CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer: ANNE L. LOQUERCIO, Trustee
Address: 5721 Makamaka Street
Kapaa, Hawaii 96746

Project Name(*): ANA-LEA CONDOMINIUM PROJECT
Address: 5721 Makamaka Street, Kapaa, Hawaii 96746

Registration No. 3192 (Conversion)
Effective date: January 24, 2006
Expiration date: February 24, 2007

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, in 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: (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 by the developer 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.
[ ] This report supersedes all prior public reports.
[ ] This report must be read together with

__X__ SUPPLEMENTARY: (pink)
This report updates information contained in the:
[ ] Preliminary Public Report dated:
[X] Final Public Report dated: April 25, 1995
[ ] 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
This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request. FORM: RECO-30 286/986/189/1190/892/0197/1098/0104

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[X] Required and attached to this report 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.

[X] Changes made are as follows:

1. Unit B has been previously sold.
2. Tony Mangan, Realtor (RB-18429), PO Box 688, Kapaa, Hawaii 96746, has been chosen as the Broker for sale of Unit A.
3. Improvements have been added on Unit B, and the gazebo structure that was on Unit B has been moved to Unit A pursuant to the First Amendment to the Restated Declaration of Condominium Property Regime of Ana-Lea Condominium and Condominium Map No. 2120, dated January 23, 1995, recorded as Document No. 95-038463 (the "First Amendment"). The sizes of the Units in the Project have been altered and a 96 square foot common element has been added pursuant to the First Amendment and the Amended Condominium Map No. 2120.
4. The attorney for the Developer has changed. The new attorney is Steven R. Lee, Esq., 4334 Rice Street, Suite 204-C, Lihue, Hawaii 96766, telephone (808) 246-1101.
5. Reference to House Rules in original report was in error. There are none.
6. The Project has no maintenance fees or shared expenses.

PURSUANT TO SECTION 514A-36, HRS, THE REAL ESTATE COMMISSION'S (COMMISSION'S) ISSUANCE OF AN EFFECTIVE DATE FOR A DEVELOPER'S PUBLIC REPORT SHALL NOT BE CONSTRUED TO CONSTITUTE THE COMMISSION'S APPROVAL OR DISAPPROVAL OF A CONDOMINIUM PROJECT, OR THE COMMISSION'S REPRESENTATION THAT ALL MATERIAL FACTS CONCERNING THE CONDOMINIUM PROJECT HAVE BEEN FULLY OR ADEQUATELY DISCLOSED. THUS, THE CHANGES NOTED HERE ARE BEING PROVIDED BY THE DEVELOPER FOR INFORMATIONAL PURPOSES ONLY. PURSUANT TO SECTION 514A-41, HRS, THE DEVELOPER HAS THE RESPONSIBILITY TO UPDATE THE INFORMATION CONTAINED IN THE DEVELOPER'S PUBLIC REPORT TO AVOID HAVING THE DEVELOPER'S PUBLIC REPORT MISLEAD PURCHASERS IN ANY MATERIAL RESPECT.

APPROXIMATELY FOUR YEARS HAVE LAPSED SINCE THE EXPIRATION DATE OF THE DEVELOPER'S FINAL PUBLIC REPORT. PURSUANT TO SECTION 16-107-19, HAWAII ADMINISTRATIVE RULES, SALES CONTRACTS EXECUTED DURING THE PERIOD THAT THE PUBLIC REPORT WAS NOT IN EFFECT MAY BE RESCINDED AT THE OPTION OF THE PURCHASER AND ALL MONIES REFUNDED TO PURCHASER. PURCHASER'S RIGHT TO RESCIND UNDER THIS RULE SHALL BE VOID THIRTY (30) CALENDAR DAYS AFTER RECEIPT OF WRITTEN NOTIFICATION OF THESE RIGHTS FROM THE DEVELOPER OR HIS AGENT.

The public report format currently in use by the Real Estate Commission ("Commission") is different from that on which the Final Public Report for this project was issued. Although this Supplementary Report supersedes the earlier Final Public Report, if a prospective purchaser desires to compare the previous report to the Supplementary, information contained on a specific page of the Supplementary Report may not necessarily coincide to the same page number in the Final Public Report. Therefore, it is suggested that the table of contents be referred to when making comparisons between reports.

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EXHIBIT A: Condominium Map and Limited Common Element Locations
EXHIBIT B: Summary of Addendum to Sales Contract
EXHIBIT C: Schedule of Apartments and Common Interest
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: Amended Disclosure Abstract

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: ANNE LOQUERCIO — Phone: (808) 822-5045
Name*
5721 Makamaka Street
Business Address
Kapaa, Hawaii 96746

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):

N/A

Real Estate Broker*: Tony Mangan — Phone: (808) 246-2626 (RB-18429)
Name
PO Box 688
Business Address
Kapaa, Hawaii 96746

Escrow: Title Guaranty Escrow Services, Inc. — Phone: (808) 245-3381
Name
4414 Kukui Grove Street
Business Address
Lihue, Hawaii 96766

General Contractor*: N/A — Phone:
Name

Business Address

Condominium Managing Agent*: Self-Managed by Association of Apartment Owners — Phone:
Name

Business Address

Attorney for Developer: Steven R. Lee, Esq. — Phone: (808) 246-1101
Name
4334 Rice Street, Suite 204-C
Business Address
Lihue, Hawaii 96766

*For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

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			
[X]	Recorded	- Bureau of Conveyances:	Document No.	94-166048
			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]:

Restated Declaration of Condominium Property Regime of Ana-Lea Condominium and Condominium Map No. 2120, dated January 23, 2005, recorded as Document No. 95-038463; First Amendment to the Restated Declaration of Condominium Property Regime of Ana-Lea Condominium and Condominium Map No. 2120, dated May 10, 2004, recorded as Document No. 2004-099816.

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.	2120
[ ]	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]:

Restated Declaration of Condominium Property Regime of Ana-Lea Condominium and Condominium Map No. 2120, dated January 23, 2005, recorded as Document No. 95-038463

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.	94-166049
			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 [X] Developer does not plan to adopt House Rules*
*Prior reference to house rules was in error. There are none.

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 interests which must vote for or give written consent to changes:

	Minimum Set by Law	This Condominium
Declaration (and Condo Map)	75%*	75%
Bylaws	65%	65%
House Rules	-----	-----

*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.

[X] Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules: Pursuant to the Sales Contract (Exhibit B, paragraph 4(d), the owner may make amendments of the project documents prior to issuance of an effective date for the Final Public Report for this project.

III. THE CONDOMINIUM PROJECT

A. **Interest to be Conveyed to Buyer:**

[X] Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.

[ ] Leasehold or Sub-leasehold: 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 explanation 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 Sub-leaseholds:

[ ] 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 Sub-leasehold:

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

[ ] Other: _____

_____

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. **Underlying Land:**

Address: 5721 Makamaka Street
Kapaa, Hawaii 96746

Tax Map Key: (TMK): (4) 4-6-09:55

[ ] Address [ ] TMK is expected to change because _____

_____

Land Area: 1 (one) [ ] square feet [X] acre(s) Zoning: Agricultural

Fee Owner:
Unit A

Anne L. Loquercio, Trustee
Name
5721 Makamaka Street
Address
Kapaa, Hawaii 96746

Fee Owner:
Unit B

Richard Jose Hayes
Name
5715 Makamaka Street
Address
Kapaa, Hawaii 96746

Lessor:

N/A
Name

Address

C. **Buildings and Other Improvements:**

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

2. Number of Buildings: 4 Floors Per Building: Unit A: 1 – Unit B – 2

   [ ] Exhibit C contains further explanations.

3. Principal Construction Material:

   [ ] Concrete [ ] Hollow Tile [X] Wood

   [ ] Other:

4. Uses Permitted by Zoning:

	No. of Apts.	Use Permitted by Zoning	
[X] Residential	2	[X] Yes	[ ] No
[ ] Commercial		[ ] Yes	[ ] No
[ ] Mix Residential/Commercial		[ ] Yes	[ ] No
[ ] Hotel		[ ] Yes	[ ] No
[ ] Timeshare		[ ] Yes	[ ] No
[ ] Ohana		[ ] Yes	[ ] No
[ ] Industrial		[ ] Yes	[ ] No
[ ] Agricultural		[ ] Yes	[ ] No
[ ] Other:		[ ] Yes	[ ] No

Is/Are this/ these use(s) specifically permitted by the project's Declaration or Bylaws?

[X] Yes [ ] No

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: _____

[ ] Number of Occupants: _____

[ ] Other: _____

[X] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: _____ Stairways: _____ Trash Chutes: _____

Apt. Type	Quantity	Bed/Bath	Net Living Area (sf)*	Net Other Area (sf)	Identify
A	1	3 / 3	1,543	---	Residence
		---	---	76	Gazebo
		---	---	80	Shed
		---	---	370	Garage
B	1	3 / 1-1/2	2,557		Residence
		---	---	535	Garage
		---	---	240	Deck
		---	---	64	Lanai

Total number of Apartments: 2

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

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

Boundaries of Each Apartment: Per 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 a part of the apartment, the same being deemed common elements.

Permitted Alterations to Apartments: Permitted alterations to apartments are as allowed by County of Kauai 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 will be required to disclose actual improvements as a matter of public record.

Apartments Designated for Owner-Occupants Only:
Fifty percent (50%) of **residential** apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by Section 514A-102, HRS; or include the information here in this public report and in the announcement (see attachment 11a). Developer has not elected to provide the information in a published announcement or advertisement.

7. Parking Stalls:

Total Parking Stalls: 2

	Regular		Compact		Tandem		
	Covered	Open	Covered	Open	Covered	Open	TOTAL
Assigned (for each unit)	2						4
Guest							
Unassigned							
Extra for Purchase							
Other:							
Total Covered & Open:	4						4

**There is ample room for parking of two or more vehicles on each unit's limited common element.

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:

[X] There are no recreational or common facilities.

[ ] Swimming pool [ ] Storage Area [ ] Recreation Area

[ ] Laundry Area [ ] Tennis Court [ ] Trash Chute/Enclosure(s)

[ ] Other: _____

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

[X] There are no violations. [ ] Violations will not be cured.

[ ] Violations and cost to cure are listed below. [ ] Violations will be cured by _____ (Date)

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): Based on the Architect's Condition Report of L. Kay Zovanyi dated December 14, 2005, the expected useful life of the structural components, mechanical and electrical installations of the residential structure on Unit A is approximately 20 years

11. Conformance to Present Zoning Code:

a. [X] 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:

	Conforming	Non-Conforming	Illegal
Uses	X	____	____
Structures	X	____	____
Lot	X	____	____

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 Interests:**

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:

[X] 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:

[ ] described in Exhibit C.

[ ] as follows:

3. Common Interests: Each apartment will have an undivided fractional interests in all of the common elements. This interest is called the "common interests." 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 Exhibit C.

[ ] 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 on 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 October 25, 2005 and issued by Title Guaranty of Hawaii, Inc.

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.

[X] 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.

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

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 Date of Completion or Estimated Completion Date:**

Unit A was completed in 1976. The improvements on Unit B were completed in March 2004.

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):

None

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 affiliated 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
[X] self-managed by the Association of Apartment Owners
[ ] the Developer or the Developer's affiliate
[ ] 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, a lien may be placed on your apartment and the apartment may be 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.

See page 20.

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:

[X] None [ ] Electricity ___ Common Elements only ___ Common Elements & Apartments

[ ] Gas ___ Common Elements only ___ Common Elements & Apartments

[ ] 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:

[ ] 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 September 27, 2005
Exhibit D contains a summary of the pertinent provisions of the escrow agreement.

[ ] Other: _____

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 the 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 be the Hawaii Real Estate Commission.
B) Declaration of Condominium Property Regime, as amended.
C) Bylaws of the Association of Apartment Owners, as amended.
D) House Rules, if any.
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 or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov
Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs
Website to access rules: www.hawaii.gov/dcca/har

This Public Report is a part of Registration No. 3192 filed with the Real Estate Commission on October 10, 1994

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

[ ] YELLOW paper stock [ ] WHITE paper stock [X] PINK paper stock

C. **Additional Information Not Covered Above:**

Maintenance Fees:

All costs of every kind pertaining to each apartment and its respective limited common element, including but not limited to, costs of landscaping, maintenance, repair, replacement and improvement shall be borne entirely by the respective apartment owners.

There are no depreciable common elements.

D. The developer declares subject to the penalties set forth in Section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A–1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)

E. 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.

ANNE L. LOQUERCIO
Printed Name of Developer

Anne L. Loquercio — Dec-14, 2005
ANNE L. LOQUERCIO — Date

Distribution:

Department of Finance, COUNTY OF KAUAI

Planning Department, COUNTY OF KAUAI

***Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner, Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.**

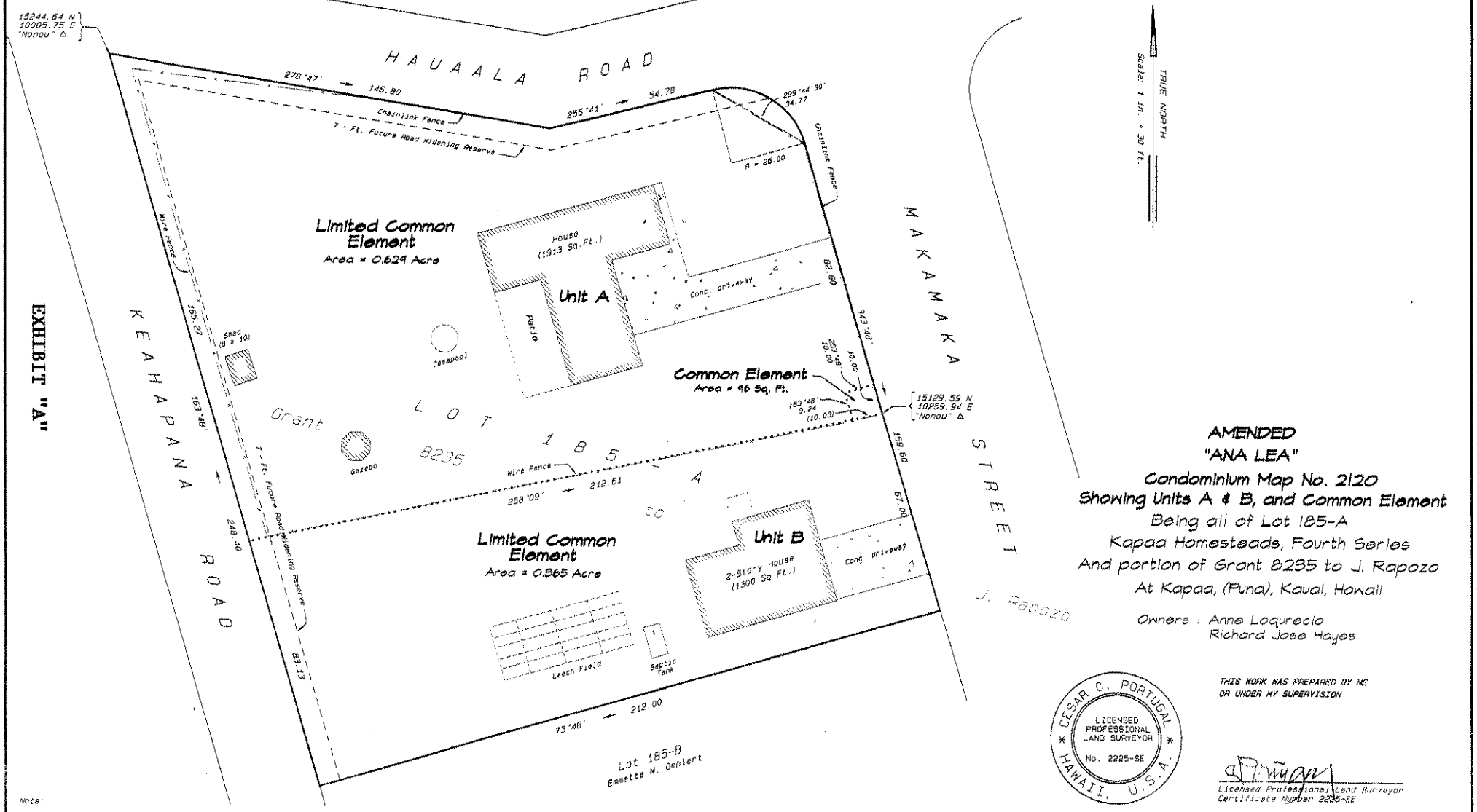

EXHIBIT "A"

AMENDED
"ANA LEA"
Condominium Map No. 2120
Showing Units A & B, and Common Element

Being all of Lot 185-A
Kapaa Homesteads, Fourth Series
And portion of Grant 8235 to J. Rapozo
At Kapaa, (Puna), Kauai, Hawaii

Owners : Anne Loqurecio
Richard Jose Hayes

CESAR C. PORTUGAL
LICENSED PROFESSIONAL LAND SURVEYOR
No. 2225-SE
HAWAII, U.S.A.

THIS WORK WAS PREPARED BY ME OR UNDER MY SUPERVISION

Licensed Professional Land Surveyor
Certificate Number 2225-SE

Note:

1. 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 a common element.

Tax Map Key : (4)-4-6-09: 55
Comp. File 4-609p55a.pr.

Portugal Surveying & Mapping Inc.
1840 Kalakaua Street
Lihue, Kauai, Hawaii

11.0" x 17.0"
April 2, 2004

EXHIBIT "B"

SUMMARY OF SALES CONTRACT

This Project utilizes a Condominium Addendum to Sales Contract (the "Addendum") to be used in conjunction with a standard DROA form contract provided by the Hawaii Association of Realtors. The Addendum protects the rights of the Purchasers and the handling of the funds under the Condominium Property Act (the "Act"), as well as insuring compliance with the Act by all parties. Relevant portions of the Addendum are summarized as follows:

1. The fact that the Act controls over any portion of a contract to sell a condominium unit.

2. That an effective date for a final or supplementary public report must be in place and a receipt for the same signed by the buyer to have a contract.

3. That all purchaser funds must be held in escrow until the law allows closing and disbursement of the funds. The conditions precedent to release of the funds are enumerated, including in part:

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

   b. That the Purchaser will be deemed to have had an opportunity to read the Final Public Report(s) within forty-eight (48) hours after receiving them, unless specifically indicated otherwise. Both Seller and Purchaser have the right to cancel the Contract at any time prior to the date when the Contract becomes effective. Seller and Purchaser also have the right to cancel the Contract at any other time explicitly stated by the Act.

   c. Purchaser agrees that all payments made will be placed on deposit with escrow pursuant to the terms of the Escrow agreement, and Purchaser is subject to all of the terms of the Escrow Agreement.

   d. If there is a dual agency by a single broker, it will be disclosed in the contract.

   e. If the Purchaser shall default:

      i. The contract may, at the Seller's option, be terminated by written notice to the Purchaser; and

      ii. Any sums paid by the Purchaser shall belong to the Seller as liquidated damages (up to a maximum of 20% of the total purchaser price); and

      iii. The Seller may pursue any other remedy, including specific performance, permitted by law or equity. All costs, including reasonable attorney's fees, incurred by reason of default by the Purchaser shall be borne by the Purchaser.

Further, if the Purchaser shall default in making any payment when due, a late charge of one percent (1%) per month shall accrue from the due date until such payment, together with such late charge, is paid, or at any time prior to the time that such payment and late charge is paid in full, the Seller may, at its option, terminate this contract as provided above.

f. If the Seller shall default:

In the event of default by the Developer, the Purchaser may cancel the contract, may bring an action for damages for breach of contract or seek specific performance under the contract and hold the Developer responsible for costs incurred (see paragraph C-29 of the Standard Form Deposit Receipt and Offer and Acceptance). Further, the Purchaser may resort to mediation and arbitration in the even of a dispute over the contract or a claimed default, as does the Developer.

SPECIAL NOTICE: THE FOREGOING SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL THE 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 AND NOT THIS SUMMARY.

EXHIBIT "C"

SCHEDULE OF APARTMENTS AND COMMON INTERESTS

Qty.	Unit No.	Area of Limited Common Element*	No. of Br./Bath	Appx. Net Living Area (Sq. Ft.)	Appx. Other Area (Sq. Ft.)	Percentage of Common Int.
1	A	0.629 acre	3 / 3	1,543	---	67%
					76 Gazebo	
					80 Shed	
	A				370 Garage	
1	B	0.365 acre	3/1½	2,557	---	33%
					535 Garage	
		---		---	240 Deck	
					64 Lanai	

Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which common interest has been computed. Units A and B will each burden the common elements as follows: the assessment of undivided interest both for common expense and for voting is 67% for Unit A and 33% for Unit B.

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 the unit, alter or add to it in any manner deemed 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 bearing their respective signatures.

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

EXHIBIT "D"

SUMMARY OF PORTIONS OF ESCROW AGREEMENT
ANA-LEA CONDOMINIUM PROJECT

The Escrow Agreement ("Agreement") between TITLE GUARANTY ESCROW SERVICES, INC. (the "Escrow"), and ANNE L. LOQUERCIO, Trustee (the "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 contract 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) Buyer has elected to cancel the contract as provided by HRS Section 514-A: 62 or 63 and receive all funds paid, with an Escrow cancellation fee of $25.00 to $250.00; or (b) the Real Estate Commission has not issued an effective date for a Final Public Report on the project or the Seller's 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, in which case there shall be no escrow cancellation fee. Provisions of Hawaii's Owner-Occupant law to not apply to this project.

4. Escrow will return deposited sums to the Buyer without interest if Seller and Buyer give Escrow written notice to return the funds to Buyer or if there is a right to cancellation and refund of monies under the sales contract or otherwise. Thereafter, in the event of a cancellation as a matter of agreement or right, Buyer's funds shall be returned to Buyer less Escrow's cancellation fee, if any, and all other costs incurred in connection with the Escrow, which will be not less than $25.00 nor more than $250.00. If Buyer defaults for more than ten days in performing the purchase contract, Buyer will forfeit all deposits as 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 this Agreement, Escrow will receive its scheduled 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. The cost of title insurance will be an additional amount, based upon scheduled rate and assessed to the Buyer.

NOTE: Section 514A-63, Hawaii Revised Statutes, provides rescission rights to a purchaser under a binding contract if there is a material change in the Project which directly, substantially and adversely affects the use or value of (1) such purchaser's apartment or appurtenant limited common elements, or (2) those amenities of the project for such purchaser's use.

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 included in the condominium property regime in fee simple.

(b) All present and future central and appurtenant installations for common services, if any, such as power, light, gas, hot and cold water, sewage, and telephone.

(c) All other parts of the project property necessary or convenient to the existence, maintenance, and safety of the project.

(d) There is a 96 square foot common element which is located in the southeastern portion of the condominium project, as shown on the condominium map, as amended, for access to the Project. It is unpaved and requires no regular maintenance.

LIMITED COMMON ELEMENTS OF THE PROJECT

Certain parts of the common elements, referred to as the "limited common elements," have been designated and set aside for the exclusive use of one or more units, and such unit(s) have appurtenant exclusive easements for the use of such limited common elements. The limited common elements set aside, reserved and deemed a limited common element appurtenant to and for the exclusive use of each respective unit is that certain land area upon and around which Units A and B are located, shown and designated on the Condominium Map and the table below.

Unit Number	Area of Limited Common Element
A	0.629 acre
B	0.365 acre

*Land areas as referenced herein are not legally subdivided lots.

EXHIBIT "F"

ENCUMBRANCES AGAINST TITLE

The following encumbrances apply to Unit A:

1. All real property taxes that may be due and owing. For more information, contact the Director of Finance, County of Kauai.
   NOTE: Attention is invited to the fact that the premises covered herein ay be subject ot possible rollback or retroactive property taxes.

2. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT:	DEED
DATED:	March 25, 1976
RECORDED:	Liber 11324 Page 217

3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT:	DECLARATION OF CONDOMINIUM PROPERTY REGIME OF ANA-LEA CONDOMINIUM PROJECT
DATED:	August 30, 1994
RECORDED:	Document No. 94-166048
MAP:	2120 and any amendments thereto

   Said Declaration was amended by instrument dated January 23, 1995, recorded as Document No. 95-038463 and by instrument dated May 10, 2004, recorded as Document No. 2004-099816.

4. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT:	BYLAWS OF THE ASSOCIATION OF APARTMENT OWNERS
DATED:	August 30, 1994
RECORDED:	Document No. 94-166049

END OF EXHIBIT "F"

EXHIBIT G

AMENDED DISCLOSURE ABSTRACT

Pursuant to Hawaii Revised Statutes, Section 514(A)-61, the Developer of ANA-LEA CONDOMINIUM PROJECT makes the following disclosures:

1. The Developer of the project is ANNE L. LOQUERCIO, 5721 Makamaka Street, Kapaa, Kauai, Hawaii 96746, telephone (808) 822-5045.

2. There are no maintenance fees for this Project.

3. There are no warranties against defects of material and workmanship in individual apartments, common elements or exclusive use areas, and the purchaser buys his/her unit in an "as is" condition

4. All of the apartments of the project are to be used for permitted agricultural purposes only. No apartments shall be used for hotel or timeshare purposes. There will be no commercial use except those activities permitted by county ordinance.

5. Unit A is currently listed for sale. The developer has chosen Tony Mangan, Realtor (RB-19429), PO Box 688, Kapaa, Hawaii 96746, telephone (808) 246-2626, as the broker for the sale of Unit A.

6. The Restated Declaration and Condominium Map were amended to change the sizes of the limited common elements, add a new common element area, show the construction of the residence on Unit B and to generally update the Final Public Report as to form.

7. There are no warranties against defects of material and workmanship in individual apartments, common elements or exclusive use areas, and the purchaser buys his/her unit in an "as is" condition.

8. The Developer has not conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. There are no depreciable common elements in the Project.

9. The Developer discloses Common Interest has been divided as shown: Unit A – 67% and Unit B – 33%, reflecting the relative burden on common elements by the two units.

10. The prior reference to House Rules was in error. There are no house rules.

11. Developer represents that in every other respect the information contained in the Final Public Report and Supplementary Public Report remains accurate and in full force and effect.

Anne L. Loquercio — Dec. 14, 2005

ANNE L. LOQUERCIO, Developer — Date

RECEIPT

The undersigned has received a copy of the foregoing Amended Disclosure Abstract this ____ day of _____, 20____.

Purchaser(s): _____ _____