



**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**

OLD MILL CAMP  
 Koloa Road  
 Koloa, Kauai, Hawaii

Registration No. 2630 (Conversion)

Issued: June 16, 1992  
 Expires: July 16, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of May 29, 1992, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

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

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required                     Not Required - disclosures covered in this report.

**Summary of Changes from Earlier Public Reports:**

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

No prior reports have been issued by the Commission.

Changes made are as follows:

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* * * * *
*
*           SPECIAL ATTENTION
*
*   THE DEVELOPER HAS DISCLOSED THE FOLLOWING:
*
*   1.  This public report does not constitute an approval
*       of the project by the Real Estate Commission, nor
*       does it ensure that all county codes, ordinances and
*       subdivisions requirements have been necessarily
*       complied with.
*
*   2.  The land area beneath and immediately adjacent to
*       each unit as shown on the Condominium Map is
*       designated as a limited common element and does not
*       represent a legally subdivided lot. The prospective
*       purchaser is cautioned to carefully review the
*       condominium documents for further information
*       regarding the foregoing.
*
*   3.  Facilities and improvements that are normally
*       associated with County approved subdivisions may
*       not necessarily be provided for and services such
*       as County street maintenance and trash collections
*       will not be available for interior roads/driveways.
*       Read Exhibits F and G (Letters from Kauai Planning
*       Department) carefully.
*
*   5.  When applying for a zoning permit with the Kauai
*       Planning Department, 75% of the owners, or their
*       assignee, must sign the permit form. If an assignee
*       applies for the zoning permit, such assignee shall
*       present proof of authorization from 75% of the owners
*       at the time a permit is applied for.
* * * * *
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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 lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

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	3/2	1,121 sq. ft.	296 sq. ft.
Garage	1	N/A	612 sq. ft.	-0-
2	1	3/2	1,121 sq. ft.	296 sq. ft.
3	1	3/2	1,057 sq. ft.	-0-
4	1	3/2	1,057 sq. ft.	-0-
5	1	3/2	1,121 sq. ft.	296 sq. ft.
6	1	3/2	1,121 sq. ft.	296 sq. ft.
7	1	3/2	1,460 sq. ft.	80 sq. ft.
Garage	1	N/A	1,024 sq. ft.	-0-
8	1	1/1	606 sq. ft.	192 sq. ft.
9 Garage	1	N/A	521 sq. ft.	-0-
<b>Total Apartments:</b>	<u>9</u>			

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

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

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units) 4 garages, 3 single carports	<u>11</u>
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: <u>Easement A</u>	<u>2</u>
<b>Total Parking Stalls</b>	<u><u>13</u></u>

7. Recreational amenities: None

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: RANDALL P. ABBOTT  
GERALDINE ABBOTT  
Name  
P. O. Box 220  
Business Address  
Koloa, Kauai, Hawaii 96756

Phone: (808) 742-6428  
(Business)

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Broker: Randall P. Abbott  
Name  
P. O. Box 220  
Business Address  
Koloa, Hawaii 96756

Phone: (808) 742-6428  
(Business)

Escrow: Security Title Corporation  
Name  
Twelfth Floor, 1001 Bishop Street  
Business Address  
Honolulu, Hawaii 96813

Phone: (808) 521-9511  
(Business)

General Contractor: N/A  
Name  
Business Address

Phone: \_\_\_\_\_  
(Business)

Condominium Managing Agent: Self-management by Association of  
Name Apartment Owners  
Business Address

Phone: \_\_\_\_\_  
(Business)

Attorney for Developer: Hiroshi Sakai, Attorney at Law,  
A Law Corporation  
Name  
201 Merchant Street, Suite 902  
Business Address  
Honolulu, Hawaii 96813

Phone: (808) 531-4171  
(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.

- 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. 92-056690  
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. 1645  
 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. 92-056691  
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>Majority vote of the Board of Directors</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 to alter the units in the Project under Paragraph 15.0 and amend the Declaration under Paragraph 16.0, including changes to the Condominium Map and the filing of the "as built" plans, amend the By Laws under Article VI, Section 1 and adopt Building Rules under Article V, Section 4 of the By Laws.



**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: Koloa Road, Koloa, Kauai, Hawaii Tax Map Key: (4) 2-8-06: 2 & 14  
(TMK)

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

Land Area: 3.99  square feet  acre(s) Zoning: R-4 and Open

Fee Owner: Randall P. Abbott  
Geraldine Abbott

Name \_\_\_\_\_

P. O. Box 220

Address \_\_\_\_\_

Koloa, Kauai, Hawaii 96756

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: 11 Floors Per Building One

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 checked="" type="checkbox"/> Residential	<u>8</u>	<u>Yes</u>	<input type="checkbox"/> Agricultural	_____	_____
<input type="checkbox"/> Timeshare/Hotel	_____	_____	<input type="checkbox"/> Recreational	_____	_____
<input checked="" type="checkbox"/> Other: <u>(1) Garage</u>	_____	_____		_____	_____

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:

- Pets: \_\_\_\_\_
- Number of Occupants: \_\_\_\_\_
- Other: See Building and House Rules dated November 18, 1991
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0                      Stairways 0                      Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
1	1	3/2	1,121 sq. ft.	296 sq. ft.
Garage	1	N/A	612 sq. ft.	-0-
2	1	3/2	1,121 sq. ft.	296 sq. ft.
3	1	3/2	1,057 sq. ft.	-0-
4	1	3/2	1,057 sq. ft.	-0-
5	1	3/2	1,121 sq. ft.	296 sq. ft.
6	1	3/2	1,121 sq. ft.	296 sq. ft.
7	1	3/2	1,460 sq. ft.	80 sq. ft.
Garage	1	N/A	1,024 sq. ft.	-0-
8	1	1/1	606 sq. ft.	192 sq. ft.
9 Garage	1	N/A	521 sq. ft.	-0-

Total Apartments: 9

*\*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.*



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

Apartments 1-6, Apartment 1 garage and Apartment 9 garage have an apparent useful life of 30 years. Apartments 7, 8 and Apartments 7 and 8 garages have a useful life of 10 years, however, it can be prolonged to 20 years with proper maintenance.

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

By letter dated February 4, 1992 the Architect Avery H. Youn states there are no non-conforming uses existing on the property and no variance from any zoning or building codes have been granted for structures or uses on the property.

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 appurtenant to each dwelling consisting of the land beneath and surrounding each dwelling as shown and delineated on the Condominium Map (site plan prepared by Wayne Wada)

Apartment 1 - 0.233 acres

Apartment 2 - 0.223 acres

Apartment 3 - 0.261 acres

Apartment 4 - 0.207 acres

Apartment 5 - 0.242 acres

Apartment 6 - 0.396 acres

Apartment 7 - 0.437 acres

Apartment 8 - 1.355 acres

Apartment 9 - 0.465 acres

**NOTE:** The limited common element land areas for each apartment are not legally subdivided lots.

3. **Common Interest:** Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is 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 has 11.12% appurtenant common interest and Apartments 2 through 9, inclusive, each has a 11.11% 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 16, 1992  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.

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest if Developer Defaults</u>
Mortgage in favor of First Hawaiian Bank, a Hawaii corporation, dated April 28, 1989, recorded in Book 23137, Page 431.	Buyer's interest may be cancelled but Buyer will be entitled to a refund of deposit.

**F. Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.**

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

The initial managing agent for this condominium is:

[ ] not affiliated with the Developer.

[ ] the Developer or the Developer's affiliate.

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

[ ] other \_\_\_\_\_

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

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

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

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

**H. Utility Charges for Apartments:**

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

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

**J. Status of Construction and Estimated Completion Date:**

Apartments 1 and garage, 2, 5 and 6 were built in 1990. Apartments 3 and 4 in 1987. Apartment 9 (garage) in 1991. Apartments 7 and garage are over 50 years old. Apartment 8 and garage are over 50 years old.

**K. Project Phases:**

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

Summary of Developer's Present Plans for Future Development:

**L. Sales Documents Filed With the Real Estate Commission:**

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

Notice to Owner Occupants

Specimen Sales Contract

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

Escrow Agreement dated November 13, 1991 with Security Title Corporation

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

Other \_\_\_\_\_

#### IV. ADDITIONAL INFORMATION NOT COVERED ABOVE

1. Each apartment is free standing and each has direct access to a vehicular easement having direct access to a public street. Each apartment has its own meter for water hookup and services. The utilities and water services will be separately billed.
2. Apartments 3 and 4 do not have garages and have open parking over Easement "A".
3. Apartment Number 9 is constructed as a garage and the owner thereof will be restricted to use as a garage and for storage purposes unless the zoning ordinances and building code permit the owner thereof to use it as a residential dwelling.

C:\WP5\CONDO\OMC.P18

**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.

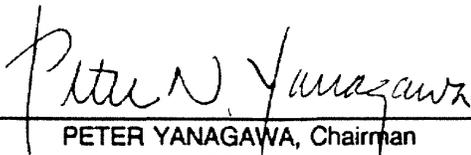
Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) 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. 2630 filed with the Real Estate Commission on April 24, 1992.

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

yellow paper stock                       white paper stock                       pink paper stock

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

  
\_\_\_\_\_  
PETER 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 which the apartments have immediate access to 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"

ENCUMBRANCES AGAINST TITLE: The title report dated April 16, 1992 reports that title to the land is subject to the following encumbrances:

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

2. AS TO PARCELS FIRST AND SECOND:

Smith Ditch Easement as shown on Tax Map Key, and as mentioned in Deed dated April 26, 1989, recorded in the Bureau of Conveyances, State of Hawaii, in Book 23137, Page 424.

3. AS TO PARCEL SECOND:

a) "The rights of the State of Hawaii in and to the bed of the stream or river lying below the highwater line.", as mentioned in Deed dated April 26, 1989, recorded in said Bureau in Book 23137, Page 424.

b) Exceptions and reservations as contained in Deed dated January 5, 1972, recorded in said Bureau in Book 8045, Page 222, to which reference is hereby made.

c) Mortgage, Security Agreement and Financing Statement made by and between Randall P. Abbott and Geraldine Abbott, husband and wife, as Mortgagor, and First Hawaiian Bank, a Hawaii corporation, as Mortgagee, dated April 28, 1989, recorded in said Bureau in Book 23137, Page 431.

d) Unrecorded Tenant Lease, as mentioned in Instrument dated April 28, 1989, recorded in said Bureau in Book 23137, Page 451.

e) Assignment of Lessor's Interest in Leases by and between Randall P. Abbott and Geraldine Abbott, husband and wife, as Assignor, and First Hawaiian Bank, a Hawaii corporation, as Assignee, dated April 28, 1989, recorded in said Bureau in Book 23137, Page 451; in re All of Assignor's right, title and interest in and to any and all leases covering all or any portion of the land herein described, as security for the repayment of \$400,000.00.

f) Financing Statement by and between Randall P. Abbott and Geraldine Abbott, husband and wife, as Debtor, and First Hawaiian Bank, a Hawaii corporation, as Secured Party, recorded in said Bureau on May 3, 1989 in Book 23137, Page 461.

4. AS TO PARCEL SECOND:

Any facts which a correct survey and inspection of the land herein described would disclose.

5. Declaration of Condominium Property Regime of "Old Mill Camp" dated November 18, 1991, recorded in said Bureau as Document No. 92-056690 and Condominium Map No. 1645.

6. By-Laws of the Association of Apartment Owners of "Old Mill Camp" dated November 18, 1991, recorded in said Bureau as Document No. 92-056691.

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**EXHIBIT "C"**

Summary of Sales Contract

The apartments are not presently for sale. However, should the Developer decide to offer the apartments for sale, a brief summary of the Sales Contract that will be used follows.

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 Seller 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 apartments are not presently for sale. However, should the Developer decide to offer the apartments for sale, a brief summary of the terms of the Escrow Agreement between the Developer and Security Title Corporation dated November 13, 1991 follows.

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"

OLD MILL CAMP

REGISTRATION NO. 2630 (Conversion)

DISCLOSURE STATEMENT AS OF NOVEMBER 18, 1991

1. Name of Project: OLD MILL CAMP
2. Address: Koloa Road, Koloa, Kauai, Hawaii 96756
3. Names of Developer: Randall Peirce Abbott and Geraldine Abbott
4. Address of Developer: P. O. Box 220, Koloa, Kauai, Hawaii 96756
5. Telephone Numbers: (808) 742-6428
6. Project Manager or Agent: Randall P. Abbott
7. Address: P. O. Box 220, Koloa, Kauai, Hawaii 96756
8. Maintenance Fees: None at present. In the future as the need and necessity arises the maintenance fees shall be based upon generally accepted accounting principles.
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.
11. Project: The Project consists of nine (9) condominium apartments, the land areas of which are to be utilized for residential and other uses permitted under the zoning ordinances for the County of Kauai.

DATED: Koloa, Kauai, Hawaii, November 18, 1991.

Randall Peirce Abbott  
RANDALL PEIRCE ABBOTT

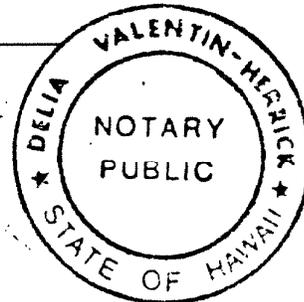
attn. in fact for - Randall Peirce Abbott  
GERALDINE ABBOTT

Subscribed and sworn to before me  
this 18th day of November, 1991.

Delia Valentin-Herrick  
NOTARY PUBLIC, STATE OF HAWAII

My commission expires: 2-8-92

DELIA VALENTIN-HERRICK  
NOTARY PUBLIC-STATE OF HAWAII  
My commission expires: 2/08/92



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