

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer JOYCE COIT
Address 1640 MAKANUI ROAD KOLOA ROAD 96756

Project Name (*): 1640 MAKANUI CONDOMIUM
Address: 1640 MAKANUI ROAD KOLOA, HAWAII 96756

Registration No. 2362

Effective date: October 11, 2005

Expiration date: November 11, 2006

Preparation of this Report:

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

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

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

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

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

Type of Report:

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

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

X SECOND SUPPLEMENTARY: (pink) This report updates information contained in the: [] Preliminary Public Report dated: [XX] Final Public Report dated: January 24, 1991 [X] Supplementary Public Report dated: May 4, 1998

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

(*) Exactly as named in the Declaration

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report Not Required - Disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

This Second Supplementary Public Report supercedes all prior reports and covers the sale of Unit 2 only; Unit 1 having been previously sold to third-party purchasers. This report was prepared to disclose material changes to Unit 2 and to the parking area and site map of the project as a whole. The material changes are reflected in the Fifth Amendment to Declaration of Condominium Property Regime, referenced in Exhibit F attached hereto. Information relating to Unit 1 is provided based on the best information that Developer has and where information was not available, information disclosed in prior public reports for this project was used. Developer disclaims any responsibility for the accuracy of information relating to Unit 1, particularly any changes that have been made to Unit 1.

The changes made are as follows;

1. The low voltage lighting system no longer exists and has been changed by the owner of Unit 2 to a solar system servicing the walkway to unit 2 located within Easement "A-1". The solar system is not a common element and is to be maintained by the owner of Unit 2.
2. The location of the western end of the fence on the boundary line between Unit 1 and 2 is hereby changed from 31 feet to 28.88 feet from Datum Point 'A' located on the Amended Condominium Map. In addition, maximum height of vegetation in the view plane easement (V-I), is changed from 18 inches to 36 inches, and 8 feet along the privacy fence on the boundary line between the limited common element of the units, measured from Datum Point 'A' as depicted on the Amended Condominium map Exhibit A attached hereto.
3. The Limited Common Element of Unit 1 is to be maintained to protect the existing full view plane of Unit 2 upper level from any interference or obstruction, including but not limited to all vegetation. Any new plantings that may eventually interfere with the said full view plane will be agreed upon between the owners of Unit 1 and Unit 2, in advance and in writing.
4. The Limited Common Elements appurtenant to Unit 1 and 2 have been amended, as referenced on Amended Condominium map No. 1391, and the Fifth Restated Amendment to the Declaration of 1640 Makaanui Condominium.
5. This Second Supplementary Report is prepared to disclose the Quitclaim of Zantha Property Trust to Joyce Coit, Single, tenant in severalty, Document No. 2003- 070256, dated April 16, 2003.
6. The material changes in Unit 2 are reflected in the architectural drawings of the floor plans and elevation, depicting the enclosure of an existing outside deck area with windows and jalousies, adding 153 square feet of living space to the upper floor, referenced in Exhibit A, attached herein.
7. The living area of Unit 2 has been corrected.

SPECIAL ATTENTION

This Contingent Final Public Report has been prepared by the Developer pursuant to §514A-39.5, HRS. The Real Estate Commission issued this report before the developer submitted certain documents and information as more fully set forth in the statutory notice below. Sales contract executed pursuant to this report **are binding on the buyer under those conditions specified immediately below** and in Part V. B. of this report found on pages 18 & 19 of this report. This report expires nine (9) months after the effective date of the report and may not be extended or renewed.

STATUTORY NOTICE

"The effective date for the Developer's Contingent Final Public Report was issued before the Developer submitted to the Real Estate Commission: the executed and recorded deed or master lease for the project site; the executed construction contract for the project; the building permit; satisfactory evidence of sufficient funds to cover the total project cost; or satisfactory evidence of a performance bond issued by a surety licensed in the State of not less than one hundred percent of the cost of construction, or such other substantially equivalent or similar instrument or security approved by the Commission. Until the Developer submits each of the foregoing items to the Commission, all Purchaser deposits will be held by the escrow agent in a federally-insured, interest-bearing account at a bank, savings and loan association, or trust company authorized to do business in the State. If the Developer does not submit each of the foregoing items to the Commission and the Commission does not issue an effective date for the Final Public Report before the expiration of the Contingent Final Public Report, then:

- (1) The Developer will notify the Purchaser thereof by certified mail; and
- (2) Either the Developer or the Purchaser shall thereafter have the right under Hawaii law to rescind the Purchaser's sales contract. In the event of a rescission, the Developer shall return all of the Purchaser's deposits together with all interest earned thereon, reimbursement of any required escrow fees, and, if the Developer required the Purchaser to secure a financing commitment, reimburse any fees the Purchaser incurred to secure that financing commitment." (§514A-64.5, HRS)

The developer is not required to submit but has for this registration submitted the following documents and information:

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General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

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

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

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

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

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

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

Operation of the Condominium Project

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

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

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

I. PERSONS CONNECTED WITH THE PROJECT

Developer:

Name JOYCE COIT
1640 Makanui Road
Business Address
Koloa, Hawaii 96756

Phone: (808) 742-7425
(Business)

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

N/A

Real Estate
Broker:

SANDALWOOD PROPERTIES, INC.
Name : Douglas Bryant
Business Address: PO Box 1173
Kalaheo, Hawaii 96754

Phone: (808) 652-5901
(Business)

Escrow:

TITLE GUARANTY ESCROW
Name SERVICES, INC.
235 Queen Street
Business Address
Honolulu, Hawaii 96813

Phone: (808) 521-0211
(Business)

General
Contractor:

N/A
Name

Phone: N/A
(Business)

Business Address

Condominium
Managing
Agent:

Project will be self-managed through the Association
of 1640 Makanui Condominium
Name Apartment Owners.

(Business)

Business Address

1640 Makanui Rd Koloa, Hi. 96756

Attorney for
Developer:

Curtis Shiramizu

4480 Pelehu Road

Kapaa, Hi. 96746

(808) 823-9878
Phone: (Business)

II. CREATION OF THE CONDOMINIUM;

CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, MRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

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

The Declaration for this condominium is:

Proposed
 Recorded Bureau of Conveyances: Document No. 90-0160891
Book _____ Page _____
Filed Land Court: Document No. _____

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]: First Amendment to the 1640 Makanui Condominium , Property Regime, dated October 26, 1990, recorded as Document No. 90-174760; Second Amendment of 1640 Makanui Condominium Property Regime, dated June 5, 1992, recorded as Document No. 92-095725; Third Amendment to the 1640 Makanui Condominium Property Regime, dated October 9, 1997 recorded as Document No. 97-146401, Fourth Amendment to the 1640 Makanui Condominium Property Regime, dated March 11, 2004, recorded as Document No. 2004-095259, Fifth Amended Declaration of Condominium Property Regime of 1640 Makanui Condominium, dated July 15, 2005, recorded as Document No. 2005-140256.

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

Proposed
 Recorded - Bureau of Conveyances Condo Map No. 1391
 Filed - Land Court Condo Map No. _____

The Condominium Map has been amended by the following instruments [state name of document, date, and recording/filing information]: First Amendment dated October 26, 1990, recorded as Document No. 90-174760; Second Amendment dated June 5, 1992, recorded as Document No. 92-095725; Third Amendment dated October 9, 1997, recorded as Document No. 97-146401, Fourth Amendment dated March 11, 2004, recorded as Document No. 2004-095259. Fifth Amendment dated July 15, 2005, recorded as Document No. 2005-140256.

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

The Bylaws for this condominium are:

Proposed
 Recorded - Bureau of Conveyances: Document No. 90-160892

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]: **FOURTH Amendment to Declaration of Condominium Property Regime of 1640 Makanui condominium Property regime of 1640 Makanui Condominium, dated March 11, 2004, recorded as Document No. 2004-095259, whereby, Article 7, Section 7.2 of the Bylaws was amended, and section 7.11 was added to the By-Laws as follows;**

Article 7 Section (7.2) is hereby amended and the following language inserted at the beginning of 7.2:

Violations by any of the owners, Lessees or guest relating to the Conditions, Covenants and Restrictions, as listed in the By-Laws and Declaration, the aggrieved Unit owner shall first give a courtesy phone call to the other Unit owner to set up a association meeting with the Unit owners within 10 days to discuss and to resolve the offence. All Unit owners shall be given 30 days after written notification to comply with the aggrieved Unit owner's request for correction. Should the violating Unit owner not perform, the aggrieved Unit owner may correct the violation and charge the violating Unit owners for cost of the correction.

Article 7 Section (7.11) is added in its entirety and the following language inserted as follows:

It is the responsibility of each owner at all times to notify the other Unit owners in writing of their physical and mailing addresses and if applicable, telephone, email and fax contact.

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

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

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

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

		Minimum	
		Set by Law	This Condominium
	Declaration (and Condo Map)	75 %	75%
Bylaws	65 %		65% House rules
	75%		

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

2. Developer:

- No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws, or House Rules.
- Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules: Pursuant to the Sales Contract (Exhibit B, paragraph 4 (d)), the Seller reserved the right to make amendments to the project documents prior to issuance of an effective date for a Final Public Report. In that a Final Public Report has in fact been issued and Unit 1 conveyed to third-parties, the Seller is unable to make such changes unilaterally.

Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

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

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

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

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

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

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

B. Underlying Land:

Address: 1640 MAKANUI ROAD Tax Map Key (TMK): (4) 2-8-020-059

Address TMK is expected to change because _____

Land Area: 11,921 square feet acre(s) Zoning: Residential

Unit 2

Fee Owner:

Name Joyce Coit

Address 1640 Makaanui Road
Koloa, Hawaii 96756

Unit 1

Fee
Owner:

Name Robert Pittman and Susan
Pittman

Address 1640 Makaanui Road
Koloa, Hawaii 96756

C. Buildings and Other Improvements:

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

2. Number of Buildings: 2 Floors Per Building Unit 1=2 stories
Unit 2=2 stories

Exhibit contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other

4. Uses Permitted by Zoning

	No. of Use Permitted <u>Apts. Bv Zoning</u>		No. of Use Permitted <u>Apts. Bv Zoning-</u>
<input checked="" type="checkbox"/> Residential	2 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Ohana	- <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Industrial	- <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Agricultural	- <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Hotel	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Recreational	- <input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Timeshare	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Other: _____	- <input type="checkbox"/> Yes <input type="checkbox"/> No

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

Yes No

5. **Special Use Restrictions:**

The Declaration and Bylaws may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to: Dogs, cats, chickens roosters and any animal that creates levies of noise or odors that are visible audible or otherwise apparent are not permitted within the project.

[] Number of Occupants: _____

[x] Other: The other remaining use restrictions are contained in the Amended Declaration of Protective Covenants and House Rules, a summary of which is referenced in Exhibit H, attached hereto.

[X] There are no special use restrictions. _____

6. **Interior** (fill in appropriate numbers);

Elevators:	0	Stairways:	0	Trash Chutes:	0
<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
1	1	2/2	1,100 sq.ft.	600 sq.ft	Lanai/storage
2	1	3/3	1,882 sq.ft.	187 sq.ft.	laundry/utility room
Total Number of 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.

Boundaries of Each Apartment: The boundaries of each apartment shall be the outer surface of the entire building. Wires or conduits, pipes or any utility lines running over, under or through any apartment which is utilized for or serve more than one Unit shall not be deemed a part of the apartment, the same being deemed common elements.

Permitted Alterations to Apartments: Permitted alterations to apartments are as allowed by county of Kauai zoning ordinances and recorded and any recorded restrictions on the project. Upon completion of construction of each permanent improvement, an amendment to the Declaration of Condominium Property Regime will be required.

Apartments Designated for Owner-Occupants Only:

Fifty percent (50%) of residential apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by section 514A-102, HRS; or include the information here in this public report and in the announcement (see attachment 11a). Developer has _____ elected to provide the information in a published announcement or advertisement.

Parking: Stalls: _____
Total Parking Stalls: 6

	<u>Regular Covered Open</u>	<u>Compact Covered open</u>	<u>Tandem Covered open</u>	<u>TOTAL</u>
Assigned (for each unit)	Unit 1 has 3 stalls Unit 2 has 3 stalls			3 3
Guest Unassigned				
Extra for Purchase Other _____				
Total Covered & Open:	<u>6</u>			<u>6</u>

Each apartment will have the exclusive use of at least 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 A contains additional information on parking stalls for this condominium project.

Recreational and Other Common Facilities:

There are no recreational or common facilities.

- Swimming pool Storage Area Recreation Area
- Laundry Area Tennis Court Trash Chute/Enclosure(s)

Other: _____

Compliance With Building Code and Municipal Regulations: Cost to Cure Violations

- There are no violations. With respect to Unit 2 Violations will not be cured.
- Violations and cost to cure are listed below: Violations will be cured by _____
(date)

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

11. Conformance to Present Zoning Code

- a. No variances to zoning code have been granted.
 Variance(s) to zoning code was/were granted as follows:

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

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

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

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

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

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

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

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

described in Exhibit E .

as follows:

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

There are no limited common elements in this project.

The limited common elements and the apartments which use them, as described in the Declaration, are:

described in Exhibit E.

as follows:

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

described in Exhibit C.

as follows:

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

Exhibit F describes the encumbrances against the title contained in the title report dated July 21, 2005 and issued by TITLE GUARANTY OF HAWAII, INC.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
none	

F. Construction Warranties:

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

1. Building and Other Improvements: **none**

2. Appliances: **none**

G. Status of Construction and Date of Completion or Estimated Date of Completion:

Construction was completed on original structure as of February 1, 1990

Improvements to Unit 2 was completed on August 1, 2003

H Project Phases:

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

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

IV. CONDOMINIUM MANAGEMENT

- A. 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 condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium 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 condominium managing agent for this project, named on page five (5) of this report, is:

- not affiliated with the Developer the Developer or the Developer's affiliate.
 self-managed by the Association of Apartment Owners Other: _____

- B. 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, a lien may be placed on your apartment and the apartment may be 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.

Exhibit _____ contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change). There are no regular assessment fees for maintenance at this time. Special assessments for violations of the Conditions, Covenants and Restrictions recited on page 6, section C, in this report.

Charges for Apartments:

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

- None Electricity (_____ Common Elements only _____ Common Elements & Apartments)
 Gas (_____ Common Elements only _____ Common Elements & Apartments)
 Water Sewer Television Cable

Water is a shared expense based on consumption and actual usage, by mutual agreement and is metered on Unit

- [X] Other: Since the Walkway Easement A-1 is used primarily by the owner(s) of Unit 2 in the night time hours, the cost of maintenance of solar lighting system servicing the Easement Walkway is, by agreement of the owners, a separate expense attributable to Unit 2.

The lighting system is not a common element.

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to: [] Notice to Owner Occupants

- [X] Specimen Sales Contract
Exhibit B _ contains a summary of the pertinent provisions of the sales contract.
- [X] Escrow Agreement dated December 28, 2004
Exhibit D contains a summary of the pertinent provisions of the escrow agreement.
- [X] Other Specimen Apartment Deed
-

B. Buyer's Right to Cancel Sales Contract

1. Rights under the Condominium Property Act Chapter 514A, HRS1:

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$500.00.

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

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

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

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

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

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

- C. Rights Under the Sales Contract before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been issued an effective date by the Hawaii Real Estate Commission.
 - B) Declaration of Condominium Property Regime, as amended.
 - C) Bylaws of the Association of Apartment Owners, as amended.
 - D) House Rules, as amended.
 - E) Condominium Map, as amended.
 - F) Escrow Agreement.
 - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 2362 filed with the Real Estate Commission on December 5, 1990

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

YELLOW paper stock WHITE paper stock PINK paper stock

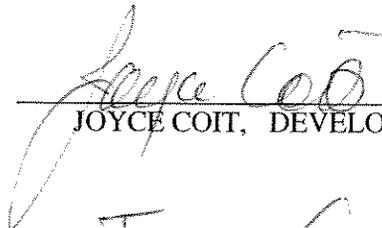
D. Additional Information Not Covered Above.

This is a condominium project, not a subdivision. Units purchased are not subdivided lots. To determine if your expectations can be realized, you should carefully review this report, especially Exhibit H, the recorded protective covenants and House Rules applicable to the project. Among other things, the House Rules govern the appearance of the project, possession of pets and animals, and prohibited activities. You should also conduct your own investigations to ascertain the validity of information provided. Please remember that issuance of an effective date for this report does not mean that the Real Estate Commission has "approved" the project.

Except as limited specifically by the project documents, all uses permitted in the residential zone are permitted. A prospective purchaser should consult the County of Kauai Comprehensive Zoning Ordinance for details.

The Developer shall (1) submit to the Real Estate Commission a duly executed copy of a broker listing agreement with a Hawaii-licensed real estate broker, together with a duly executed disclosure abstract identifying the designated broker, and (2) provide a copy of the disclosure abstract to the purchaser together with a copy of this public report.

- E. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- F. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developers knowledge, information and belief, true, correct and complete.



JOYCE COIT, DEVELOPER



Printed Name & Title of Person Signing Above

Distribution:
Department of Finance, County of Kauai
Planning Department, County of Kauai

*Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.

EXHIBIT A

Site Map
Engineers Certification
Unit 2 Limited Common Element
Easement "A-1"
Easement "V-1"

Exhibit "A"

AMENDED CONDOMINIUM MAP AND LIMITED COMMON ELEMENT
AND

-FIRST

DECLARATION of the Condominium Project known as "1640 MAKANUI", as established by Declaration of Condominium Property Regime dated October 8, 1990, recorded in the Bureau of Conveyances or the State of Hawaii as Document No. 90-160891, and as shown on condominium Map No. 1391.

PROPERTY DISCRIPTION

Together with appurtenant easements as follows:

(A) Non-exclusive easements in the common elements designed for such purposes for ingress to, egress from, utility services for and support of said apartment; in the other common elements for use according to their respective purposes.

(B) Exclusive easements to use other limited common elements appurtenant thereto designated for its exclusive use by the Declaration.

-SECOND:

An undivided 50% interest in all common elements of the Project and in the land on which said Project is located as established for said unit by the Declaration, or such other interest as hereafter established for said unit by any amendment of the Declaration, as tenant in common with the other owners and tenants thereof.

The land upon which said Condominium Project "1640 MAKANUI" is located is described as follows:

All of that certain parcel of land (being portion of the land(s) described in and covered by Royal Patent Grant Number 1416 to Eke Oponui) situate, lying and being on the northwest side of .Makanui Road, Weliweli, Koloa, Island and County of Kauai, State of Hawaii, being lot 13-8, same being a portion of Lot. 13 of the "WELIWELI HEIGHTS", containing an area of 11,921 square feet more or less, and described as per survey of Cesar C. Portugal, Registered Professional Land Surveyor, dated November 21, 1977.

Said parcel of land being more particularly described in Declaration of Condominium Property Regime dated October 8 # 1990, recorded in said Bureau of Conveyances as Document No. 90-160891.

Being the premises conveyed to JOYCE T.COIT, single, by QUITCLAIM APARTMENT DEED dated, 16TH Day of April 2003, recorded as Document No. 2003-070256.

SUBJECT, HOWEVER, to the following:

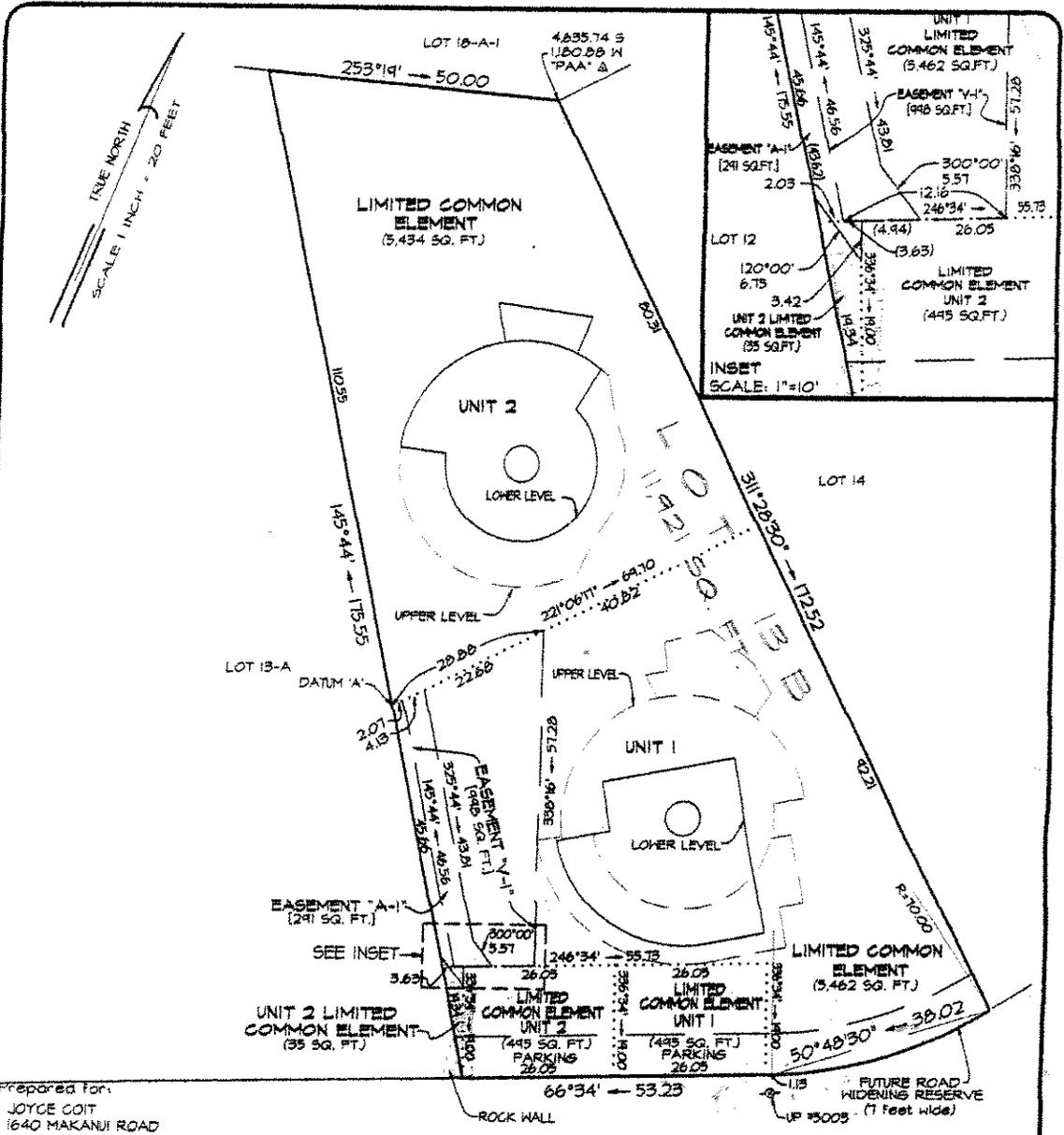
1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. SETBACK (7 feet wide)
PURPOSE: Future road widening
ALONG: Makanui Road
SHOWN: on surveyor's map prepared by Cesar C. Portugal, Registered Professional Land Surveyor, dated Sept.14,1977
3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT: DECLARATION OF CONDOMINIUM PROPERTY REGIME FOR THE
"1640 MAKANUI CONDOMINIUM"

Dated, October 8, 1990
Document No. 90-0160891
MAP No. 1391 and any amendments thereto

Said Declaration was amended by instruments dated October 26, 1990, recorded as Document No 90-174760; Dated June 5, 1992, recorded as Document No. 92-095725; Dated October 9, 1997, recorded as Document No. 97146401; Dated May 12, 2004, recorded as Document NO. 2004-095259 ; Dated June 15 2005, recorded as Document No. 2005-140256.

TRUE NORTH
SCALE 1 INCH = 20 FEET



Prepared For:
JOYCE COIT
1640 MAKANUI ROAD
KOLOA, KAUAI, HI 96756
SEPTEMBER 20, 1990
REV. 3/24/92
REV. 9/11/96
REV. 6/26/97 PER ROBERT PITTMAN
REV. 8/12/97
REV. 3/18/05

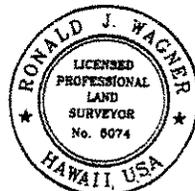
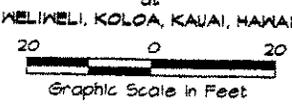
MAKANUI ROAD

OLIOLI ROAD

NOTE:
1. This project does not involve the sale of individual lots. The dotted lines on the Condominium Map are for illustration purposes only. They represent either a limited common element or common element.

- SUBJECT TO:**
- EASEMENT A-1 FOR ACCESS PURPOSES AFFECTING UNIT 1 IN FAVOR OF UNIT 2 AREA = 241 SQ. FT.
 - EASEMENT V-1 FOR VIEWPLANE PURPOSES AFFECTING UNIT 1 IN FAVOR OF UNIT 2 AREA = 998 SQ. FT.
 - A 7 FOOT WIDE FUTURE ROAD WIDENING RESERVE ALONG MAKANUI ROAD.

SITE PLAN
AMENDED CONDOMINIUM MAP #1391
"1640 MAKANUI CONDOMINIUM"
SHOWING
UNITS 1 AND 2
AND DESIGNATING
EASEMENTS "V-1" AND "A-1"
being portions of
LOT 13-B
at
MELIHUELI, KOLOA, KAUAI, HAWAII



This map was prepared by me or under my direct supervision.

Ronald J. Wagner
RONALD J. WAGNER
Licensed Professional Land Surveyor
Certificate Number 5074.

Wagner Engineering Services, Inc.
P.O. Box 831 Honolulu, HI 96714 (808) 828-7228

T.M.K.: (4) 2-B-20,59

Project No. 3785

Unit 2
Limited Common Element
"1640 Makanui" Condominium

All of that certain parcel of land being the Limited Common Element containing Unit 2, of "1640 Makanui" Condominium, being a portion of Lot 13-B, being a portion of Weliweli Heights, at Weliweli, Koloa, Kauai, Hawaii;

Being a portion of Grant 1416 to Eke Oponui and more particularly described as follows:

Beginning at the North corner of this parcel of land, being the West corner of Lot 14, being the South corner of Lot 18-A-1, the coordinates of which referred to Government Survey Triangulation Station, "PAA" being 4,635.74 feet South and 1,180.88 feet West and running by azimuths measured clockwise from True South:

- | | | |
|----|--------------|---|
| 1. | 311° 28' 30" | 80.31 feet along Lot 14; |
| 2. | 41° 06' 17" | 69.70 feet along the remainder of Lot 13-B, (Limited Common Element containing Unit 1, "1640 Makanui" Condominium); |
| 3. | 145° 44' | 110.55 feet along Lot 13-A; |
| 4. | 253° 19' | 50.00 feet along Lot 18-A-1 to the point of beginning and containing an AREA of 5,434 Sq. Ft. |

TOGETHER with, all of that certain parcel of land being the Limited Common Element Unit 2, of "1640 Makanui" Condominium, being a portion of Lot 13-B, being a portion of Lot 13, Weliweli Heights, at Weliweli, Koloa, Kauai, Hawaii;

Being a portion of Grant 1416 to Eke Oponui and more particularly described as follows:

Beginning at the Southwest corner of this parcel of land, being the Southeast corner of Lot 13-B, on the North side of Makanui Road, the coordinates of which referred to Government Survey Triangulation Station, "PAA" being 4,795.12 feet South and 1,129.99 feet West and running by azimuths measured clockwise from True South:

- | | | |
|----|----------|---|
| 1. | 156° 34' | 19.00 feet along the remainder of Lot 13-B, (Unit 2 Limited Common Element, "1640 Makanui" Condominium); |
| 2. | 246° 34' | 26.05 feet along the remainder of Lot 13-B, (Limited Common Element containing Unit 1, "1640 Makanui" Condominium); |

- | | | |
|----|----------|--|
| 3. | 336° 34' | 19.00 feet along the remainder of Lot 13-B, (Limited Common Element Unit 1, "1640 Makanui" Condominium); |
| 4. | 66° 34' | 26.05 feet along Makanui Road to the point of beginning and containing an AREA of 495 Sq. Ft. |

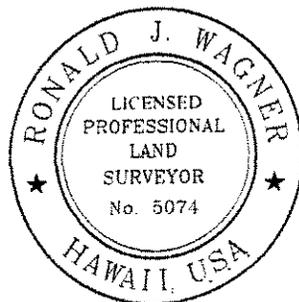
TOGETHER with, all of that certain parcel of land being the Unit 2 Limited Common Element, of "1640 Makanui" Condominium, being a portion of Lot 13-B, being a portion of Lot 13, Weliweli Heights, at Weliweli, Koloa, Kauai, Hawaii;

Being a portion of Grant 1416 to Eke Opunui and more particularly described as follows:

Beginning at the Southeast corner of this parcel of land, being the Southeast corner of Lot 13-A, on the North side of Makanui Road, the coordinates of which referred to Government Survey Triangulation Station, "PAA" being 4,795.12 feet South and 1,129.99 feet West and running by azimuths measured clockwise from True South:

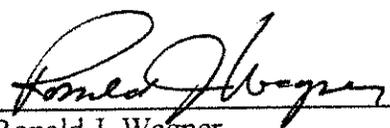
- | | | |
|----|----------|--|
| 1. | 145° 44' | 19.34 feet along Lot 13-A; |
| 2. | 246° 34' | 3.63 feet along the remainder of Lot 13-B, (Limited Common Element containing Unit 1, "1640 Makanui" Condominium); |
| 3. | 336° 34' | 19.00 feet along the remainder of Lot 13-B, (Limited Common Element Unit 2, "1640 Makanui" Condominium) to the point of beginning and containing an AREA of 35 Sq. Ft. |

For a total AREA of 5,964 Sq. Ft.



May 18, 2005
P.O. Box 851
Hanalei, Hawaii 96714

WAGNER ENGINEERING SERVICES INC.



Ronald J. Wagner
Licensed Professional Land Surveyor
Certificate No. 5074

Easement "A-1"

All of that certain parcel of land being an Easement "A-1", for Access purposes, affecting the Limited Common Element containing Unit 1, of "1640 Makanui" Condominium, being a portion of Lot 13-B, Weliweli Heights, at Weliweli, Koloa, Kauai, Hawaii;

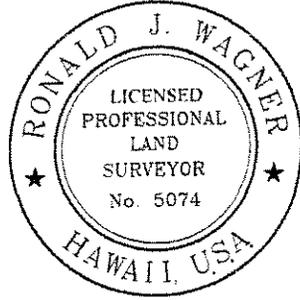
Being a portion of Grant 1416 to Eke Oponui and more particularly described as follows:

Beginning at the West corner of this parcel of land, being the South corner of the Limited Common Element containing Unit 2, "1640 Makanui" Condominium, on the Northeast boundary of Lot 13-A, the coordinates of which referred to Government Survey Triangulation Station, "PAA" being feet South and feet West and running by azimuths measured clockwise from True South:

- | | | |
|----|--------------|---|
| 1. | 221° 06' 17" | 6.20 feet along the Limited Common Element containing Unit 2, "1640 Makanui" Condominium; |
| 2. | 325° 44' | 43.81 feet over and across the Limited Common Element containing Unit 1, "1640 Makanui" Condominium; |
| 3. | 300° 00' | 5.57 feet over and across the Limited Common Element containing Unit 1, "1640 Makanui" Condominium; |
| 4. | 66° 34' | 4.94 feet along the Limited Common Element Unit 2, "1640 Makanui" Condominium; |
| 5. | 336° 34' | 3.42 feet along the Limited Common Element Unit 2, "1640 Makanui" Condominium; |
| 6. | 120° 00' | 6.75 feet over and across the Unit 2 Limited Common Element and the Limited Common Element containing Unit 1, "1640 Makanui" Condominium; |

7. 145° 44'

43.62 feet along Lot 13-A to the point of beginning
and containing an AREA of 291 Sq. Ft.



WAGNER ENGINEERING SERVICES INC.

May 18, 2005
P.O. Box 851
Hanalei, Hawaii 96714

A handwritten signature in cursive script that reads "Ronald J. Wagner".

Ronald J. Wagner
Licensed Professional Land Surveyor
Certificate No. 5074

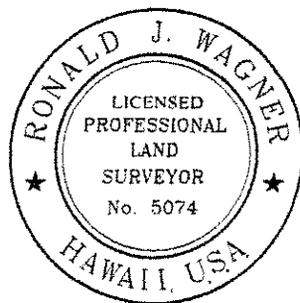
Easement "V-1"

All of that certain parcel of land being an Easement "V-1", for viewplane purposes, affecting the Limited Common Element containing Unit 1, of "1640 Makaanui" Condominium, being a portion of Lot 13-B, being a portion of Lot 13, Weliweli Heights, at Weliweli, Koloa, Kauai, Hawaii;

Being a portion of Grant 1416 to Eke Oponui and more particularly described as follows:

Beginning at the North corner of this parcel of land, on the Southeast boundary of the Limited Common Element containing Unit 2, "1640 Makaanui" Condominium, the coordinates of which referred to Government Survey Triangulation Station, "PAA" being 4,719.64 feet South and 1,147.60 feet West and running by azimuths measured clockwise from True South:

- | | | |
|----|--------------|--|
| 1. | 338° 16' | 57.28 feet over and across the Limited Common Element containing Unit 1, "1640 Makaanui" Condominium; |
| 2. | 66° 34' | 12.16 feet along Limited Common Element Unit 2, "1640 Makaanui" Condominium); |
| 3. | 145° 44' | 46.56 feet over and across the Limited Common Element containing Unit 1, "1640 Makaanui" Condominium; |
| 4. | 221° 06' 17" | 26.81 feet along the Limited Common Element containing Unit 2, "1640 Makaanui" Condominium to the point of beginning and containing an AREA of 998 Sq. Ft. |



WAGNER ENGINEERING SERVICES INC.

May 18, 2005
P.O. Box 851
Hanalei, Hawaii 96714



Ronald J. Wagner
Licensed Professional Land Surveyor
Certificate No. 5074

EXHIBIT B

SUMMARY OF SALES CONTRACT

The 1640 MAKANUI Sales Contract and Receipt (the "contract"), contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

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

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

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

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

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

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

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

(d) Seller has reserved the right to make certain modifications to the Declaration, Bylaws, 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.

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

END OF EXHIBIT B

EXHIBIT C

SCHEDULE OF APARTMENTS AND COMMON INTERESTS

Qty.	Unit No.	Area of Limited Common Element* (Sq. Ft.)	No. of Br. /Bath	Appx. Net Living Area (Sq. Ft.)	Appx. Other Area (Sq. ft.)	% of common Int.
1	1	5,957	2/2	1,100	600 sq. ft. lanai/storage	50%
1	2	5,964	3/3	1,882	Laundry and Utility rm 187 sq.ft.	50%

Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which common interest has been computed. There are two units, each of which will burden the common elements equally. Therefore, the assessment of undivided interest for voting is 50% for each unit.

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

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

END OF EXHIBIT C

EXHIBIT D
SUMMARY OF PORTIONS OF ESCROW AGREEMENT

The Escrow Agreement ("Agreement") between Title Guaranty Escrow Services, Inc. (the "Escrow") and JOYCE COIT, Single, Tenant in Severalty, (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 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 the Agreement will initially be deposited in an account for the project. Interest on all funds will be paid to the Seller.
3. Escrow will release from the Trust Fund and disburse Buyer's funds at closing. No Disbursement 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 hours (48) have elapsed since the 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-41 and 514A-62, 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 all the Final Public Report and with notification by Seller that all of the requirements of Sections 514A-41 and 514A-62, 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 fund 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 which directly and substantially and adversely affect the use or value of the Buyer's apartment or upper tenant 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 \$ 200.00 .

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.

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

END OF EXHIBIT D

EXHIBIT E

COMMON ELEMENTS OF THE PROJECT

The common elements of the project are:

- (a) the land in fee simple;
- (b) access and utility easements; all future ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, sewage, irrigation and telephone; Notwithstanding anything to the contrary contained herein, water is a shared expense based on actual consumption and is metered on Unit 1.
- (c) Any and all other future elements and facilities in common use or necessary to the Project; and

LIMITED COMMON ELEMENTS OF THE PROJECT

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

<u>Unit Number</u>	<u>Area of Limited Common Element*</u>	
1	5,957	square feet
2	5,964	square feet

Inclusive of parking spaces referenced in Exhibit A site map

*Land areas referenced herein are not legally subdivided lots.

END OF EXHIBIT E

EXHIBIT F
ENCUMBRANCES AGAINST TITLE

1. Real Property Taxes. Check with the County of Kauai, Department of Finance, Real Property Tax Division, for detailed information.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. SETBACK (7 feet wide)

PURPOSE : future road widening
ALONG: Makanui Road
SHOWN: on surveyor's map prepared by Cesar C. Portugal, registered
Professional Land Surveyor, dated Sept. 14, 1977

4. The terms and provisions, including the failure to comply with the covenants, conditions and reservations, contained the following:

INSTRUMENT: DECLARATION OF CONDOMINIUM PROPERTY REGIME FOR THE "1640 MAKANUI CONDOINIUM"

DATED: October 8, 1990
RECORDED: Document No, 90-0160891
MAP: Condominium Map No. 1391 and any amendments thereto

Said Declaration of 1640 Makanui Condominium Property Regime was amended by instruments dated 26, 1990, recorded as Document No. 90174760; 1640 Makanui Condominium Amended Declaration, dated June 5, 1992, recorded as document No. 92-095725; 1640 Makanui Condominium Amended Declaration, dated October 9, 1997, recorded as Document No. 97-146401, 1640 Makanui Condominium Amended Declaration, dated March 11, 2004, recorded as Document NO. 2004-095259, Amended Declaration of 1640 Makanui Condominium dated 7/15, 2005 as Document No. 2005-140256

5. The terms and provisions, including the failure to comply with the covenants, conditions and reservations, contained the following:

INSTRUMENT: BY-LAWS OF THE ASSOCIATION OF CONDOMINIUM OWNERS
DATED : October 16, 1990
RECORDED : Document No. 90-160892

6. The terms and provisions, including the failure to comply with the covenants, conditions and reservations, contained the following:

INSTRUMENT: DECLARATION OF PROTECTIVE COVENANTS AND HOUSE RULES
DATED: October 8, 1990
RECORDED : Document No. 90-160893

Said Declaration was amended and restated by instruments dated October 26, 1990, Recorded as Document No. 90-174759. Instrument dated October 9, 1997 recorded as Document No. 97-146400.

END OF EXHIBIT F

EXHIBIT G

AMENDED DISCLOSURE ABSTRACT

Pursuant to §514A-61, Hawaii Revised Statutes
Registration No. 2362

1. Project 1640 MAKANUI CONDOMINIUM 1640
Makanui Street Koloa, Hawaii 96756
2. Developer JOYCE COIT, Single, 1640 Makanui Street Koloa,
Hawaii 96756
(808) 742-7425

3. Real Estate Broker Douglas Bryant, Sandalwood Properties

4. Managing Agent Self managed through the association

5. There is no assessment of maintenance fees. The Developer hereby certifies that the individual owners of their respective unit will be responsible for all costs of maintenance and repairs as to their units and landscaping of their limited common element. The only shared expense is the water based on actual consumption, by mutual agreement between the owners of Unit 1 and Unit 2, and it is metered on Unit 1.

6. No warranties by Developer exist.

These units are for residential use. No hotel or timeshare use is allowed. There will be no commercial use except those activities permitted by the Comprehensive Zoning Ordinance of the County of Kauai. The Units can be rented or leased.

In witness hereof, Developer" executed this Amended Disclosure Abstract

This 15 day of July, 2005.



Joyce Coit, Single,

END OF EXHIBIT G

EXHIBIT H

SUMMARY OF PROTECTIVE COVENANTS AND HOUSE RULES FOR 1640 MAKANUI CONDOMINIUM

This is a summary of the Declaration of Protective Covenants and House Rules ("House Rules") for the condominium project which are dated October 8, 1990 and were recorded at the Bureau of Conveyances of the State of Hawaii as Document No. 90-160893. The House Rules were amended by instrument dated October 26, 1990, recorded as Document No. 90-174759, and by instrument dated October 9, 1997, recorded as Document No. 97-146400, and by instrument dated March 11, 2004, recorded as Document No. 2004-095259, and by instrument dated 2005, recorded as Document No.

This summary is not meant to completely recite the actual provisions of the House Rules, nor to cover every issue in which a purchaser might have interest. The prospective purchaser is urged to obtain a full copy of the House Rules, as amended, from the Developer prior to entering into an agreement to purchase a unit in this Project.

Building Permits. The developer or, thereafter, the president of the Association, shall apply for building permits for all units.

Water and Utilities. Electricity and telephone services are installed and fully operational. Water is a shared expense based on actual consumption, by mutual agreement of the owners and it is metered on Unit 1.

Cesspools. Each unit will be required to have its own septic system. The septic system for Unit 2 is placed in a portion of Unit 1, and the owner of Unit 2 has an easement over the relevant portions of Unit 1 for repair and maintenance of the same. Trees or shrubs will not be planted within 10 feet of the perimeter of the cesspools. Large trees with big root systems must be 30 feet away.

Pets and Animals/Noise in General. No dogs, cats, chickens pigs, roosters and any animals that create offensive levels of noise or odors are permitted within the Project.

Visible Activities precluded. There are restrictions on the storage of recreational equipment and against the hanging of laundry outside of any unit.

Vehicles/Equipment. There are restrictions on the storage and parking of vehicles within the project.

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

Appearance of the Project. Exterior colors within the project may not be changed without the unanimous consent of the owners of both units.

Repeal or Modification. These House Rules may be modified by agreement between the owners.

END OF EXHIBIT H