   illustration purposes only.
*
*   3. Facilities and improvements normally associated
*   with County approved subdivisions may not
*   necessarily be provided for and services such as
*   County street maintenance and trash collection
*   will not be available for interior roads.
*
*   4. Read Exhibit D (Protective Covenants) and
*   Exhibit J (Letter from County of Kauai) with
*   care.
*
*   5. Unit 1 is a storage unit; Unit 1 is also a unit
*   entitled to construct an "ohana" type additional
*   dwelling unit under Kauai County Ordinance. A
*   building permit must be obtained prior to
*   December 31, 1991, or it may not be possible to
*   construct a residence on the property. Purchaser*
*   should contact the Kauai County Planning Depart- *
*   ment to verify Purchaser's expectations may be *
*   met.
*
*   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 feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

**Types of Project:**

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

<u>Apt.</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Storage Shed(s)/ Lanai/Patio (sf)</u>
<u>1</u>	<u>1</u>	<u>3/3</u>	<u>2,525</u>	<u>640 (carport)</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>160 (storage)</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>696 (lanai)</u>
<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>80 (storage)</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:**

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>2</u>
Guest Stalls	<u>0</u>
Unassigned Stalls	<u>0</u>
Extra Stalls Available for Purchase	<u>0</u>
Other: <u>Each unit has ample parking area within its limited common element, but shall have at least two (2) stall areas at all times.</u>	<u>0</u>
Total Parking Stalls	<u>2</u>

**7. Recreational amenities:**

NONE

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: ROBERT E. ROCKNEY and VIOLET H. ROCKNEY Phone: [REDACTED]  
Name (Business)

[REDACTED]  
Business Address  
[REDACTED]

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

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Sales Agent: JAMES B. EDMONDS, dba Phone: (808) 826-1199  
EMERALD ISLE PROPERTIES (Business)  
Name

P.O. Box 712  
Business Address  
Kilauea, HI 96754

Escrow: TITLE GUARANTY ESCROW SERVICES, INC. Phone: (808) 245-3381  
Name (Business)

4290 Rice St.  
Business Address  
Lihue, HI 96766

Managing Agent: Self-Managed \*\* Phone: \_\_\_\_\_  
Name (Business)

Business Address  
\_\_\_\_\_  
\_\_\_\_\_

\*\*Upon compliance with all applicable condominium management laws.

Attorney for Developer: STEVEN R. LEE  
Name

2959 Umi Street, Suite 300  
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.

- 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. 90-092883  
 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. 1339  
 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. 90-092884  
 Filed - Land Court - Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

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

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

The House Rules for this condominium are:

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

E. Changes to Condominium Documents

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

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

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

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

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

NONE



**B. Underlying Land:**

Address: 2200 KOLO ROAD Tax Map Key: (4)5-2-12:11  
Kilauea, Kauai, Hawaii (TMK)

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

Land Area: 5.002 [ ] square feet [X] acre(s) Zoning: Agricultural/Open

Fee Owner: ROBERT E. ROCKNEY and VIOLET H. ROCKNEY  
Name

[REDACTED]  
Address

[REDACTED]

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

\_\_\_\_\_  
Address

\_\_\_\_\_

**C Buildings and Other Improvements:**

- 1. [ ] New Building(s) [ ] Conversion of Existing Building(s)
- [X] Both New Building(s) and Conversion
- 2. Buildings: 2 Floors Per Building Unit #1 = 2 Floors  
Unit #2 = 1 Floor

[ ] Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

- [ ] Concrete [ ] Hollow Tile [X] Wood
- [ ] Other \_\_\_\_\_

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
[ ] Commercial	_____	[ ] Industrial	_____
[ ] Residential	_____	[X] Agricultural	<u>2</u>
[ ] Timeshare/Hotel	_____	[ ] Recreational	_____
[X] 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:

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

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

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

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators 0

Stairways 0

Trash Chutes 0

<u>Apt. No.</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Storage Shed(s)/ Lanai/Patio (sf)</u>
<u>1</u>	<u>1</u>	<u>3/3</u>	<u>2525</u>	<u>640 (Carport)</u>
_____	_____	_____	_____	<u>160 (Storage)</u>
_____	_____	_____	_____	<u>696 (Lanai)</u>
<u>2</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>80 (Storage)</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

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

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

Boundaries of Each Apartment:

See Exhibit A. Within the requirements of the zoning ordinances and Protective Covenants and Building Rules outlined Exhibit D, each unit owner may place improvements where desired, and subsequently relocate improvements, provided such improvements also comply with the building and zoning requirements of the County of Kauai.

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

Permitted Alterations to Apartments:

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

7. Parking Stalls:

Total Parking Stalls: At least two (2) parking stall areas will be required in each unit's limited common element.

	<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>2</u>	<u>          </u>	<u>2</u>				
Guest	<u>          </u>						
Unassigned	<u>          </u>						
Extra Available for Purchase	<u>          </u>						
Other:	<u>          </u>						
Total	<u>          </u>						
Covered & Open	<u>2</u>	<u>          </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.

Commercial parking garage permitted in condominium project.

Exhibit \_\_\_\_\_ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities.

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute

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

\_\_\_\_\_

9. Present Condition of Improvements

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

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

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

10. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

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

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

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

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

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

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

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

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

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

Exhibit     E     describes the common elements.

As follows:

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

There are no limited common elements in this project.

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

described in Exhibit     E    

as follows:

The portion of land set aside for the use of each owner of a Unit as set forth in Exhibit A, subject to utility easement E-1.

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

Exhibit     C     describes the common interests for each apartment.

As follows:

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

Exhibit F describes the encumbrances against the title contained in the title report dated July 13, 1990 and issued by FIRST AMERICAN TITLE INSURANCE, C. Developer represents that since that date there have been no further encumbrances.

**Blanket Liens:**

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

There are no blanket liens affecting title to the individual apartments.

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
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F. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

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

The initial managing agent for this condominium is:

not affiliated with the Developer.

the Developer or the Developer's affiliate.

self-managed by the Association of Apartment Owners.

other \_\_\_\_\_

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

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

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

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

**H. Utility Charges for Apartments:**

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

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

**I. Construction Warranties:**

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

1. **Building and Other Improvements:**  
No warranties on Purchases of Existing Dwellings,  
A Professional Inspection is suggested to all Purchasers

2. **Appliances:**

NONE

Status of Construction and Estim | Completion Date:

All construction is now complete.

Project Phases:

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

Summary of Developer's Present Plans for Future Development:

Sales Documents Filed With the Real Estate Commission:

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

Notice to Owner Occupants

Specimen Sales Contract

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

Escrow Agreement dated June 18, 1990

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

Other Registration Forms

#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

Prospective Purchaser:

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

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

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

Except as limited specifically by the Declaration of Condominium Property Regime, the Bylaws and the Protective Covenants and Building Rules, all uses permitted in the Agricultural Zone are permitted. Such uses include, but are not limited to growing crops, raising animals, residence, diversified agriculture, forestry, orchards and nurseries and wildlife management. See Kauai County Comprehensive Zoning Ordinance, Article 8.7. 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 under the Kauai County Zoning Ordinances and the Protective Covenants and Building Rules (Exhibit D), herein referenced. An agricultural residence may not be constructed unless the Unit Owner demonstrates to the County his ability to derive income and/or agricultural products from his property. Agricultural use must be established and verified prior to any building permit approval.

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

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

All prospective purchasers are advised that a steep cliff or "pali" features are in this project, which limit the area available for construction and require obvious caution when physically present.

Easement V-1 includes the contingent obligation of the project to pay certain expenses of improving or maintaining the easement, depending on the amount of use of the easement.

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

**A. Rights Under the Condominium Statute:**

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

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

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

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

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

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for 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. 2286 filed with the Real Estate Commission on August 8, 1990.

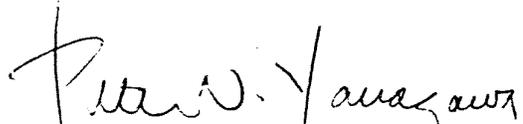
Reproduction of Report. When reproduced, this report must be on:

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

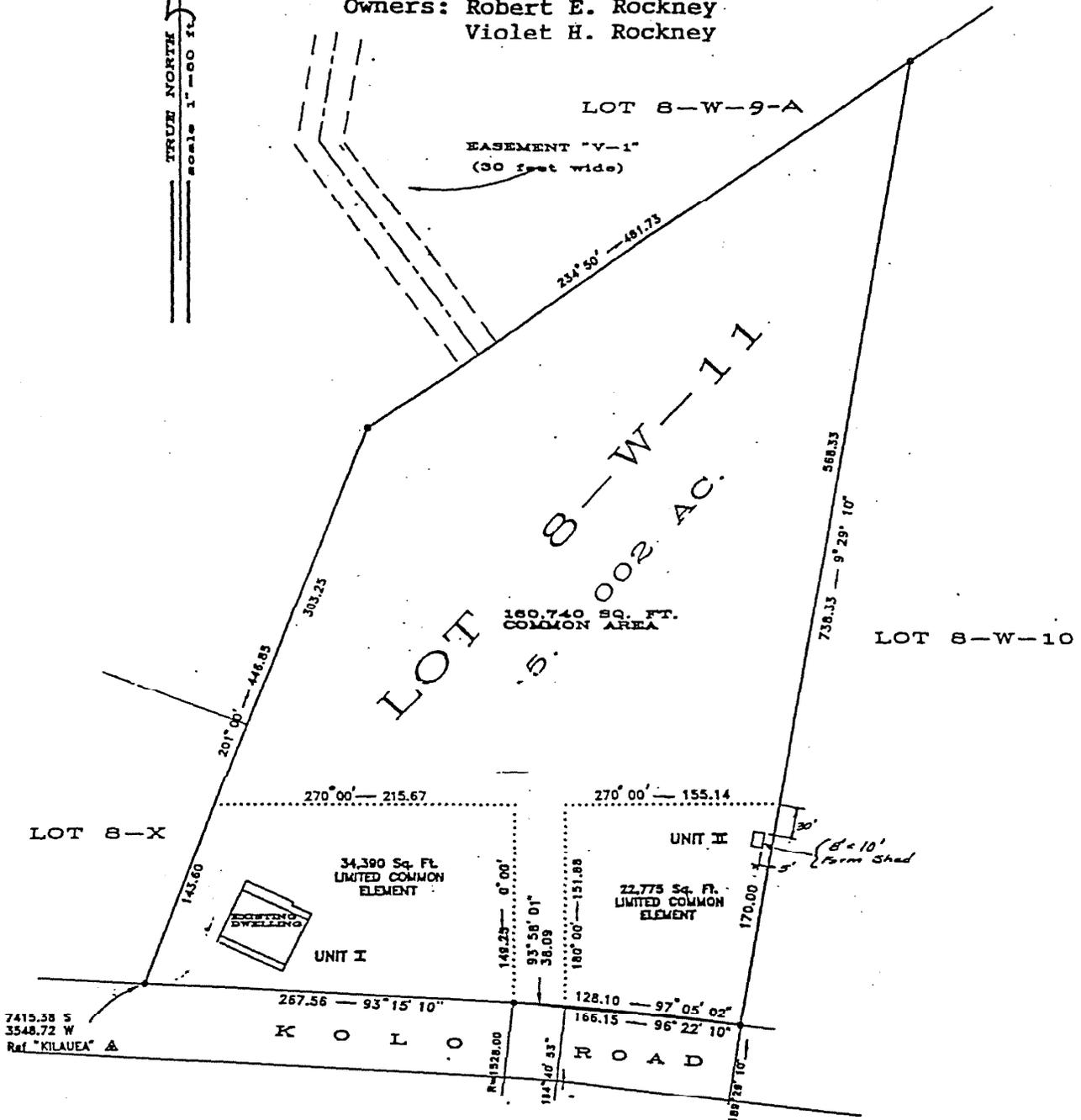
Planning Department, County of Kauai

Federal Housing Administration

Escrow Agent

EXHIBIT A  
 C DOMINIUM MAP  
 2200 Kolo Road Condominium  
 Owners: Robert E. Rockney  
 Violet H. Rockney

TRUE NORTH  
 scale 1"=60 ft



CONDOMINIUM MAP

UNITS I, II AND COMMON AREA  
 BEING  
 LOT 8-W-11

KILAUEA AGRICULTURAL SUBDIVISION  
 KILAUEA, KAUAI, HAWAII

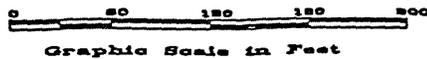


THIS MAP WAS PREPARED BY ME  
 OR UNDER MY SUPERVISION

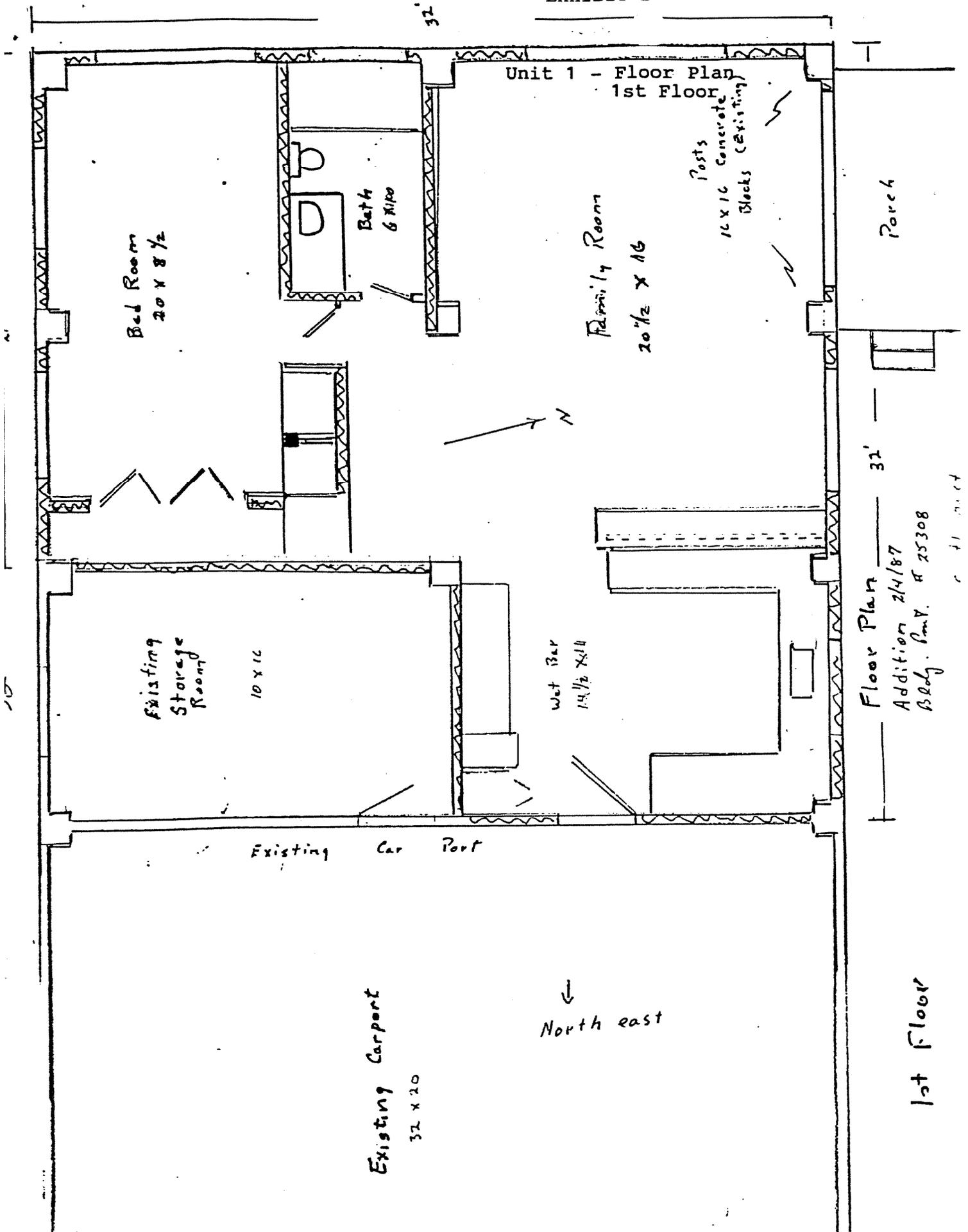
*Ronald J. Wagner*

RONALD J. WAGNER  
 Registered Professional Land Surveyor  
 Certificate No. 5074

Prepared For:  
 Dr. Robert Rockney



WAGNER ENGINEERING  
 MANAGEMENT SERVICES  
 PO BOX 540 KAPAA, KAUAI, HI. 96748



Unit 1 - Floor Plan  
1st Floor

Bed Room  
20 x 8 1/2

Bath  
6 x 10

Family Room  
20 1/2 x 16

Posts  
12 x 16 Concrete  
Blocks (Existing)

Existing  
Storage  
Room  
10 x 16

Wet Bar  
14 1/2 x 14

Existing Car Port

Existing Carport  
37 x 20

Porch

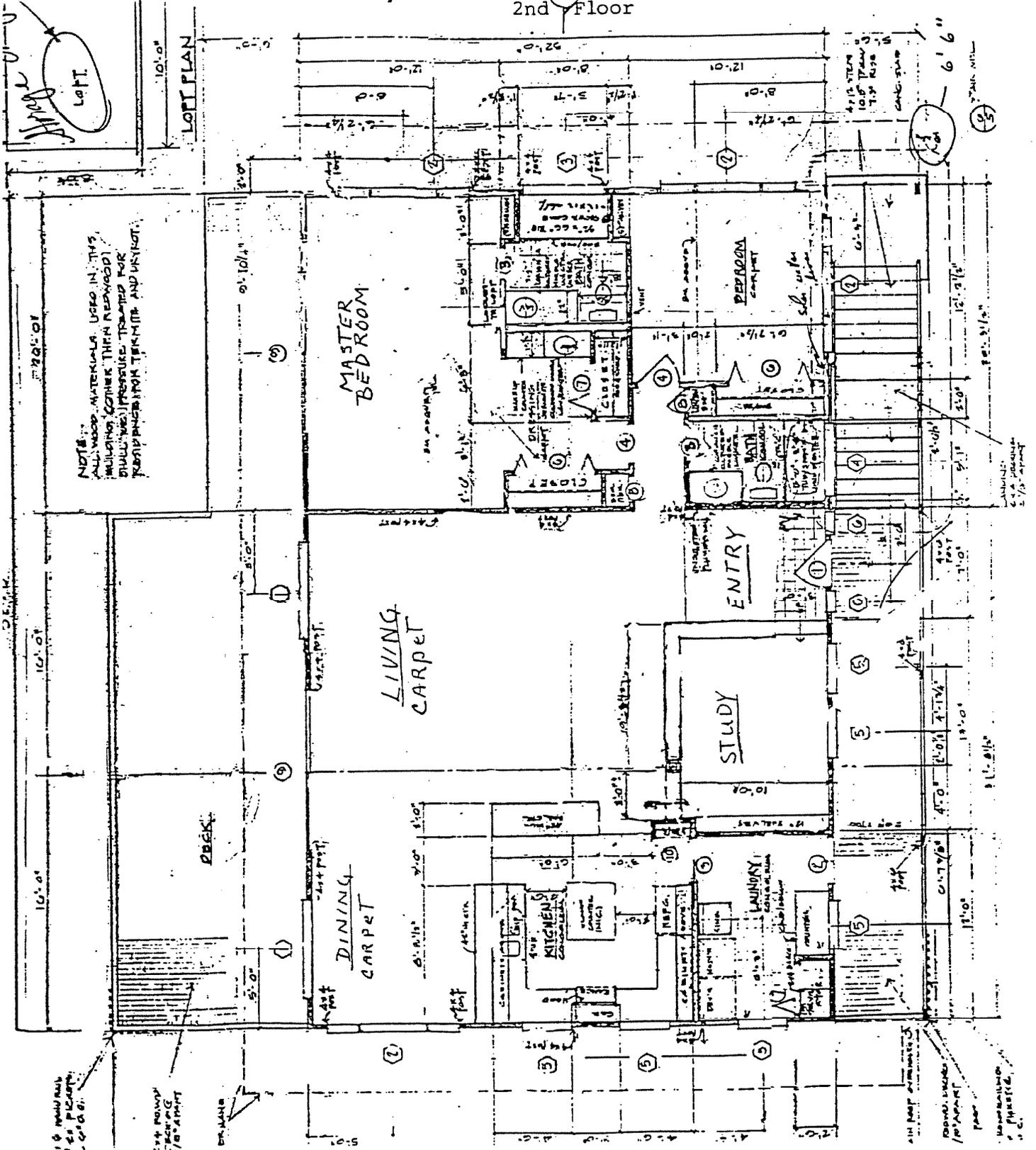
Floor Plan  
Addition 2/4/87  
Bldg. Per. # 25308

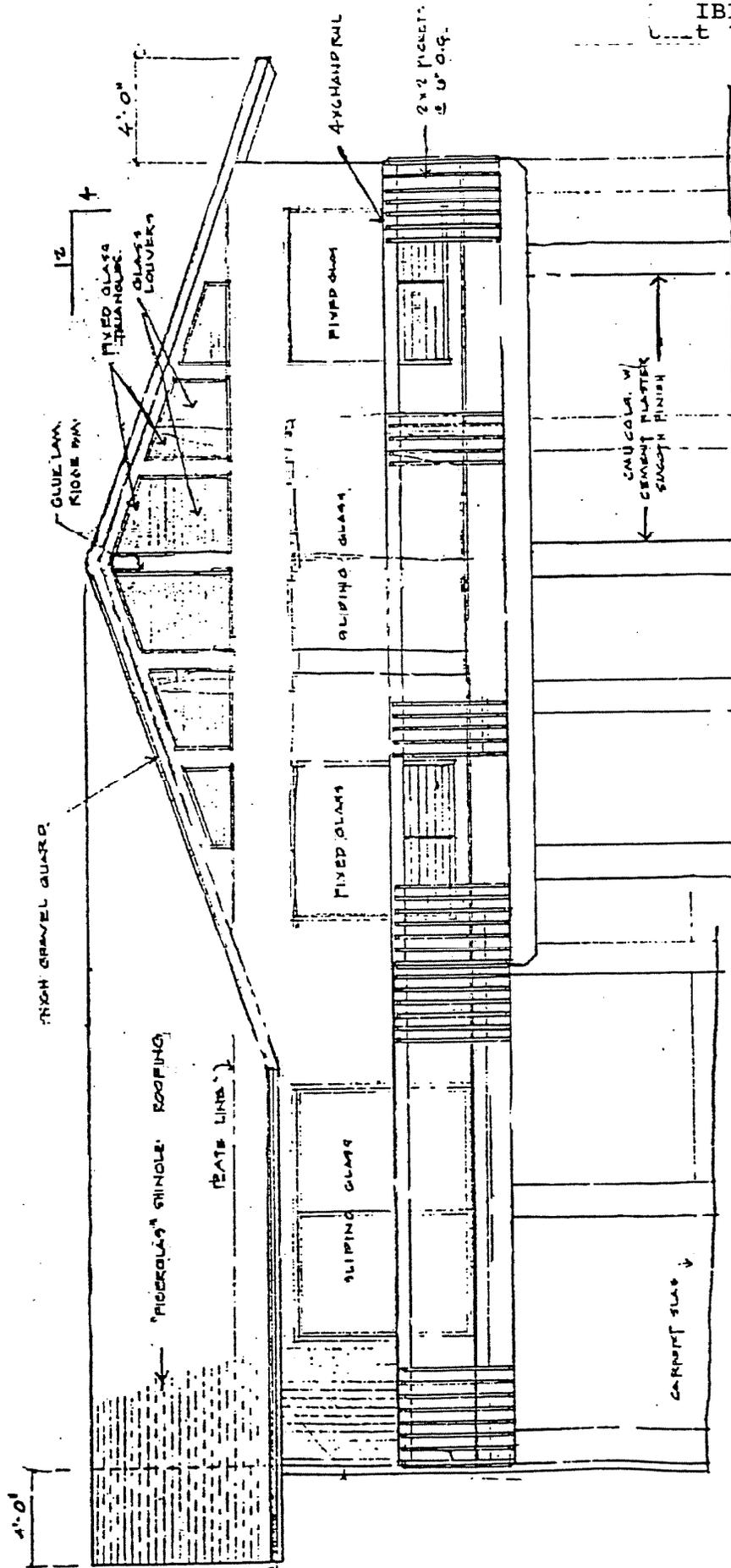
North east

1st Floor

EXHIBIT B

Unit 1 - Floor Plan  
2nd Floor





SE SOUTHEAST ELEVATION SCALE: 1/4" = 1'-0"

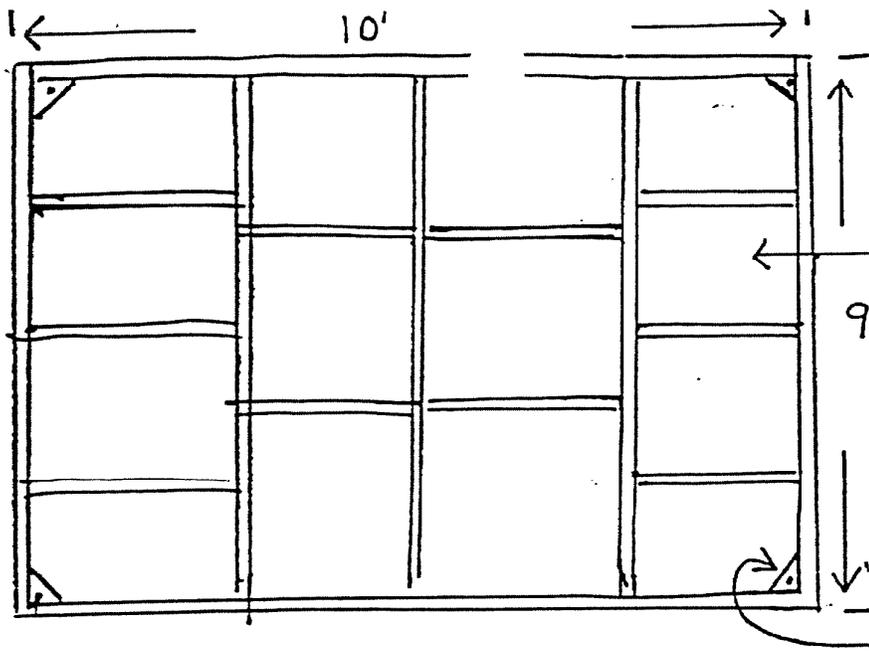
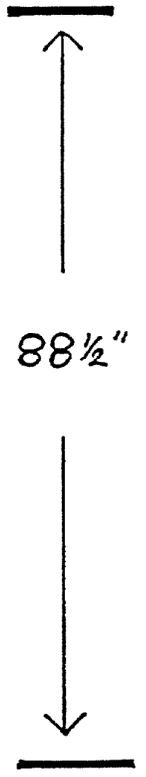
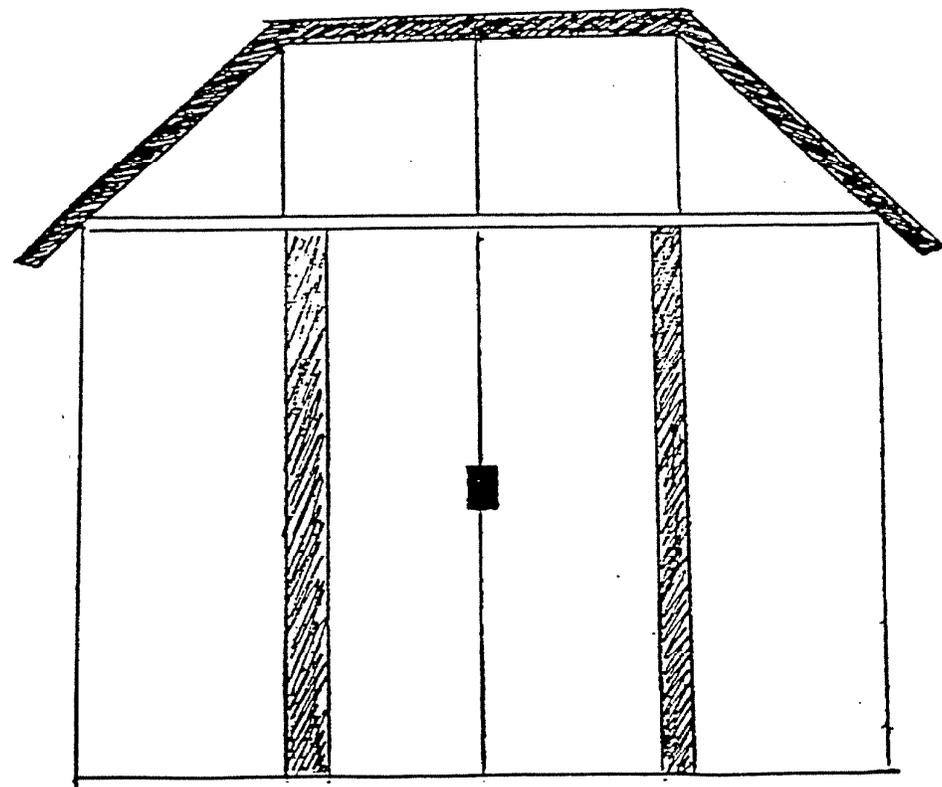


EXHIBIT B  
Unit 2 - Floor Plan and  
Elevation

METAL FLOORING

95 1/2"

GROUND ANCHORS



88 1/2"

FARM STORAGE SHED

SEARS METAL BUILDING MODEL # 68538

EXHIBIT C

SCHEDULE OF APARTMENTS AND COMMON INTERESTS  
FOR 2200 KOLO ROAD CONDOMINIUM

Qty.	Apt. No.	Area of Limited Common Element (Sq. Ft.)	No. of BR/BATH	Appx Net Living Area (Sq. Ft.)	Appx Carport/Storage/Lanai/Shed Area (Sq. Ft.)	% of Common Int.
1	1	34,390	3/3	2,525	640 (carport) 160 (storage) 696 (lanai)	50
1	2	22,775	0	0	80 (storage shed)	50

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

END OF EXHIBIT C

EXHIBIT D

DECLARATION OF PROTECTIVE COVENANTS AND BUILDING RULES  
FOR 2200 KOLO ROAD CONDOMINIUM

The purpose of these Protective Covenants is to protect all owners and occupants from annoyance and nuisance caused by improper conduct and improper use of the 2200 KOLO ROAD CONDOMINIUM, hereinafter referred to as "Project," and to provide for the maximum enjoyment of the premises, with protection of all owners reasonable expectations. All owners and occupants, their agents, employees and invitees shall be bound by these Building Rules and by standards of reasonable conduct, whether covered by these Building Rules or not.

1. Definitions. As used herein:

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

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

2. Building Permits. Any owner desiring to construct a single family farm dwelling in a unit will have to comply with the Kauai County building and zoning codes, as the same may be changed from time to time. The present requirement is that each owner must demonstrate the ability to obtain sustenance or income from farming on the limited common element before the County will issue a Farm Dwelling Agreement. The County will likely inspect the area before issuing a building permit, to ascertain that farming activities are taking place on the unit seeking to build. Each owner will execute a power of attorney in favor of the developer 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. The water, electricity and telephone are available in Kolo Road. Each Unit Owner will be required to connect such utilities to his respective improvements at his own cost and expense.

4. Cesspool/Septic System. There are no sewer lines and no sanitary sewer system. Each Unit owner will be required to have his own waste disposal system consistent with the laws in effect at the time of construction, to be located within his own limited common element area.

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

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

7. Pets and Farm Animals/Noise in General. Notwithstanding that this is an agricultural condominium, the following animals shall be precluded from possession by owners or occupants of the Project: bulls, pit bull or pit bull mixed dogs, more than one pig, 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 two or more unit owners make written objection to the association of unit owners. In the latter case, offending owner(s) shall have 30 days in which to remedy the problem or to dispose of the offending animals.

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

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

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

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 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 Developer at any time prior to issuance of the Final Report by the State of Hawaii, Real Estate Commission. Thereafter they may be modified by an affirmative vote of the holders of 100% of the common interests in the Project.

END OF EXHIBIT D

EXHIBIT E

Common Elements of the Project

The common elements of the project are:

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

Limited Common Elements of Project

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

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

<u>Unit Number</u>	<u>Area of Limited Common Element</u>
1	34,390 square feet
2	22,775 square feet

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

END OF EXHIBIT E

EXHIBIT F

Easements Against Title

1. Real property taxes. Check with the Kauai County Tax Assessor for further information.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. "The rights of the State of Hawaii in and to the bed of the stream or river lying below the highwater line."
4. The 100 year flood building setback requirements along the Kilauea Stream.
5. GRANT  
In Favor Of: Citizens Utilities Company, a Delaware corporation, and Hawaiian Telephone Company, a Hawaii corporation  
Dated: May 20, 1981  
Liber: 16806  
Page: 785  
Purpose: granting an easement for utility purposes within Easement "E-1"
6. Condominium Map No. 1339, filed in the Bureau of Conveyances of the State of Hawaii.
7. The restrictions, covenants, agreements, obligations, conditions, easements and other provisions set forth in Declaration of Horizontal Property Regime dated June 7, 1990, recorded in said Bureau as Document No. 90-092883.
8. The restrictions, covenants, agreements, obligations, conditions and other provisions set forth in By-Laws of the Association of Apartment Owners of 2200 Kolo Road Condominium dated June 7, 1990, recorded in said Bureau as Document No. 90-092884.
9. Restrictions, covenants and conditions as contained in:  
DECLARATION OF PROTECTIVE COVENANTS AND BUILDING RULES FOR 2200 KOLO ROAD CONDOMINIUM  
Dated: June 7, 1990  
Document No. 90-092885  
to which reference is hereby made, but deleting restrictions, if any, based on race, color, religion or national origin

END EXHIBIT F

EXHIBIT G

DISCLOSURE ABSTRACT FOR  
2200 KOLO ROAD CONDOMINIUM

Pursuant to Hawaii Revised Statutes Section 514(A)-61, the developer of 2200 KOLO ROAD Condominium makes the following disclosures:

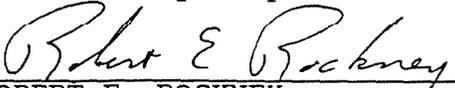
1. The developer of the project is ROBERT E. ROCKNEY, c/o Steven R. Lee, Atty., 2959 Umi St., Suite 300, Lihue, HI 96766.

2. The projected annual maintenance fees are attached hereto as Schedule I. Developer hereby certifies that the estimations have been based on generally accepted accounting principles.

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

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

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

  
ROBERT E. ROCKNEY

Dated: Oct 22, 1990

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RECEIPT

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

Purchaser(s)

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SCHEDULE I

ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> x 12 months =	<u>Yearly Total</u>
Unit 1	\$100.00	\$1,200.00
Unit 2	\$100.00	\$1,200.00

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

- Air Conditioning
- Electricity
  - common elements only
  - common elements and apartments
- Gas
- Refuse Collection
- Telephone
- Water and Sewer

Maintenance, Repairs and Supplies

- Building
- Grounds

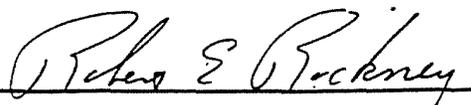
Management

- Management Fee
- Payroll and Payroll Taxes
- Office Expenses

Insurance	\$ 30.00	\$ 360.00
Reserves - Maintenance	\$ 10.00	\$ 120.00
Taxes and Government Assessments	\$160.00	\$1,920.00
Audit Fees		
Other		

TOTAL	\$200.00	\$2400.00
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We, ROBERT E. ROCKNEY, as developer for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

  
 Date: June 1, 1990

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

The 2200 KOLO ROAD Purchase Agreement, (the "contract") contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

\* \* \* \* \*

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

END OF EXHIBIT H

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

The Escrow Agreement ("Agreement") between Title Guaranty Escrow Services, Inc. (the "Escrow") and ROBERT E. ROCKNEY, VIOLET H. ROCKNEY, (the "Seller") contains, among other provisions the following (which may be modified or otherwise limited by provisions not summarized):

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

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

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

4. Escrow will return deposited sums to the Buyer without interest if Seller gives Escrow written notice to return the funds to Buyer, or with respect to a Buyer whose funds were obtained before the issuance of a Final Public Report, Escrow receives from the Buyer a written request to cancel the sales contract or after issuance of the Final Public Report and Buyer's waiver of his right to cancel the sales contract in accordance with Section 514A-62, Hawaii Revised Statutes, there shall be any material change in the project which directly, substantially and adversely affects the use or value of the Buyer's apartment or appurtenant common elements or those amenities of the project available for Buyer's use, of a nature entitling the Buyer to cancel his sales contract pursuant to Section 514A-63, Hawaii Revised Statutes. These funds shall be returned to Buyer less

Escrow's cancellation fee, if any, any mortgagee's cancellation fee and all other costs incurred in connection with the Escrow, but in the aggregate shall not be less than \$25.00.

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

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

\* \* \* \* \*

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

END OF EXHIBIT I

JOANN A. YUKIMURA  
MAYOR



PETER A. YAKAMURA  
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

August 27, 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 Kolo Road Condominium Report  
Tax Map Key: 5-2-12:11  
Kilauea, Kauai, Hawaii

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 property is zoned Agriculture District (A) and Open District (O) and qualifies for two (2) units, based on an "ADU" facilities clearance form issued for this property. Please be advised, however, that the second dwelling and construction thereof will be confirmed when the building permit plans are submitted for processing. An approved ADU clearance form at this time means that the property qualifies for an additional dwelling unit. However, "qualifies" does not mean the building and zoning permits for construction of the unit will automatically be approved. It is at the permit level that detailed plans are submitted and evaluated with respect to specific building and zoning code requirements.

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.

EXHIBIT J

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Mr. Calvin Kimura, Executive Secretary  
Real Estate Commission  
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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.

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/driveways.

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



PETER A. NAKAMURA  
Planning Director

cc: Steven R. Lee, Esq.

END OF EXHIBIT J