



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

**CONDOMINIUM PUBLIC REPORT**

PUUOPAE RIDGE  
 Puuopae Road  
 Wailua, Kauai, Hawaii

Registration No. 2439

Issued: June 26, 1991  
 Expires: July 26, 1992

**Report Purpose:**

This report is based on information and documents submitted by the developer to the Real Estate Commission as of June 13, 1991, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

**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 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  
 Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_
- SUPPLEMENTARY:** *(pink)* Updates information contained in the  
 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:

\*\*\*\*\*  
\* 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 UNITY ON THE PROPERTY.  
\* THERE IS ALSO NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO  
\* CONVERT AN EXISTING NON-RESIDENTIAL STRUCTURE TO A RESIDENTIAL USE.  
\* THE PURCHASER SHOULD CONSULT WITH THE APPROPRIATE COUNTY AGENCIES  
\* TO DETERMINE WHETHER THE PURCHASER MAY BUILD A RESIDENTIAL DWELLING  
\* UNIT, OR ANY OTHER TYPE OF STRUCTURE, UPON THE PROPERTY.  
\*  
\* 1. THERE ARE PRESENTLY NO RESIDENTIAL STRUCTURES ON THE PROPERTY.  
\* THE ONLY BUILDINGS ON THE PROPERTY ARE TWO STORAGE SHEDS, EACH OF  
\* WHICH IS DEFINED AS AN APARTMENT UNDER THE CONDOMINIUM PROPERTY  
\* ACT.  
\*  
\* 2. This Public Report does not constitute an approval of the  
\* project nor that all County Codes, Ordinances and  
\* subdivision requirements have been complied with.  
\*  
\* 3. This project does not involve the sale of individual  
\* subdivided lots. The dotted lines on the Condominium Map  
\* are for illustration purposes only.  
\*  
\* 4. Facilities and improvements normally associated with County  
\* approved subdivisions, such as fire protection devices,  
\* County street lighting, electricity, upgraded water  
\* facilities, improved access for owner and emergency traffic,  
\* drainage facilities, etc., may not necessarily be provided  
\* for, and services such as County street maintenance and  
\* trash collection will not be available for interior roads  
\* and driveways.  
\*  
\* 5. Read Exhibit G (Letter from County of Kauai Planning Department)  
\* with care.  
\*  
\* 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.

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

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

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

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

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

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

### Operation of the Condominium Project

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

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

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

## SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer:

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

**Types of Project:**

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

**5. Apartment Description**

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
1	1	N/A	75.6 sq. ft.	N/A
2	1	N/A	75.6 sq. ft.	N/A

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)	_____
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	<u>Not designated</u>
Total Parking Stalls	<u>Not designated</u>

**7. Recreational amenities: None**

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: Stanley Earl Irion Phone: (808) 246-0634
Name (Business)
4370 Kukui Grove Street, Suite 208
Business Address
Lihue, Kauai, Hawaii 96766

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

Four horizontal lines for listing names of officers or general partners.

Real Estate Broker: ERA Chaney Brooks, Realtors Phone: (808) 246-0634
Name (Business)
4370 Kukui Grove Street, Suite 208
Business Address
Lihue, Kauai, Hawaii 96766

Escrow: Security Title Corporation Phone: (808) 245-6975
Name (Business)
4370 Kukui Grove Street, Suite 203
Business Address
Lihue, Kauai, Hawaii 96766

General Contractor: None Phone: (Business)
Name
Business Address

Condominium Managing Agent: Self Management Phone: (808) 246-0634
Stanley E. Irion (Business)
Name
4370 Kukui Grove Street, Suite 208
Business Address
Lihue, Kauai, Hawaii 96766

Attorney for Developer: Hiroshi Sakai, Attorney at Law, Phone: (808) 531-4171
A Law Corporation (Business)
Name
201 Merchant Street, Suite 902
Business Address
Honolulu, Hawaii 96813

**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. 91-041872  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document No. \_\_\_\_\_

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. 1470  
 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. 91-041873  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document No. \_\_\_\_\_

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:**

- 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

Developer has reserved the right under Paragraph 15.0 of the Declaration to alter the units in the Project which it owns without the approval of the Association or the other apartment owners and to amend the Condominium Map to note changes resulting from the exercise of the Developer's reserved rights under Paragraph 15.0. Developer has also reserved the right under Paragraph 16.0 to record any "as built" statements as required by law.



**For Subleaseholds:**

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

**B. Underlying Land:**

Address: Puuopae Road, Wailua, Kauai, Hawaii Tax Map Key: (4) 4-2-02-198  
(TMK)

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

Land Area: 1.00       square feet       acre(s)      Zoning: Agriculture

Fee Owner: Stanley Earl Irion  
Name

4370 Kukui Grove Street, Suite 208  
Address

Lihue, Kauai, Hawaii 96766

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

\_\_\_\_\_  
Address

**C Buildings and Other Improvements:**

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

2. Buildings: 2      Floors Per Building 1 Floor

Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

Concrete       Hollow Tile       Wood

Other \_\_\_\_\_

4. Permitted Uses by Zoning:

	<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>		<u>No. of Apts.</u>	<u>Use Determined By Zoning</u>
<input type="checkbox"/> Commercial	_____	_____	<input type="checkbox"/> Industrial	_____	_____
<input type="checkbox"/> Residential	_____	_____	<input checked="" type="checkbox"/> Agricultural	<u>2</u>	<u>Agricultural</u>
<input type="checkbox"/> Timeshare/Hotel	_____	_____	<input type="checkbox"/> Recreational	_____	_____
<input type="checkbox"/> Other: _____				_____	_____

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

5. Special Use Restrictions:

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

There will be no pets without prior written approval by the

Pets: Board of Directors.

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

Other: See Building and House Rules

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators N/A                      Stairways N/A                      Trash Chutes N/A

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
<u>1</u>	<u>1</u>	<u>N/A</u>	<u>75.6 sq. ft.</u>	<u>N/A</u>
<u>2</u>	<u>1</u>	<u>N/A</u>	<u>75.6 sq. ft.</u>	<u>N/A</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.*

**Boundaries of Each Apartment:**

The exterior surfaces of the structures and the description of the limited common element was for each of the units as set forth in the Condominium Map.

**Permitted Alterations to Apartments:**

Either apartment owner can increase the total square footage of his structure, add additional structures, alter the location of his structures and/or subdivide in accordance with the building code, zoning and subdivision ordinances.

**7. Parking Stalls:**

Total Parking Stalls: Not Designated

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	_____	_____	_____	_____	_____	_____	_____
Guest Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra Available for Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	_____	_____	_____	_____	_____	_____	_____
Total Covered & Open	_____	_____	_____	_____	_____	_____	_____

Each apartment will have the exclusive use of at least Not Designated 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
- Recreation Area
- Tennis Court
- Other: \_\_\_\_\_
- Storage Area
- Laundry Area
- Trash Chute

9. Present Condition of Improvements

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

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

N/A

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

N/A

10. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

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

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

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

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

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

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

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

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

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

Exhibit     A     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                     

as follows:

The land area of each dwelling, consisting of the land beneath it as shown and delineated on the Condominium Map, is a limited common element for the use of the owner of each respective unit.

Apartment 1 - .500 acres

Apartment 2 - .500 acres

NOTE: These are not legally subdivided lots and under County ordinances, they may not be subdivided.

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

Exhibit                      describes the common interests for each apartment.

As follows:

Apartment 1 - 50% appurtenant common interest

Apartment 2 - 50% appurtenant common interest

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

Exhibit  B  describes the encumbrances against the title contained in the title report dated  April 8, 1991  and issued by  Security Title Corporation .

**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</u> <u>if Developer Defaults</u>
Mortgage	Mortgagee may terminate buyer's interest but latter is entitled to return of all deposits.

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 Project on its own by and through its owners.  
The Association of Unit (Apartment) Owners will manage the

**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 \_\_\_\_\_ contains a schedule of maintenance fees and maintenance fee disbursements.

NOTE: No maintenance fees are immediately contemplated. Paragraph 13.0 of the Declaration provides that the Association to allow each apartment owner to maintain his own insurance and name the Association as an additional insured.

**H. Utility Charges for Apartments:**

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

Not applicable

Electricity

Television Cable

Gas

Water & Sewer

Other \_\_\_\_\_

**I. Construction Warranties:**

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

1. Building and Other Improvements: None

2. Appliances: None



#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

1. Purchasers should examine Exhibit "F" carefully. Each purchaser must obtain a building permit should he desire to construct a dwelling on the premises, pull purchaser's own utility lines and install purchaser's own cesspool. The moving on to the project of used homes and quonset huts is prohibited.
2. PURCHASERS SHOULD BE AWARE OF BUILDING PERMIT REQUIREMENTS BY BOTH THE COUNTY OF KAUAI AS WELL AS THE DECLARATION OF CONDOMINIUM REGIME, BY-LAWS AND BUILDING RULES (EXHIBIT "F"), THE AVAILABILITY OF UTILITIES AND THE SIZE AND LOCATION OF CONNECTIONS AND BUILDING PERMITS AND CONSTRUCTION OF IMPROVEMENTS AND ALL OTHER MATTERS RELATING TO THE COST, USE AND ENJOYMENT OF THE CONDOMINIUM UNITS PRIOR TO THEIR ENTERING INTO A PURCHASE CONTRACT. THE COMMISSION, BY ISSUING THIS REPORT, IS NOT APPROVING OR DISAPPROVING THE PROJECT, NOR IS IT WARRANTING THE CORRECTNESS OR COMPLETENESS OF INFORMATION SUPPLIED TO IT BY ANY PARTY OR PARTIES.

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

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

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

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

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

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

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

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

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

**B. Rights Under the Sales Contract:**

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

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

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

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs, 1010 Richards Street, P. O. Box 541, Honolulu, HI 96809.

This Public Report is a part of Registration No. 2439 filed with the Real Estate Commission on  
May 9, 1991.

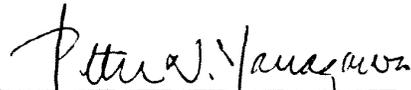
Reproduction of Report. When reproduced, this report must be on:

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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.



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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

EXHIBIT "A"

Common Elements. The common elements of the project which the apartments have access include:

- a. The land in fee simple.
- b. The central and appurtenant installations for services such as power, light, gas, telephone, sewer, hot and cold water and like utilities.
- c. All other parts of the Project existing for the common use or necessary to the existence, maintenance and safety of the Project.

EXHIBIT "B"

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. Owner(s) of Lot 1-B shall be responsible for properly maintaining the road frontage to permit unobstructed sight distance along Puuopae Road, as set forth in Deed dated December 16, 1985, recorded in said Bureau in Book 19186, Page 694.
3. Access to Puuopae Road shall be permitted only at the Northwest corner of Lot 1-B, as set forth in Deed dated December 16, 1985, recorded in said Bureau in Book 19186, Page 694.
4. Setback line for future widening of Puuopae Road as shown on the final subdivision map on file with the Kauai County Planning Department.
5. Covenants, restrictions and conditions as contained in Declaration dated October 31, 1985, recorded November 29, 1985 in said Bureau in Book 19111, Page 545 (also affects other property).

PRIDGE  
EX B F

EXHIBIT "C"

Summary of Sales Contract

The Sales Contract contains the price and other terms and conditions under which a purchaser will agree to buy an apartment in the Project. Among other things, the Sales Contract says:

(a) A buyer must obtain his own financing. Buyer acknowledges that this Sales Contract is contingent on any financing after the issuance of the final public report.

(b) That a purchaser's money will be held in escrow, under the terms of the Escrow Agreement.

(c) That interest on deposits shall belong to the buyer so long as said funds are held in escrow.

(d) That the unit will be subject to various other legal documents which the buyer certifies that he has examined.

(e) That the buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

The Sales Contract contains various other provisions with which the purchaser should become acquainted.

EXHIBIT "D"

Summary of Escrow Agreement

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement these things will or may happen:

(a) Developer will let purchasers know when payments are due.

(b) Escrow will arrange for purchasers to sign all necessary documents.

(c) The Escrow Agreement says under what conditions a refund will be made to a purchaser.

(d) The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract.

The Escrow Agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.

EXHIBIT "E"  
PUUOPAE RIDGE

REGISTRATION NO. 2439

DISCLOSURE STATEMENT AS OF APRIL 26, 1991

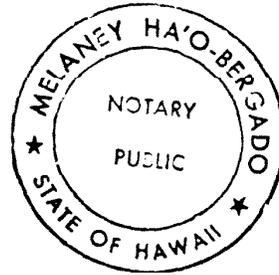
1. Name of Project: PUUOPAE RIDGE
2. Address: Puuopae Road, Wailua, Kauai, Hawaii
3. Name of Developer: Stanley Earl Irion
4. Address of Developer: 4370 Kukui Grove Street, Suite 208,  
Lihue, Kauai, Hawaii 96766
5. Telephone Number: (808) 246-0634
6. Project Manager or Agent: Stanley Earl Irion
7. Address: 4370 Kukui Grove Street, Suite 208, Lihue, Kauai,  
Hawaii 96766
8. Maintenance Fees: None at present.
9. Commencement of Maintenance Fees: At such time that the  
Association decides to assess maintenance fees.
10. Warranties: The Project is a fee simple condominium project  
and there are no warranties except as to any manufacturers'  
warranties exist as to appliances shall be transferred to  
the Buyer.
11. Project: The Project consists of 2 condominium apartments  
with a 75.6 square foot wooden storage building that is  
within the limited common element of a unit. The units  
shall be occupied for agricultural and/or any other uses now  
existing or hereafter permitted under the Kauai County  
zoning ordinances.
12. Non-Residential Development: The Project is located in  
an agricultural zone and agricultural activities shall  
exist in the Project.

DATED: Lihue, Kauai, Hawaii, April 26, 1991.

Stanley Earl Irion  
STANLEY EARL IRION

Subscribed and sworn to before me  
this \_\_\_\_\_ day of APR 26 1991, 1991.

Melaney Ha'o Bergado  
NOTARY PUBLIC, STATE OF HAWAII



My commission expires:

MELANEY HA'O-BERGADO  
Notary Public, State of Hawaii  
My commission expires January 20, 1994

C:\WP5\CONDO\PUU.DS

EXHIBIT "F"

BUILDING AND HOUSE RULES  
PUUOPAE RIDGE

The purpose of these Building and House Rules ("Rules") is to protect all owners and occupants from annoyance and nuisance caused by improper conduct and improper use of the PUUOPAE RIDGE Condominium, hereinafter referred to as "Project", and to provide for the maximum enjoyment of the premises. All owners and occupants, their agents, employees and invitees shall be bound by these Rules and standards of reasonable conduct whether covered by these Rules or not.

1. Definitions. As used herein:

a. The "Area" refers to the land set aside for the use of each owner as a limited common element.

b. The "Apartment" refers to the existing buildings built on the land designated as the limited common element for the owner and any subsequent improvements built within the Area.

2. Building Permit. Any owner desiring to make an addition to the existing buildings and/or construct any new building will have to comply with the building and zoning ordinances as the same may be changed from time to time. The requirements of the County of Kauai Ordinance No. 317 approved on June 27, 1977 is required to be observed in the construction of a single family dwelling as well as the following:

a. No building shall exceed two (2) stories in height.

b. No structure of a temporary character, trailer, quonset hut, tent, shack, garage and/or barn shall be used as a permanent residence.

c. No used or second-hand materials shall be used or incorporated into the construction of any improvements in the Unit.

d. In any grading and/or excavation of the Apartment the grade of the Apartment shall not be altered in such a manner as to affect the drainage of any adjoining Apartment.

e. All utility lines shall be underground.

3. Driveway. The common element driveway described in the Condominium Map. Each owner of an apartment shall share equally in the maintenance of the driveway. Any driveway improvement beyond the common driveway shall be the responsibility of each apartment owner.

4. Vehicles and Equipment. No vehicles, equipment, boats and/or trailers shall be kept, placed or maintained in an uncovered state. No construction, reconstruction or repairs of vehicles shall be permitted except within the garage.

5. Garbage and Trash. Each unit shall place his own garbage, trash and rubbish in covered receptacles or in plastic or fastened bags. Each owner shall exercise reasonable care to avoid exposure of waste materials to flies, roaches, rodents and other insects or materials.

6. General Appearance.

a. Clothes Drying. Outside clothes lines or other outside clothes drying or airing facilities should be screened from the street and the other apartment.

b. Signs. No signs of a combined total face area of one square foot for each apartment.

c. Storage. No open storage of furniture, fixtures, appliances and other goods not in use will be permitted if not screened from the street and the other apartment.

d. Antenna. No antenna or other device to receive or transmit any television, radio, C.B. or any electronic signal shall be erected, placed or maintained on any building or area that is visible from the other apartment without the prior written approval of the other apartment owner.

e. Mailboxes and Street Address. Mailboxes and street address shall be in an Area that is set aside for each apartment at the driveway entrance.

7. Water and Utilities. The water, electricity and telephone lines will be drawn from the street to each Apartment abutting the street at their own cost and expense.

8. Sewage Disposal. There are no sewer lines and sanitary sewer system. Each owner shall have to install his own septic tank and/or cavitette to be located within his own Area. A cesspool will be permitted only if the State Board of Health and/or the County of Kauai permits it.

9. Setbacks. Any dwelling and/or structure placed in an Area by an owner will observe a minimum 5-foot setback from the perimeter boundaries of each Area except for the common element driveway area.

10. Upkeep of Area. Each owner will be responsible for the landscaping and upkeep of its own Area and shall not permit its Area to be overgrown with weeds and/or place used vehicles and/or storage of materials to make the Area become unsightly like a junkyard. Each owner will provide for and maintain a minimum of landscaping of his Area.

11. Building Permit and Construction. The following shall be observed to secure the Association's approval to obtain the building permit, the construction of the improvements and the amendment of the Declaration of Condominium Property Regime.

a. The owner shall have plans for the dwelling prepared by a licensed architect or engineer and submitted to the Association for its approval under Section 21, A (2) of the Declaration. The submission shall state the name of the contractor and the method by which the improvements will be financed.

b. The plans shall conform to the Building Code of the County of Kauai.

c. After approval by the Association, the plans are to be submitted to the County of Kauai for the issuance of the building permit.

d. The owner should provide a construction contract and a 100% bond against mechanic's and materialmen's lien to the Association with the Association as an additional obligee.

e. Upon the completion of the dwelling a Notice of Completion shall be published in the Garden Isle for two (2) successive weeks at least seven (7) days apart and the Notice of Completion filed with the Clerk of the Fifth Circuit Court.

f. The plans as drawn should meet the requirements of a Condominium Map. The plan should show a site plan indicating where the dwelling will be located in the unit's limited common element land area. There should be a floor plan indicating the living/dining room, bedrooms, kitchen, bathrooms, lanai, etc. and the total net living area. The plans should show the elevations of the dwelling. The project and the architect's or engineer's stamp should be stamped on the plans.

g. An architect or engineer's certificate should be executed reflecting the "as built" condition of the dwelling.

h. The owner should have prepared at his own cost the amendment to the Declaration reflecting the change in description of the apartment and the amendment to the Condominium Map.

i. The amendment to the Declaration should then be filed for record in the Registrar of Conveyances, State of Hawaii.

Adopted at Kapaa, Kauai, Hawaii, this 10<sup>th</sup> day of April, 1991.

  
STANLEY EARL IRION

JOANN A. YUKIMURA  
MAYOR



PETER A. NAKAMURA  
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



May 23, 1991

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 Puuopae Ridge Condominium Report  
Tax Map Key: 4-2-02: 198  
Wailua Homesteads, Kauai

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 qualifies for one unit, however, a second dwelling can be approved for this property pursuant to Ord. No. 551, relating to the construction of additional dwelling units (ADU). Attached herewith for your information is a copy of the approved ADU facilities clearance form that was recently processed by the owner of the property.

When applying for Zoning Permits with the Planning Department, the owners must be made aware that 75% of the owners or their assignee, are required to sign the permit form(s). Should an assignee be designated, such assignee shall present proof of authorization from the 75% of the owners at the time a permit is applied for. This is a requirement because the Planning Department does not recognize the Condominium Report to be a legal subdivision of land.

The uses on the limited common elements shall be limited to those listed as permissible within the "A" Agricultural District in the State Land Use Commission Rules and Regulations. Farm dwellings on the lot shall mean a single-family dwelling located on and

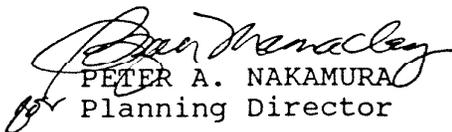
Mr. Calvin Kimura, Executive Secretary  
Real Estate Commission  
Page 2  
May 23, 1991

used in connection with a farm or where agricultural activity provides income to the family occupying the dwelling.

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 Condominium Property Regime (CPR) 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 emergency 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.

Because there are more than one farm dwelling proposed/permitted, the landowners pursuant to the County Farm Dwelling Agreement, should be made aware that any dwelling(s) constructed after the first one will require an inspection of the property by the Planning Department to verify whether agricultural activities are being conducted on the property. If not, such permits to construct additional farm dwellings could be denied.

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

  
PETER A. NAKAMURA  
Planning Director

Enclosures

cc: Hiroshi Sakai