



**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**

LANIAKEA FARMS  
 3120 Lauoho Road  
 Kalaheo, Kauai, Hawaii 96741

Registration No. 2686

Issued: November 30, 1992  
 Expires: December 30, 1993

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of October 30, 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 \_\_\_\_\_

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~~ 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:

## 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: Common Elements and Limited Common Elements	
EXHIBIT B: Encumbrances Against Title	
EXHIBIT C: Estimate of Initial Maintenance Fees	
EXHIBIT D: Summary of Sales Contract	
EXHIBIT E: Summary of Escrow Agreement	
EXHIBIT F:	
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.

**S MARY 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/Open  
 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	1/1 and	1200	1148
		Studio workshop (480 sf) and garage (360sf)		
2	1	1/1	480	224

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>0</u>
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
<b>Total Parking Stalls</b>	<b><u>0*</u></b>

7. Recreational amenities:

\* Parking is confined to the area within the limited common element associated with each apartment. Each apartment has more than adequate room for residential parking purposes.

I. PEOPLE CONNECTED WITH THE PROJECT

BERT AGOR AND VICKI AGOR

Developer: DANIEL SOONG AND DIANNA SOONG  
Name  
P.O. Box 328  
Business Address  
Kekaha, Kauai, Hawaii 96752

Phone: 337-9105  
(Business)

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

N/A

Real Estate Broker: ERA CHARLEE AND ASSOCIATES  
Name  
5402 Koloa Road  
Business Address  
Koloa, Kauai, Hawaii 96756

Phone: 742-9537  
(Business)

Escrow: TITLE GUARANTY ESCROW SERVICES, INC.  
Name  
4414 Kukui Grove Street, Suite 104  
Business Address  
Lihue, Kauai, Hawaii 96766

Phone: 245-3381  
(Business)

General Contractor: BZ BUILDING, INC.  
Name  
3116 Hoolako Street  
Business Address  
Lihue, Kauai, Hawaii 96766

Phone: 245-2792  
(Business)

Condominium Managing Agent: Self-managed by Association of  
Name  
Apartment Owners  
Business Address  
N/A

Phone: N/A  
(Business)

Attorney for Developer: PATRICK J. CHILDS  
Name  
4365 Kukui Grove Street, #104  
Business Address  
Lihue, Kauai, Hawaii 96766

Phone: 245-2863  
(Business)

**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. 92-055995  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

First Amendment to the Declaration and First Amendment to the Condominium Map is dated May 29, 1992 and was recorded in the Bureau of Conveyances as Document No. 92-095391.  
Second Amendment to Declaration dated October 14, 1992, recorded as Document No. 92-173236.

- 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. 1643  
 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. 92-055996  
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>N/A</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

The Developer may amend the Declaration (and, when applicable, any exhibits to the Declaration and the Condominium Map) (a) as may be provided in the Declaration and (b) to file the "as built" statement required by Section 514A-12 of the Act (i) so long as such verified statement is a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed or being filed simultaneously with such amendment, fully and accurately depict the layout, location, apartment numbers and the dimensions of the apartments as built, or (ii) so long as the plans filed therewith involve only minor changes to the layout, location or dimensions of the apartments, as built, or any change in any apartment number.





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>Yes</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:

Pets: No pigs, chickens or pit bulls

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

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

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>
<u>1</u>	<u>1</u>	<u>1/1 and</u>	<u>1200</u>	<u>1148</u>
_____	_____	<u>Studio/workshop (480 sf) and garage (360sf)</u>	_____	_____
<u>2</u>	<u>1</u>	<u>1/1</u>	<u>480</u>	<u>224</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.*



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     A    

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                      describes the common interests for each apartment.

As follows:

Apartment 1	50%
Apartment 2	50%

Common interest has been determined by apportioning equal shares to each apartment.

**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  June 18, 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 shall lose his option to consummate his purchase of the property and Buyer's money shall 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



#### **IV. ADDITIONAL INFORMATION NOT COVERED ABOVE**

**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 Farm Dwelling Agreement

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. 2686 filed with the Real Estate Commission on  
July 13, 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 Kauai  
Planning Department, County of Kauai  
Federal Housing Administration

EXHIBIT A

I. COMMON ELEMENTS

The common elements of the Project consist only of the following:

(i) All of the land, in fee simple, subject to limited common elements.

(ii) The limited common elements described below.

(iii) All pipes, wires, conduits or other utility or service lines, drainage ditches or appurtenant drainage structures, retaining walls (if any) and yard fences, which are located outside the buildings and which are utilized for or serve more than one apartment.

II. LIMITED COMMON ELEMENTS

(i) That portion of the land which is designated on the Condominium Map as "Limited Common Element 1", being 6.093 acres in area, is reserved for the exclusive use of Apartment 1, also designated as Unit 1 on the Map, for the support of the building or other improvements comprising Apartment 1, or attendant thereto, and for parking, yard, driveway and residential purposes.

(ii) That portion of the land which is designated on the Condominium Map as Limited Common Element 2, being .58 acre in area, is reserved for the exclusive use of Apartment 2, also designated as Unit 2 on the Map, for the support of the building or other improvements comprising Apartment 2, or attendant thereto, and for parking, yard, driveway and residential purposes.

\*\*\*\*\*

NOTICE: This is not a subdivision. The Limited Common Elements that are reserved for the exclusive use of individual units are not subdivided parcels. As such they do not fall within the ordinances of the County of Kauai as the same pertain to subdivision nor do they derive any benefits therefrom.

\*\*\*\*\*

EXHIBIT B  
Encumbrances Against Title

1. For Real Property Taxes as may be due and owing, reference is made to the Director of Finance, County of Kauai.
2. Reservation(s) set forth in DEED dated March 30, 1979, filed in Liber 13800 at Page 173, to-wit:  
  
"EXCEPTING AND RESERVING therefrom unto Grantor, its successors and assigns, all water rights appurtenant to said real property and easements for ditches, flumes, siphons, pipelines, tunnels, roads, power lines, pump lines, pumps and for all other existing facilities and future requirements, and rights to develop and transport water, including the right to grant any such easement and/or rights to other parties, together with the right to enter upon said premises for the purpose of maintaining same, and in due course Grantee shall prepare for exceptions and reservations, upon which event Grantor and Grantee shall execute a correction deed for recordation."
3. Easement "12" (10 feet wide), for power line purposes in favor of CITIZENS UTILITIES CO., as per survey map dated June 16, 1986 prepared by Michio M. Okuda, Registered Professional Land Surveyor No. 2488-S, and as mentioned in QUITCLAIM DEED dated February 21, 1990, recorded as Document No. 90-038385.
4. Future road widening setback line along Lauoho Road as per survey map dated June 16, 1986 prepared by Michio M. Okuda, Registered Professional Land Surveyor No. 2488-S, and as mentioned in QUITCLAIM DEED dated February 2, 1991, recorded as Document No. 90-038385.
5. A 100 year flood fringe boundary as per survey map dated June 16, 1986 prepared by Michio M. Okuda, Registered Professional Land Surveyor No. 2488-S, and as mentioned in QUITCLAIM DEED dated February 2, 1990, recorded as Document No. 90-038385.
6. No new structures shall be constructed in the flood way and any new structures constructed within the flood fringe shall be elevated above flood levels and shall be designated to resist flood forces as per survey map dated June 16, 1986 prepared by Michio M. Okuda, Registered Professional Land Surveyor No. 2488-S, and as mentioned in QUITCLAIM DEED dated February 21, 1990, recorded as Document No. 90-038385.
7. Covenants, conditions and restrictions set forth in DEED dated February 21, 1990, recorded as Document No. 90-038385.

8. MORTGAGE

MORTGAGOR : DAVID A. K. CALLAHAN and SHARON L. CALLAHAN,  
husband and wife

MORTGAGEE : SAFETY LOAN COMPANY, LTD., a Hawaii corporation

DATED : March 8, 1990  
RECORDED : Document No. 90-038386  
AMOUNT : \$307,000.00

9. AGREEMENT

DATED : May 4, 1990  
RECORDED : Document No. 90-071733  
BY : DANIEL LANIAKEA SOONG and DIANA SOONG  
WITH : COUNTY OF KAUAI  
RE : FARM DWELLING

10. AGREEMENT

DATED : July 11, 1991  
RECORDED : Document No. 91-108856  
BY : DANIEL SOONG and DIANNA SOONG, husband and  
wife, and BERT AGOR and VICKI E. AGOR, husband  
and wife  
WITH : COUNTY OF KAUAI PLANNING DEPARTMENT  
RE : ROAD WIDENING RESERVE

11. MORTGAGE

MORTGAGOR : BERT AGOR and VICKI MARIE EICHENSEER-AGOR,  
husband and wife, and DANIEL LANIAKEA SOONG  
and DIANNA CAROLYN SOONG, husband and wife

MORTGAGEE : FIRST NATIONWIDE BANK, a federal savings bank

DATED : November 20, 1991  
RECORDED : Document No. 91-162460  
AMOUNT : \$366,000.00

12. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Condominium Property Regime dated --- (acknowledged April 1, 1992 and March 31, 1992), recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 92-055995, as the same may hereafter be amended in accordance with law or with said Declaration. (Project covered by Condominium Map No. 1643.)
  
13. By-Laws of the Association of Apartment Owners of the Condominium Project known as "LANIAKEA FARMS" dated --- (acknowledged April 1, 1992 and March 31, 1992), recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 92-055996, as the same may hereafter be amended.

EXHIBIT           C          

ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> x 12 months = <u>Yearly Total</u>
1	\$20.83                      \$250.00
2	\$20.83                      \$250.00

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

EXHIBIT D

SUMMARY OF SALES CONTRACT:

A Sales Contract sets forth the terms and price of the purchase of a Condominium Apartment. Among other things the Sales Contract for this project states:

1. The purchase price.
2. That the Seller shall convey a marketable fee simple condominium interest in the property. The property is sold "as is".
3. That the Buyer has access to the Declaration of Condominium Property Regime and the Bylaws.
4. That the purchase is for full cash value, with no Seller financing.
5. That the cash shall be placed in escrow, at no interest. The Buyer shall be responsible for one-half of all escrow fees.
6. That Seller reserves the right to make changes to the property.
7. That time is of the essence.
8. That in the event buyer defaults, buyer may lose deposit, if any, made against the purchase price.

Utilities and Services

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

Maintenance, Repairs and Supplies

- Building
- Grounds

Management

- Management Fee
- Payroll and Payroll Taxes
- Office Expenses

Insurance	\$41.66	\$500.00
-----------	---------	----------

Reserves

Taxes and Government Assessments

Audit Fees

Other

TOTAL	<u>\$41.66</u>	<u>\$500.00</u>
-------	----------------	-----------------

I/We, DIANNA SOONG, as managing agents for the condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

Dianna Soong  
Date: 7-8-92

EXHIBIT E

SUMMARY OF ESCROW AGREEMENT:

An Escrow Agreement allows the Condominium Buyers' money to be held by a neutral party, the Escrow Agent, until the Seller can deliver good and marketable title to the Condominium. The Escrow Agreement for this project provides for, among other things.

1. That Title Guaranty Escrow Services, Inc. is the Escrow Agent.
2. That, upon execution of a Sales Contract, the Developer shall deliver all money received over to the Escrow Agent.
3. That no money shall be released from escrow until the Real Estate Commission shall issue a final report.
4. That the Buyer shall receive all public documents relating to the project.
5. That a Buyer's money shall be returned to him if he exercises certain rights he may have to cancel his Sales Contract as provided by law, if that is his wish, or if the Seller is unable to provide title to the Condominium.
6. That, upon the Seller providing good title to the Condominium, the Buyer's money shall be turned over to the Seller.
7. That the Escrow Agent will record with the State of Hawaii all documents requiring such.
8. That, if the Buyer is unable to perform and has money on deposit in escrow, these monies will be turned over to the Seller.
9. That, if escrow is cancelled for any reason, there may be a cancellation fee of not less than \$25.00 payable by the Buyer.