

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer MARK I. SUEYASU
Address P. O. Box 238, Waimea, Hawaii 96796-0238

Project Name(*): HIRO'S LANE
Address: 4829 Hiro's Lane, Waimea, Hawaii

Registration No. 3114
(Conversion)

Effective date: May 30, 1996
Expiration date: June 30, 1997

Preparation of this Report:

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

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

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

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

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

Type of Report:

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

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

 X SUPPLEMENTARY: This report updates information contained in the:
(pink)
[] Preliminary Public Report dated: _____
[X] Final Public Report dated: July 28, 1994
[] Supplementary Public Report dated: _____

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

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached hereto as Exhibit G. Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

This supplementary report has been prepared to disclose changes made to Units A, Unit E and F of the Hiro's Lane condominium project. The residences on Units A and E were demolished and have been replaced with newly constructed residences. Further, a previously undisclosed encroachment by Unit F onto the limited common element appurtenant to Unit E has been resolved by adjusting the boundary between these Units. This results in an 18 square foot change in the size of the Unit E and F limited common elements. A First Amendment to Declaration of Condominium Property Regime and Condominium Map were recorded to reflect such changes. There have been no changes to the remaining units. Further changes to the project are: (1) the individual apartment units have been conveyed to the respective owner/developers; (2) the Agreement of Sale, which was previously a blanket lien affecting title to the individual units, has been satisfied; and (3) Kauai Realty, Inc., has been designated as the new real estate broker of record for the project.

This supplementary report does not provide for the sale of Unit A, notwithstanding full disclosure of its improvements, status, size, etc. This unit may not be offered for sale prior to October 4, 1996, and then only after issuance of a supplementary public report authorizing sale of this unit. No offers of sale of Unit A can be made nor can they be accepted prior to issuance of a further supplementary public report so authorizing.

* * * * *

SPECIAL NOTICE:

- 1. Issuance of an effective date for this Public Report does not constitute an approval of the project by the Real Estate Commission, or any other government agency, nor does it imply that all County Codes, Ordinances and subdivision requirements have been complied with.
- 2. This project does not involve the sale of individual subdivided lots. The land area beneath and immediately adjacent to each unit, as shown on the Condominium Map, is designated as a limited common element for that unit and does not represent a legally subdivided lot. The dotted lines on the Condominium Map merely represent the location of the limited common element assigned to each unit.
- 3. Facilities and improvements normally associated with County approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for and services such as County street maintenance and trash collection will not be available for interior roads and driveways.
- 4. The residence on Unit A was constructed by the developer as an owner-builder, pursuant to sections 444-2(7) and 444-9.1, Hawaii Revised Statutes ("HRS"). Construction of the improvements on Unit A was completed on October 4, 1995. Unit A may not be sold prior to one year from the date of completion, which will be October 4, 1996. Should the unit be sold in violation of this proscription, the relevant parties will be in violation of Chapter 444, Hawaii Revised Statutes, and of the provisions of Chapter 514A, Hawaii Revised Statutes, which could subject the seller and others associated with the sale to penalties of up to a \$10,000 fine and one year imprisonment. As noted above, Unit A may not be sold until an additional supplementary public report has been issued for this project, specifically authorizing sale of Unit A pursuant to the passage of a one-year period of time after completion of construction of the improvements on Unit A.

* * * * *

TABLE OF CONTENTS

	page
Preparation of this Report	1
Expiration Date of Reports	1
Type of Report	1
Disclosure Abstract	2
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Operation of the Condominium Project	4
I. PERSONS CONNECTED WITH THE PROJECT	5
Developer Attorney for Developer General Contractor	
Real Estate Broker Escrow Company Condominium Managing Agent	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	6
B. Condominium Map (File Plan)	6
C. Bylaws	6
D. House Rules	7
E. Changes to Condominium Documents	7
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	8
B. Underlying Land	9
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	13
E. Encumbrances Against Title	14
F. Construction Warranties	15
G. Status of Construction	16
H. Project Phases	16
IV. CONDOMINIUM MANAGEMENT	
A. Management of the Common Elements	17
B. Estimate of Initial Maintenance Fees	17
C. Utility Charges for Apartments	17
V. MISCELLANEOUS	
A. Sales Documents Filed with the Real Estate Commission	18
B. Buyer's Right to Cancel Sales Contract	18
C. Additional Information Not Covered Above	20
D. Signature of Developer	21
EXHIBIT A: Condominium Map and Limited Common Element Locations	
EXHIBIT B: Summary of Sales Contract	
EXHIBIT C: Schedule of Apartments and Common Interests	
EXHIBIT D: Summary of Portions of Escrow Agreement	
EXHIBIT E: Common Elements and Limited Common Elements of the Project	
EXHIBIT F: Encumbrances Against Title	
EXHIBIT G: Disclosure Abstract	
EXHIBIT H: Estimate of Initial Maintenance Fees and Disbursements	
EXHIBIT I: Letter(s) from County of Kauai Planning Department to the Hawaii Real Estate Commission	

General Information On Condominiums

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

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

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

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

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

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

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

Operation of the Condominium Project

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

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

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

I. PERSONS CONNECTED WITH THE PROJECT

Developer: MARK I. SUEYASU Phone: (808) 338-1976
Name (Business)
P. O. Box 238
Business Address
Waimea, Hawaii 96796-0238

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

N/A

Real Estate Broker: KAUAI REALTY, INC. Phone: (808) 332-7351
Name (Business)
P. O. Box 1246
Business Address
Lihue, Hawaii 96766

Escrow: T.I. OF HAWAII, INC. Phone: (808) 526-3571
Name Four Waterfront Plaza, Suite 300 (Business)
500 Ala Moana Boulevard
Business Address
Honolulu, Hawaii 96813

General Contractor: Unit E- JO INC. dba Ironwood Homes Phone: (808) 961-6493
Name (Business)
199 Kalanikoa Street
Business Address
Hilo, Hawaii 96720

Condominium Managing Agent: Self managed by the Association Phone: _____
Name of Apartment Owners. (Business)

Business Address

Attorney for Developer: STEVEN R. LEE, ESQ. Phone: (808) 246-1101
Name (Business)
4473 Pahe'e Street, Suite L
Business Address
Lihue, Hawaii 96766

II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

- Proposed
 Recorded - Bureau of Conveyances: Document No. 92-142587
Book _____ Page _____
 Filed - Land Court: Document No. _____

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]: First Amendment to Declaration of Condominium Property Regime dated March 4, 1996, recorded as Document No. 96-031230.

- 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 Conveyances Condo Map No. 1724
 Filed - Land Court Condo Map No. _____

The Condominium Map has been amended by the following instruments [state name of document, date and recording/filing information]: The Condominium Map was amended and filed simultaneously with the foregoing First Amendment to Declaration of Condominium Property Regime dated March 4, 1996, recorded as Document No. 96-031230.

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

The Bylaws for this condominium are:

- Proposed
 Recorded - Bureau of Conveyances: Document No. 92-142586
Book _____ Page _____
 Filed - Land Court: Document No. _____

The Bylaws referred to above have been amended by the following instruments [state name of document, date and recording/filing information]:

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

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

E. Changes to Condominium Documents

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

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

	<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 for projects with five or fewer apartments.

2. Developer:

No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per Month Year

For Subleaseholds:

- Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 - Canceled 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 canceled or foreclosed.

Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: Monthly Quarterly
 Semi-Annually Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per Month Year

5. Special Use Restrictions:

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

- Pets: Household pets may be kept consistent with applicable laws and ordinances.
- Number of Occupants: _____
- Other: _____
- There are no special use restrictions.

6. Interior (fill in appropriate numbers): See page 11a.

Elevators: 0 Stairways: C: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>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

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.

Boundaries of Each Apartment: Per Article II of the Declaration of Condominium Property Regime, the boundaries of each apartment shall be the outer surface of the entire building. Wires or conduits, pipes or any utility lines running over, under or through any apartment which are utilized for or serve more than one unit shall not be deemed as part of the apartment, the same being deemed common elements.

Permitted Alterations to Apartments: Permitted alterations to apartments are as allowed by Kauai County Zoning Ordinances and recorded restrictions on the project, if any. Upon construction of each permanent improvement, an amendment to the Declaration of Condominium Property Regime and the Condominium Map (Exhibit A) will be required to disclose actual improvements as a matter of public record.

Qty.	Apt. No.	No. Bdm./ Bath	Net Living Area* (Sq.Ft.)	Additional Areas (Sq.Ft.)
1	A	3/2	1529	569-carport 160-deck
1	B	2/1	799	50-storage 84-porch 279-carport
1	C	3/2.5	1494	440-garage 82-storage 112-deck
1	D	3/1	767	200-carport 16-storage 47-porch
1	E	2/1.5	963	288-carport 117-lanai
1	F	2/2	1383	399-carport 75-storage 28-porch
1	G	3/1	792	228-carport 209-boat storage 30-porch 81-lanai
1	H	3/1	756	108-laundry 228-carport 84-porch
1	I	3/1	840	406-carport 98-laundry 114.5-porch 130.5-lanai

*Net living area is the floor area of an apartment measured from the interior surface of the apartment perimeter walls. Other documents may give floor figures which differ from those above because a different method of determining the floor area may have been used.

7. Parking Stalls:

Total Parking Stalls: 18

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned							<u>18</u>
(for each unit)	Units A, C and I have two covered stalls; Units B, D, E, F, G and H have one covered and one open stall.						
Guest							<u>0</u>
Unassigned							<u>0</u>
Extra for							<u>0</u>
Purchase							<u>0</u>
Other:	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>0</u>
Total Covered & Open	<u>18</u>		<u>0</u>		<u>0</u>		

Each apartment will have the exclusive use of at least two 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. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

- There are no violations. Violations will not be cured.
- Violations and cost to cure are listed below. Violations will be cured by _____

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

Units A and E are newly constructed. As to the remaining units in the project, Engineer Peter N. Taylor states in his condition report dated August 17, 1992 that the structural components, mechanical and electrical installations are in satisfactory condition for the ages thereof. However, no representations are made as to the expected useful life of each item.

11. Conformance to Present Zoning Code

a. No variances to zoning code have been granted.

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

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

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

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

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

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

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

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

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

described in Exhibit E .

as follows:

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

[] There are no limited common elements in this project.

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

[X] described in Exhibit E.

[X] as follows: The portion of the land set aside for the use of each owner of a unit, as set forth in Exhibit A, subject to the roadway and utility easement, if any.

NOTE: Land areas referenced herein 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 used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

[X] described in Exhibits C and G.

[] as follows:

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

Exhibit F describes the encumbrances against the title contained in the title report dated 3-8-96 and issued by FIRST HAWAII TITLE CORPORATION.

Blanket Liens:

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

- There are no blanket liens affecting title to the individual apartments.
- There are blanket liens which may affect title to the individual apartments.

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
---------------------	---

F. Construction Warranties:

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

1. Building and Other Improvements: None.

2. Appliances: None.

G. Status of Construction and Estimated Completion Date:

Construction is complete. The exact ages of certain of the structures are not known. It is believed that Unit D was built in 1946, Units B, F, G and H in 1948, Unit I in 1952 and Unit C in 1990. Unit E was completed in July of 1994 and Unit A received final building inspection on October 4, 1995.

H. Project Phases:

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

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

IV. CONDOMINIUM MANAGEMENT

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

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

The initial condominium managing agent for this project, named on page five (5) of this report, is:

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

B. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, 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.

Exhibit H contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. 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:

- None Electricity Gas Water
 Sewer Television Cable Other _____

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

- [X] Notice to Owner Occupants
- [X] Specimen Sales Contract
Exhibit B contains a summary of the pertinent provisions of the sales contract.
- [X] Escrow Agreement dated July 15, 1992
Exhibit D contains a summary of the pertinent provisions of the escrow agreement.
- [X] Other Specimen Apartment Deed, Specimen Owner Occupant Affidavit and Specimen Reservation Forms

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

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

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

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

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

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

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners.
- D) House Rules.
- E) Condominium Map, as amended.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other _____

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

This Public Report is a part of Registration No. 3114 filed with the Real Estate Commission on 06-06-94.

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

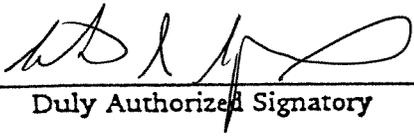
yellow paper stock white paper stock pink paper stock

C. Additional Information Not Covered Above

None.

D). The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

MARK I. SUEYASU
Name of Developer

By: 
Duly Authorized Signatory

11 JAN 96
Date

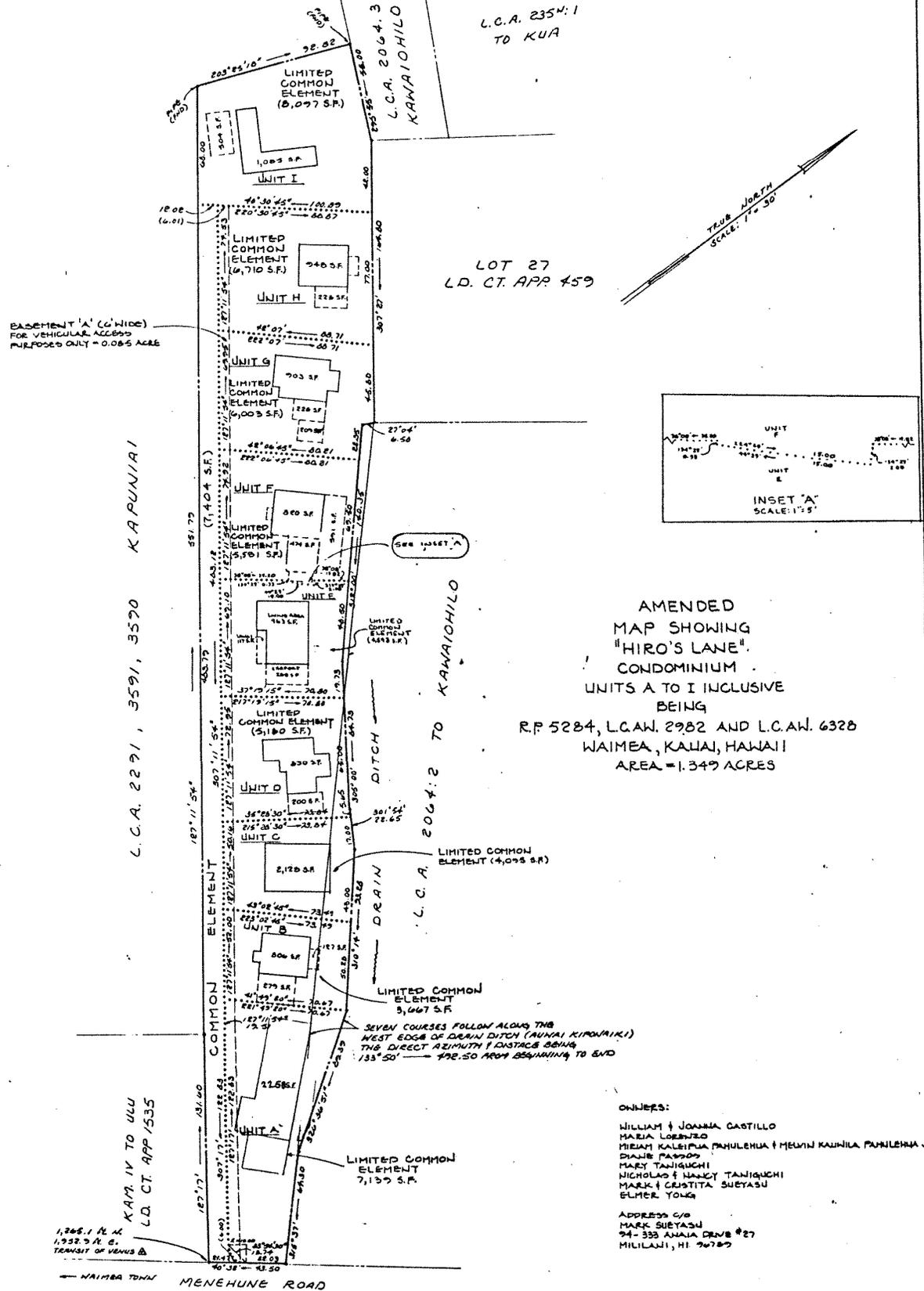
MARK I. SUEYASU, Developer
print name & title of person signing above

Distribution:

- Department of Finance, COUNTY OF KAUAI
- Planning Department, COUNTY OF KAUAI
- Federal Housing Administration

EXHIBIT A

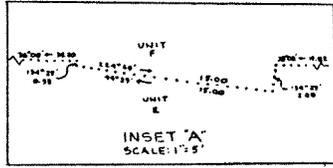
CONDOMINIUM MAP AND LIMITED COMMON ELEMENT LOCATIONS



L.C.A. 2354:1
TO KUA

L.C.A. 2064:3
KAWAIOHILO

LOT 27
L.D. CT. APP 459



AMENDED
MAP SHOWING
"HIRO'S LANE".
CONDOMINIUM
UNITS A TO I INCLUSIVE
BEING
R.P. 5284, L.C.A.W. 2982 AND L.C.A.W. 6328
WAIMEA, KAUAI, HAWAII
AREA = 1.349 ACRES

OWNERS:
WILLIAM & JOHANA CASTILLO
MARIA LORENZO
MIRIAM KALEIPUA PAHULEHUA & MELVIN KAUHILA PAHULEHUA JR.
DANIE PAPOO
MARY TANIGUCHI
NICHOLAS & HANCOY TANIGUCHI
MARK & CRISTITA SUETASU
ELMER YONG

ADDRESS C/O
MARK SUETASU
94-333 ANAIA DRIVE #27
MILILANI, HI 96783

PREPARED BY:
PETER N. TAYLOR, INC.
CONSULTING ENGINEERS
4444 KIOE STREET SUITE 201-A
LIHUE, KAUAI, HAWAII 96766
235-2154

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



THIS WORK WAS PREPARED BY
ME OR UNDER MY SUPERVISION
Mark Suetasu
MASAO FUJISHIMA
REGISTERED LAND SURVEYOR
CERTIFICATE NUMBER 1065
MARCH 23, 1993
DEC. 10, 1995

EXHIBIT B

SUMMARY OF SALES CONTRACT

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

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

2. The closing date for the purchase.

3. Whether at the time of execution of the contract, a final public report has been issued.

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

(a) That Purchaser will receive a copy of the final public report for the project.

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

(c) Seller has a right to extend the closing date by 31 days or by 31 days after the public report is issued, whichever is later.

(d) After issuance of the Final Public Report and Buyer's waiver of its right to cancel under Hawaii Revised Statutes Section 514A-62, Purchaser shall not have the right to rescind the contract.

(e) Purchaser has received a copy of the Escrow Agreement for the Project.

(f) If Purchaser defaults, Seller may cancel the contract or bring legal action against Purchaser to force sale, obtain money damages, or retain Purchaser's deposit money held in escrow.

(g) The unit the Purchaser is purchasing will be shown on a condominium map prior to closing and will have the right to cancel if it is different from that shown on the Exhibit A.

(h) That a deed conveying clear title will be given at closing, subject to certain obligations.

(i) The Purchaser agrees to give future easements if reasonably required for the project.

(j) The Purchaser will accept the Unit "AS-IS", including, but not limited to, Purchaser assumes all risks regarding any potential hazardous materials on the condo property or property adjoining or in the vicinity, including liability for suits by third parties. Seller is, however, unaware of any such materials, chemicals or conditions on the property.

(k) The payment of commissions, if any, is set out in the contract.

(l) Time is of the essence of the obligations of Purchaser under the contract.

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

END OF EXHIBIT B

EXHIBIT C

SCHEDULE OF APARTMENTS AND COMMON INTERESTS

Qty.	Unit No.	Area of Limited Common Element* (Sq. Ft.)	No. of Br./Bath	Appx. Net Living Area (Sq. Ft.)	Appx. Other Area (Sq. Ft.)	% of Common Int.
1	A	7,139	3/2	1,529	729	11%
1	B	3,667	2/1	799	161	11%
1	C	4,095	3/2.5	1,494	634	11%
1	D	5,180	3/1	767	263	11%
1	E	4,893	2/1.5	963	405	11%
1	F	5,581	2/2	1,383	502	11%
1	G	6,003	3/1	792	548	11%
1	H	6,710	3/1	756	420	11%
1	I	8,097	3/1	840	749	12%

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

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

END OF EXHIBIT C

EXHIBIT D

SUMMARY OF PORTIONS OF ESCROW AGREEMENT

The Escrow Agreement ("Agreement") between T. I. OF HAWAII, INC. ("Escrow") and MARK I. SUEYASU, CRISTITA T. SUEYASU, MARIA B. LORENZO, NICHOLAS TANIGUCHI, NANCY TANIGUCHI, ELMER KAUKAOHU NOSS YONG, SALLY ANN YONG, DIANE LIENA NAVARRO PASSOS, MIRIAM KALEIPUA PAHULEHUA, MELVIN KAUIWILA PAHULEHUA, JR. and MARY TANIGUCHI ("Seller"), contains, among other provisions the following (which may be modified or otherwise limited by provisions not summarized):

1. Whenever Seller enters into a sales contract for the sale of an apartment, Seller will require that payments due under the sales contract be made to Escrow and will deliver an executed copy of the sales contract to Escrow.

2. Escrow will receive payments under the sales contracts and sums received from any other source with respect to the project. Funds held under the Agreement will initially be deposited in an account for the project. Interest on all funds will be paid to Seller.

3. Escrow will release from the Trust Fund and disburse Buyer's funds at closing, unless: (a) purchaser has elected within seven days of signing the purchase contract to cancel and receive all funds paid, without deduction; or (b) the Real Estate Commission has not issued a Final Public Report on the project or the requirements of the Sales Contract have not been met; or (c) Seller has not satisfied Escrow that all other requirements of Hawaii Revised Statutes have been met.

4. Escrow will return deposited sums to the Purchaser without interest if Seller and Purchaser give Escrow written notice to return the funds to Purchaser, if there is a right to cancellation and refund of monies under the sales contract or otherwise. If there is a cancellation under the seven-day right, no fees will be charged Purchaser. Thereafter, in the event of a cancellation as a matter of agreement or right, Purchaser's funds shall be returned to Buyer less Escrow's cancellation fee, if any, and all other costs incurred in connection with the Escrow, not less than \$25.00, unless Purchaser is in default under the sales contract between Seller and Purchaser. Should Purchaser be in default, Seller will be entitled to retain all proceeds collected from Purchaser as and for liquidated damages.

5. Escrow will arrange for and supervise the signing of all documents which are to be signed subsequent to and contemplated by the sales contract.

6. As Escrow's compensation for its performance under the Agreement, Escrow will receive its schedule rate for each apartment for which an apartment deed of the project is handled by Escrow and recorded in the Bureau of Conveyances of the State of Hawaii. Escrow will record all applicable documents.

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

END OF EXHIBIT D

EXHIBIT E

COMMON ELEMENTS OF THE PROJECT

The common elements of the project are:

- (a) The land in fee simple;
- (b) Utility easement; and all commonly used future ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, sewage, irrigation and telephone;
- (c) Any and all other elements and facilities in common use or necessary to the Project.

LIMITED COMMON ELEMENTS OF THE PROJECT

Certain parts of the common elements, herein referred to as the "limited common elements" are hereby designated and set aside for the exclusive use of one or more units, and such unit(s) shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved as follows:

That certain land area upon and around which Unit A, B, C, D, E, F, G, H and I are located, shown and designated on the Condominium Map and the table below, are deemed a limited common element appurtenant to and for the exclusive use of each respective unit.

<u>Unit Number</u>	<u>Area of Limited Common Element</u>
A	7139 square feet
B	3667 square feet
C	4095 square feet
D	5180 square feet
E	4893 square feet
F	5581 square feet
G	6003 square feet
H	6710 square feet
I	8097 square feet

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

END OF EXHIBIT E

EXHIBIT F

ENCUMBRANCES AGAINST TITLE

1. Real Property Taxes. Check with the County of Kauai, Department of Finance, Real Property Tax Division, for detailed information.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Access Easement "A", area 0.085 acre, as shown on Tax Map.
4. The covenants, agreements, obligations, conditions, easements and other provisions as contained in the following:

DECLARATION OF CONDOMINIUM PROPERTY REGIME OF "HIRO'S LANE CONDOMINIUM"

Dated: July 20, 1992
Recorded: August 31, 1992
Document No.: 92-142587

Condominium Map No. 1724, to which reference is hereby made.

The aforesaid Declaration of Condominium Property Regime and Condominium Map were amended by instrument dated March 4, 1996, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 96-031230.

5. BYLAWS OF HIRO'S LANE CONDOMINIUM dated July 15, 1992, recorded August 31, 1992 in said Bureau of Conveyances as Document No. 92-142588, to which reference is hereby made.
6. AS TO UNIT A ONLY:

- A. The terms, provisions, covenants, easements and reservations as contained in the following:

APARTMENT DEED

Dated: November 21, 1994
Document No.: 94-195268

B. MORTGAGE

Mortgagor: MARK I. SUEYASU and CRISTITA T. SUEYASU, husband and wife
Mortgage: FIRST HAWAIIAN BANK, a Hawaii corporation
Dated: January 11, 1996
Document No.: 96-007912

7. AS TO UNIT B ONLY:

The terms, provisions, covenants, easements and reservations as contained in the following:

APARTMENT DEED

Dated: November 21, 1994
Document No.: 94-195269

8. AS TO UNIT C ONLY:

The terms, provisions, covenants, easements and reservations as contained in the following:

APARTMENT DEED

Dated: November 21, 1994
Document No.: 94-195270

9. AS TO UNIT D ONLY:

The terms, provisions, covenants, easements and reservations as contained in the following:

APARTMENT DEED

Dated: November 21, 1994
Document No.: 94-023885

10. AS TO UNIT E ONLY:

The terms, provisions, covenants, easements and reservations as contained in the following:

APARTMENT DEED

Dated: November 28, 1994
Document No.: 94-201056

10. AS TO UNIT F ONLY:

The terms, provisions, covenants, easements and reservations as contained in the following:

APARTMENT DEED

Dated: November 21, 1994
Document No.: 94-195271

11. AS TO UNIT G ONLY:

The terms, provisions, covenants, easements and reservations as contained in the following:

APARTMENT DEED

Dated: November 21, 1994
Document No.: 94-195272

12. AS TO UNIT H ONLY:

The terms, provisions, covenants, easements and reservations as contained in the following:

APARTMENT DEED

Dated: November 21, 1994
Document No.: 94-023886

13. AS TO UNIT I ONLY:

The terms, provisions, covenants, easements and reservations as contained in the following:

APARTMENT DEED

Dated: November 21, 1994
Document No.: 94-195273

END OF EXHIBIT F

EXHIBIT G

DISCLOSURE ABSTRACT FOR
HIRO'S LANE CONDOMINIUM

Pursuant to Hawaii Revised Statutes, Section 514(A)-61, the Developer of HIRO'S LANE makes the following disclosures:

1. The Developer of the project is MARK I. SUEYASU, P. O. Box 238, Waimea, Hawaii, 96796-0238.

2. See Exhibit H for the projected annual maintenance fees. The Developer hereby certifies that the estimations have been based on generally accepted accounting principles.

3. No warranties by developer will apply to any residential units. Builder's warranties for building and manufacturers' warranties for appliances will be assigned to purchasers of units.

4. These units are for residential use. No unit will be used for both hotel and residential use; these are condominium units in which residential use is permitted, but hotel use is not.

5. There will be no commercial use except those activities permitted by the Kauai County Comprehensive Zoning Ordinance.

6. Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which common interest has been computed for the above-referenced project. There are nine units, each of which sustains a structure and each of which will burden the common elements. However, Unit I is somewhat larger and somewhat more expensive than the other units. Therefore, the assessment of undivided interest both for common expense and for voting is 11% for Units A through H and 12% for Unit I.


MARK I. SUEYASU

Dated: January 11, 1996

RECEIPT

The undersigned has received a copy of the foregoing disclosure abstract with Exhibit H this ___ day of _____, 19__.

Purchaser(s)

EXHIBIT H

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
A - H	\$39.60	\$475.20
I	\$43.20	\$518.40

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

EXHIBIT I

LETTER(S) FROM COUNTY OF KAUAI PLANNING DEPARTMENT

COPY

JOANN A. YUKIMURA
MAYOR



COUNTY OF KAUAI
PLANNING DEPARTMENT
4280 RICE STREET
LIHUE, KAUAI, HAWAII 96766

JEFFREY LACY
PLANNING DIRECTOR

DEE M. CROWELL
DEPUTY PLANNING DIRECTOR

TELEPHONE (808) 245-3919

RECEIVED AUG 11 1993

August 5, 1993

Mr. Calvin Kimura, Executive Secretary
Real Estate Commission, Real Estate Branch
250 South King Street, Suite 702
Honolulu, Hawaii 96813

Subject: Certification of Inspection of Existing Buildings for
Hiro's Lane Condominium at Waimea, Kauai
TMK:1-6-03:25
LOTR: 01/13/93

The developer of the above-mentioned condominium project ("project") has requested that this office, as an agency of the County of Kauai, review the project for compliance with all ordinances, codes, rules, regulations and other requirements of the County of Kauai (Section 514A-39, HRS). Subject to the disclosures and waiver (item "c" below) specified herein, we certify the following:

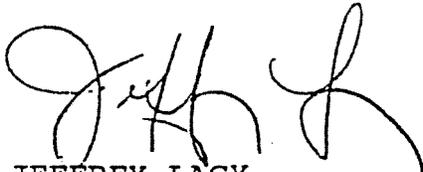
- a. The developer has contracted a private engineer to certify that the existing buildings on the proposed project referred to as Units A, B, C, D, E, F, G, H, and I are in compliance with all ordinances, codes, rules, regulations and other requirements in force at the time of its construction, and to that extent, and subject to the condition of waiver herein, the Planning Department adopts that certification as it pertains to our requirements. Please be advised, however, that due to the age of some of the structures, the Planning Department cannot verify whether valid permits were issued for these structures or if applicable rules and regulations were in effect at the time of construction.
- b. We have no record of any zoning variances that have been granted on the subject property.

Mr. Calvin Kimura, Executive Secretary
Page 2
August 5, 1993

c. WAIVER

The foregoing certification is not a warranty as to any aforementioned compliance, nor a representation as to the condition of the property in question. No rights against the County of Kauai shall arise as a result of this certification. The sole reason for the execution hereof being to comply with statutory requirements relating to the regulation of condominiums under Subsection 514(A), HRS. This certification shall not be construed to guarantee that all County Codes and Ordinances have been complied with. Subsequent development and use shall comply to all applicable County Codes and Ordinances. It should also be noted that the Condominium Property Regime (CPR) does not mean that all County requirements pertaining to subdivision of lands have been met. Therefore, such facilities/improvements that are normally associated with County approved subdivisions such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., will not be provided. Further, such services as County street maintenance and trash collection will not be available for interior roads and driveways, if any.

If you have any questions, please contact Bryan Mamaclay of my staff at 245-3919.



JEFFREY LACY
Planning Director

cc: Steven R. Lee

NOTE: The private engineer engaged in the certification of the buildings is Peter N. Taylor, Incorporated. A copy of the report is attached as Exhibits I(1) and I(2).

**PETER N.
TAYLOR**

INCORPORATED

consulting engineers

August 17, 1992.

Hawaii State Bureau of Conveyances,
P.O. Box 2867,
Honolulu, HI.96813.

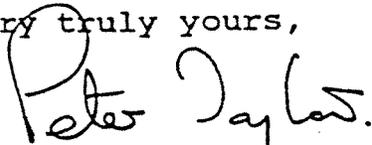
Hawaii Real Estate Commission,
Attn: Ms. Kiley Chun-Kawakami,
828 Fort Street Mall, Suite 600,
Honolulu, HI.96813.

To Whom It May Concern:

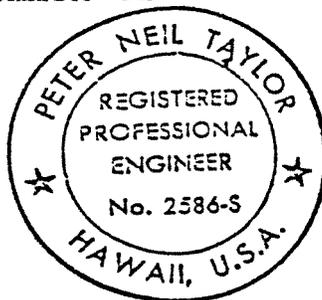
The undersigned, being a licensed engineer within the State of Hawaii, and bearing Registration Number 2586, hereby certifies that the enclosed floor plans and elevations of the buildings on Units A, B, D, E, F, G, H and I are as-built and constructed on the "HIRO'S LANE" Condominium and, due to the age of the improvements, no records of building permit plans are maintained by the Building Division or Planning Department for the County of Kauai.

The undersigned further certifies that the condominium map accurately reflects the division of the apartment units and the dimensions of the limited common elements.

Very truly yours,



Peter N. Taylor, P.E.
President.



Copy to: Mark Sueyasu.
Steven R. Lee, Esq.

EXHIBIT I(1)

**PETER N.
TAYLOR**

INCORPORATED
consulting engineers

August 17, 1992.

Hawaii State Bureau of Conveyances,
P.O. Box 2867,
Honolulu, HI.96813.

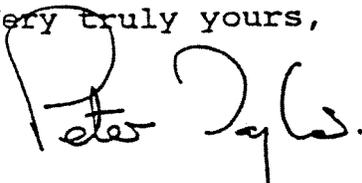
Hawaii Real Estate Commission,
Attn: Ms. Kiley Chun-Kawakami,
828 Fort Street Mall, Suite 600,
Honolulu, HI.96813.

To Whom It May Concern:

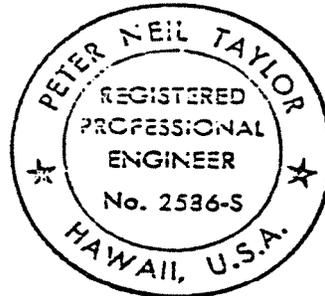
The undersigned, being a licensed engineer within the State of Hawaii, and bearing Registration Number 2586, hereby certifies that the enclosed floor plans and elevations of Unit C building is as-built and constructed on the "HIRO'S LANE" Condominium and are a true and correct copy of those submitted to and approved by the County of Kauai Building Division for issuance of the building permit.

The undersigned further certifies that the condominium map accurately reflects the division of the apartment units and the dimensions of the limited common elements.

Very truly yours,



Peter N. Taylor, P.E..



Copy to: Mark Sueyasu.
Steven R. Lee, Esq.

EXHIBIT I (2)