



**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**

RKS COASTVIEW  
 73-1080 Ahulani Street  
 Kona Coastview Subdivision, Unit V  
 North Kona, Hawaii 96740

Registration No. 2668 (Conversion)

Issued: September 29, 1992  
 Expires: October 29, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of August 5, 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:**  
*(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 \_\_\_\_\_

closure 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 ATTENTION\*\*\***

This is a CONDOMINIUM PROJECT, not a subdivision. The land area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and does not represent a legally subdivided lot. The dotted lines in the Condominium Map bounding the designated number of square feet in each limited common element land area are for illustration purposes only and should not be construed to be formal subdivision lines.

This public report does not constitute approval of the Project by the Real Estate Commission, nor does it ensure that all applicable County codes, ordinances, and subdivision requirements have necessarily been complied with.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

\* \* \* \* \*

## TABLE OF CONTENTS

	page
Report Purpose .....	1
Type of Report .....	1
Summary of Changes from Earlier Public Reports .....	2
Table of Contents .....	3
General Information on Condominiums .....	4
Summary of the Condominium Project .....	5
 I. PEOPLE CONNECTED WITH THE PROJECT .....	 6
Developer .....	
Real Estate Sales Agent .....	
Escrow Company .....	
Managing Agent .....	
Attorney for Developer .....	
 II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration .....	7
B. Condominium Map (File Plan) .....	7
C. Bylaws .....	7
D. House Rules .....	8
E. Changes to Condominium Documents .....	8
 III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer .....	9
B. Underlying Land .....	10
C. Buildings and Other Improvements .....	10
D. Common Elements, Limited Common Elements, Common Interest .....	14
E. Encumbrances Against Title .....	15
F. Management of the Common Elements .....	15
G. Maintenance Fees .....	16
H. Utility Charges .....	16
I. Construction Warranties .....	16
J. Status of Construction .....	17
K. Project Phases .....	17
L. Sales Documents Filed with the Real Estate Commission .....	17
 IV. ADDITIONAL INFORMATION NOT COVERED ABOVE .....	 18
Buyer's Right to Cancel Sales Contract .....	19
Signature of Real Estate Commission Chairman .....	20
 EXHIBIT A: DISCLOSURE ABSTRACT	
EXHIBIT B: COMMON ELEMENTS, LIMITED COMMON ELEMENTS AND COMMON INTEREST	
EXHIBIT C: ESTIMATE OF INITIAL MAINTENANCE FEES AND DISBURSEMENTS	
EXHIBIT D: SPECIMEN SALES CONTRACT	
EXHIBIT E: SUMMARY OF PERTINENT PROVISIONS OF ESCROW AGREEMENT	
EXHIBIT F: ENCUMBRANCES AGAINST TITLE	
EXHIBIT G:	
EXHIBIT H:	
EXHIBIT I:	
EXHIBIT J:	

## 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

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
A	1	3/3	1208	112
B	1	3/3	1208	112
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 2

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

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

6. Parking:

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>2</u>
Guest Stalls	_____
Unassigned Stalls	<u>2</u>
Extra Stalls Available for Purchase	_____
Other: _____	_____
<b>Total Parking Stalls</b>	<b><u>4</u></b>

7. Recreational amenities:

Front and back yards.

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: KEOPU DESIGNS & CONSTRUCTION  
Name  
P.O. Box 211  
Business Address  
Holualoa, HI 96725

Phone: (808) 329-5395  
(Business)

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

MARK FRANCIS RHINE and MARY ELIZABETH RHINE  
P.O. Box 211  
Holualoa, HI 96725

Real Estate Broker: CENTURY 21, Associated Realty, Inc.  
Name Keith Unger  
75-5909 Alii Drive  
Business Address  
Kailua-Kona, HI 96740

Phone: (808) 329-0021  
(Business)

Escrow: TITLE GUARANTY ESCROW SERVICES, INC.  
Name  
P.O. Box 1837  
Business Address  
Kailua-Kona, HI 96745

Phone: (808) 329-6666  
(Business)

General Contractor: KEOPU DESIGNS & CONSTRUCTION  
Name  
P.O. Box 211  
Business Address  
Holualoa, HI 96725

Phone: (808) 329-5395  
(Business)

Condominium Managing Agent: SELF-MANAGED BY THE ASSOCIATION  
Name OF APARTMENT OWNERS  
Business Address

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

Attorney for Developer: ROBERT L. SMITH  
Name  
77-6400 Nalani Street, Ste. 200  
Business Address  
Kailua-Kona, HI 96740

Phone: (808) 329-3511  
(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. 92-037713  
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. 1622  
 Filed - Land Court Condo Map No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

JUNE 2, 1992, DOCUMENT NO. 92-087167 (Affidavit of Mark F. Rhine)

- 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. 92-037714  
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>100%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>Majority of the Board Vote</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





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>2</u>	<u>yes</u>	<input type="checkbox"/> Agricultural	_____	_____
<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:

Pets: \_\_\_\_\_

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

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

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators 0                      Stairways 1                      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>
<u>A</u>	<u>1</u>	<u>3/3</u>	<u>1208</u>	<u>' 112</u>
<u>B</u>	<u>1</u>	<u>3/3</u>	<u>1208</u>	<u>112</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 interior finished surface of perimeter walls.

Permitted Alterations to Apartments:

Owner is free to make interior alterations but no exterior alterations may be made unless the owners of both units of the condominium agree.

7. Parking Stalls:

Total Parking Stalls: 4

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	<u>2</u>						<u>2</u>
Guest							
Unassigned		<u>2</u>					<u>2</u>
Extra Available for Purchase							
Other:							
Total Covered & Open	<u>4</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 \_\_\_\_\_ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute

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

\_\_\_\_\_

9. Present Condition of Improvements

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

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

Not applicable.

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

No known violations. Not applicable

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       "B"       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       "B"      

as follows:

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

Exhibit       "B"       describes the common interests for each apartment.

As follows:

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

Exhibit "F" describes the encumbrances against the title contained in the title report dated May 29, 1992 and issued by Title Guaranty of Hawaii, Inc.

**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	Buyer's contract may be cancelled and Buyer may lose rights to purchase apartment. Buyer's deposit will be refunded.

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 "C" 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 were completed July 24, 1990.

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 "D" contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated March 11, 1992

Exhibit "E" contains a summary of the pertinent provisions of the escrow contract.

Other \_\_\_\_\_

**IV. ADDITIONAL INFORMATION NOT COVERED ABOVE**

NONE.

**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 part of Registration No. 2668 filed with the Real Estate Commission on  
June 18, 1992.

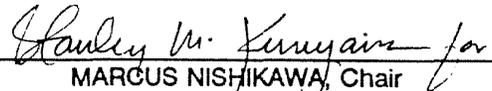
Reproduction of Report. When reproduced, this report must be on:

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.



MARCUS NISHIKAWA, Chair  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

Department of Finance, County of Hawaii  
Planning Department, County of Hawaii  
Federal Housing Administration

**EXHIBIT 'A'**  
**DISCLOSURE ABSTRACT**

I.

Project: **RKS COASTVIEW**  
73-1080 Ahulani Street  
Kailua-Kona, Hawaii 96740

Developer: **KEOPU DESIGNS & CONSTRUCTION**  
Post Office Box 211  
Holualoa, Hawaii 96725

Project Manager:

**SELF-MANAGED BY THE ASSOCIATION OF APARTMENT OWNERS**

II.

The following constitutes the breakdown of annual maintenance fee and monthly estimated costs for each apartment prepared in accordance with generally accepted accounting principles:

<u>Apartment</u>	<u>Monthly Maintenance Repairs/Supplies</u>	<u>Monthly Insurance</u>	<u>Yearly Total</u>
A	\$ 25.00	\$43.50	\$ 822.00
B	\$ 25.00	\$43.50	\$ 822.00

III.

There are no warranties.

IV.

The project consists of two apartments for residential use only. No commercial or other non-residential development shall be permitted in the project.

DISCLOSURE ABSTRACT - CONTINUED

V.

This project consists of two detached structures, newly built. This project is in compliance with all governmental statutes, ordinances, rules, and regulations. The apartments have not been in existence for five years.

I, MARK F. RHINE, agent for the developer, attest to the accuracy of this Disclosure Abstract.

9-22-92  
DATE

A handwritten signature in cursive script, appearing to read "Mark F. Rhine", written in black ink.

2023r/6

END OF EXHIBIT "A"

RKS COASTVIEW

EXHIBIT "B"

Common Elements, Limited Common Elements and Common Interest

The following is a description of the common elements, limited common elements and common interest for RKS COASTVIEW:

1. Common Elements. One freehold estate is designated in all of the portions and appurtenances of the Project (the "common elements") exclusive of the apartments, including specifically, but not limited to:

(a) The land in fee simple.

(b) All ducts, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities, installations over, and under and across the Project which serve more than one apartment for services such as power, light, water, gas, sewer, telephone and radio and television signal distribution, if any.

(c) Any and all apparatus, facilities or other parts of the Project necessary to its existence, maintenance and safety.

2. Limited Common Elements. Certain parts of the common elements, (the "limited common elements"), are set aside and reserved for the exclusive use of certain apartments and such the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

(a) The land area upon and around which Apartment A is located, consisting of approximately 9,053 sq. ft., as shown and designated on the Condominium Map, is for the exclusive use of Apartment A.

(b) The land area upon and around which Apartment B is located, consisting of approximately 9,053 sq. ft., as shown and designated on the Condominium Map, is for the exclusive use of Apartment B.

All costs and expenses of every kind pertaining to the limited common elements, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne solely by the owner of the apartment to which the limited common element is appurtenant.

NOTE: THE LAND AREA UPON  
AND AROUND EACH APARTMENT IS LIMITED COMMON ELEMENT,  
NOT A SEPARATE LEGALLY SUBDIVIDED LOT.

3. Common Interest. Each apartment shall have appurtenant thereto an undivided percentage interest in all common elements of the Project, as follows:

(a) Apartment A shall have appurtenant thereto an undivided fifty percent (50%) interest in all of the common elements of the Project.

(b) Apartment B shall have appurtenant thereto an undivided fifty percent (50%) interest in all of the common elements of the Project.

Such interests are defined and referred to as the "common interest". Each apartment shall have the same proportionate share as its common interest in all common profits and expenses of the Project and for all other purposes, including voting.

THIS DOCUMENT CONTAINS A SUMMARY DESCRIPTION OF THE COMMON ELEMENTS, LIMITED COMMON ELEMENTS AND COMMON INTEREST FOR RKS COASTVIEW. BUYER SHOULD THOROUGHLY REVIEW ALL PROJECT DOCUMENTS IN ORDER TO OBTAIN A COMPLETE UNDERSTANDING OF THE MATTERS CONTAINED IN THIS SUMMARY DESCRIPTION.

End of EXHIBIT "B"

RKS COASTVIEW

EXHIBIT "C"

Estimate of Initial Maintenance Fees and Disbursements

The regular maintenance and repair of each apartment and the limited common elements appurtenant to each apartment is the sole responsibility of each respective apartment owner. There are no common elements which will require maintenance and repair by the Association. The payment of all utility services for each apartment is the sole responsibility of each respective apartment owner. As a result, Developer anticipates that there will be not assessments for maintenance fees.

Fire insurance is required to be purchased to cover the improvements portion of the Project by §514A-86, Hawaii Revised Statutes. Developer anticipates that the Association will elect, pursuant to paragraph XIV of the Declaration, to obtain separate policies for each apartment, the premiums for which will be the sole responsibility of and be paid by each respective apartment owner.

Currently, Developer pays the premium for liability insurance on the units through his mortgage in the sum of \$522.00 per unit per year. This amount is included in the figures shown below.

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fees x 12 Months = Yearly Total</u>		
Unit A \$ 68.50	\$ 68.50	x 12	= \$ 822.00
Unit B \$ 68.50	\$ 68.50	x 12	= \$ 822.00

I, MARK F. RHINE, Agent for Developer, hereby certify that the above estimate of initial maintenance fees and disbursements are true and accurate to the best of my knowledge.

DATED: Kailua-Kona, Hawaii, September 22, 1992.

KEOPU DESIGNS & CONSTRUCTION

by   
MARK F. RHINE

End of EXHIBIT "C"

Reviewed by: \_\_\_\_\_  
(Print) (Signature) (Broker in Charge, Authorized Signature)

Reference Date: \_\_\_\_\_

**DEPOSIT RECEIPT**

Received from \_\_\_\_\_ herein called Buyer the sum of \$ \_\_\_\_\_  
in the form of \_\_\_\_\_ as an initial deposit on account of this offer. Receipt is acknowledged by (Broker)  
\_\_\_\_\_  
Broker's firm and address \_\_\_\_\_  
\_\_\_\_\_  
PHONES (Home) \_\_\_\_\_ (Bus.) \_\_\_\_\_

**OFFER**

1. **PURCHASE PRICE:** \_\_\_\_\_
2. **PROPERTY DESCRIPTION:** Tax Map Key Division \_\_\_\_\_ /Zone \_\_\_\_\_ /Sec \_\_\_\_\_ /Plat \_\_\_\_\_ /Parcel \_\_\_\_\_ /HPR \_\_\_\_\_  
(a) Realty: All of that (leasehold) (fee simple) property situated at \_\_\_\_\_  
\_\_\_\_\_ Hawaii, described as follows: \_\_\_\_\_  
\_\_\_\_\_  
(b) Seller's Real Property Disclosure Statement dated \_\_\_\_\_ (has) (has not) been received by Buyer. If not, address in paragraph 8, Special Terms.  
(c) **Sale includes:** All built-in furniture, attached fixtures, built-in appliances, water heater, electrical and/or gas and plumbing fixtures, attached carpeting, existing drapes, and the following items if checked: Chandelier ( ) ; Range ( ) ; Refrigerator ( ) ; Disposal ( ) ; Dishwasher ( ) ; Compactor ( ) ; Washer ( ) ; Dryer ( ) ; Air Conditioner ( ) ; TV Antenna ( ) ; TV Cable ( ) ; and \_\_\_\_\_  
(furnishings and pool equipment per attached inventory, if any). Specifically excluded: \_\_\_\_\_  
(d) **Title:** Seller agrees to convey the property with warranties vesting marketable title in Buyer, free and clear of all liens and encumbrances except \_\_\_\_\_ and any other covenants, easements, reservations or restrictions now of record which do not materially affect the value of the property.  
(e) **Assessments:** \_\_\_\_\_ shall be (paid by Seller at closing) (assumed by Buyer).
3. **FINANCING:** Buyer agrees to pay said purchase price as follows:  
**ADDITIONAL DEPOSIT: \$** \_\_\_\_\_ **in cash to be made on or before** \_\_\_\_\_  
\$ \_\_\_\_\_ in cash at closing including all deposits herein.  
\$ \_\_\_\_\_ by way of \_\_\_\_\_  
\_\_\_\_\_  
\$ \_\_\_\_\_  
\$ \_\_\_\_\_ Total Purchase Price (see paragraph # 1 above)
4. **CLOSING:** Closing will be on or before \_\_\_\_\_, 19\_\_\_\_\_. Escrowed by \_\_\_\_\_
5. **OCCUPANCY:** Seller agrees to give Buyer occupancy at closing or on \_\_\_\_\_, 19\_\_\_\_.
6. **PRORATIONS:** Property taxes, lease rents, interest on assumed obligations, mortgage insurance premiums, other insurance premiums, maintenance fees, tenants' rents, if applicable, and \_\_\_\_\_ shall be prorated as of the date of closing or on \_\_\_\_\_, 19\_\_\_\_. Tenants' security deposit, if any, shall be charged to Seller and credited to Buyer at closing.
7. **TENANCY:** Title shall vest in Buyer(s) as follows: \_\_\_\_\_  
print full legal names and marital status (no initials)  
\_\_\_\_\_ Tenancy: \_\_\_\_\_
8. **SPECIAL TERMS:** (Please number) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
9. **AGENCY DISCLOSURE:** By placing their initials here, Buyer ( ) and Seller ( ) acknowledges that \_\_\_\_\_ and all its salespeople represent the \_\_\_\_\_ and that oral or written disclosure was provided before the signing of this offer.
10. **AGREEMENT TO BUY:** Buyer agrees to buy the property on the terms and conditions contained herein including The Standard Terms On The Reverse Side, acknowledges receipt of a copy hereof, and agrees that this offer shall be binding if accepted by Seller before \_\_\_\_\_ AM/PM, \_\_\_\_\_, 19\_\_\_\_. Offer Date \_\_\_\_\_, 19\_\_\_\_, \_\_\_\_\_ AM/PM.  
Buyer's address: \_\_\_\_\_ Buyer \_\_\_\_\_  
\_\_\_\_\_  
SS# \_\_\_\_\_ signature \_\_\_\_\_  
Phoness: (Home) \_\_\_\_\_ (Bus.) \_\_\_\_\_ Buyer \_\_\_\_\_  
\_\_\_\_\_  
SS# \_\_\_\_\_ signature \_\_\_\_\_

**ACCEPTANCE**

11. **AGREEMENT TO SELL:** Seller agrees to sell the property at the price and terms offered above, including The Standard Terms On The Reverse Side, and acknowledges that he has been given a copy of this offer.
12. **SELLER'S AGREEMENT TO PAY COMMISSION:** I agree to pay to \_\_\_\_\_ a commission for the above sale of \_\_\_\_\_ in U.S. dollars. I hereby instruct escrow to pay your commission directly to you at closing. I agree that I cannot change these instructions without your written consent. Unless otherwise agreed upon, I give you permission to share this commission as you see fit with the real estate company named here in the DEPOSIT RECEIPT section of this agreement. In the event of Buyer's default, if I retain the deposit(s), I agree to pay you one half of the amount I retain, but you shall not be paid more than what would have been your full commission.  
Date \_\_\_\_\_, 19\_\_\_\_ AM/PM.  
Seller's Name \_\_\_\_\_ Signature \_\_\_\_\_  
Seller's Tax Identification # to be reported to IRS \_\_\_\_\_  
Seller's Name \_\_\_\_\_ Signature \_\_\_\_\_  
Seller's Tax Identification # to be reported to IRS \_\_\_\_\_ Owner occupant ( ) Other ( )  
Seller's Address \_\_\_\_\_ Phoness: (Home) \_\_\_\_\_ (Bus.) \_\_\_\_\_  
Seller's Address \_\_\_\_\_

**EXHIBIT D**

ACKNOWLEDGEMENT OF ACCEPTANCE: The undersigned acknowledges that \_\_\_\_\_ seen the copy of the acceptance of this offer.

EXHIBIT "D"

SUMMARY OF PERTINENT PROVISIONS OF THE SALES CONTRACT

The sales contract contains the purchase price, description and location of the apartment and other terms and conditions under which a Buyer will agree to buy an apartment in the Project.

Among other things, the sales contract:

1. Provides a section for financing to be completed and agreed to by the parties which will set forth how Buyer will pay the purchase price.

2. Identifies the escrow agent and states that Buyer's deposit will be held in escrow until the sales contract is closed or cancelled.

3. Requires that Buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

4. Provides the following remedies, in the event of default under the sales contract:

by Buyer:

- a. Seller may bring an action against Buyer for breach of contract;
- b. Seller may retain Buyer's initial deposit;
- c. Buyer shall be responsible for expenses incurred.

by Seller:

- a. Buyer may bring an action against Seller for breach of contract;
- b. Buyer may bring an action compelling Seller to perform under contract;
- c. Seller shall be responsible for expenses incurred.

Any awards to the prevailing party in any action are subordinate to escrow's expenses.

5. Allocation of payment of closing costs.

The sales contract contains various other provisions which Buyer should become acquainted with.

End of Exhibit "D"

EXHIBIT "E"

SUMMARY OF PERTINENT PROVISIONS OF ESCROW CONTRACT

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) Escrow 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.

End of EXHIBIT "E"

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

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

2. Covenants, conditions and restrictions set forth in DEED dated September 24, 1973, recorded in Liber 9534 at Page 269.

3. Grant of Easement in favor of County of Hawaii, dated October 22, 1970, recorded in Liber 7428 at Page 337, for drainage purposes over and across the land described herein as shown on File Plan 1029.

4. MORTGAGE  
Mortgagor(s) : MARK FRANCIS RHINE and MARY ELIZABETH RHINE, husband and wife  
Mortgagee(s) : LORRAINE ERIKSSON, a married woman, Trustee of The Lorraine Eriksson Revocable Trust under Trust Agreement date July 30, 1988, as Tenant in Severalty  
Dated : July 14, 1989  
Recorded in the Bureau of Conveyance in Liber 23479 at Page 114.  
To Secure : \$58,000.00

5. MORTGAGE AND FINANCING STATEMENT  
Mortgagor(s) : MARK FRANCIS RHINE and MARY ELIZABETH RHINE, husband and wife  
Mortgagee(s) : HONFED BANK, A FEDERAL SAVINGS BANK  
Dated : November 26, 1990  
Recorded in the Bureau of Conveyance as Document No. 90-182583.  
To Secure : \$197,000.00

6. Covenants, conditions, restrictions, reservations, easements, liens for assessments, options, power of attorney, limitations on title, and all other provisions contained in or incorporated in the Declaration of Condominium Property Regime acknowledge March 3, 1992, recorded in the Bureau of Conveyance as Document No. 92-037713 (Bylaws thereto dated March 3, 1992, recorded in the Bureau of Conveyance as Document No. 92-037714), Condominium Map No. 1622; any instrument creating the estate or interest insured by this policy; and in any other allied instrument referred to in any of the instruments aforesaid.

7. For real property taxes as may be due and ow reference is made to the Director of Finance, County of Hawaii.

End of EXHIBIT "F"