

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer: ULRICH RACHNER
Address: P. O. BOX 692, KILAUEA, HAWAII 96754

Project Name(*): KALIHIWAI MOUNTAINS ESTATES
Address: KAHILIOLO ROAD, KALIHIWAI, KAUAI, HAWAII

Registration No. 3341

Effective date: October 3, 2001

Expiration date: November 3, 2002

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 _____
- THIRD
SUPPLEMENTARY:
(pink) This report updates information contained in the:
[] Preliminary Public Report dated: _____
[X] Final Public Report dated: July 28, 1995
[X] Supplementary Public Report dated: July 27, 2000
and the Second Supplementary Public Report dated June 21, 2001.
- And [] Supersedes all prior public reports
[x] Must be read together with the Second Supplementary Public Report dated June 21, 2001
[] This report reactivates the _____

(*) Exactly as named in the Declaration

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2644 to submit your request.

FORM: RECO-30 286/986/189/1190/892/0197/1098/0800

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

- Required and attached to this report as Exhibit "E". 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:

1. The shade structure and the Agricultural Shed described in the Second Supplementary Public Report were not located on the correct Unit. This Third Supplementary Report corrects this item location.
2. Condominium Map: Condominium Map No. 2231 has been amended to correctly identify the location of the Shade Structure on Unit 4A and the Agricultural Shed on Unit 4B.
3. The business street address of Glen T. Hale, Esq. has changed.
4. Only pages 1, 2, 5, 6, 6a, 11, 14, 16, 19, and 21 and Exhibits B, E, H, and J are a part of this Third Supplementary Public Report.

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

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Units 4A/4B Ulrich Rachner Phone: 808-828-2054
(President of AOA) Name*
P. O. Box 692
Business Address
Kilauea, Hawaii 96754

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: By Owner: Unit 5
By Real Estate Broker: Units 4A and 4B
ERA Regency Pacific Realty LLC Phone: 808-826-7498
Name
P. O. Box 1046
Business Address
Hanalei, Hawaii 96714

Escrow: Title Guaranty Escrow Services, Inc. Phone: 808-521-0211
Name
235 Queen Street, First Floor
Business Address
Honolulu, Hawaii 96813

General Contractor: Units 4A/4B Mark R. Gauthier dba Mark Gauthier Phone: (808) 826-6693
Construction (License No. BC 19728)
Name
4174 Kekuanoa Lane
Business Address
Princeville, Hawaii 96722

Condominium Managing Agent: Self Managed by the Association of Apartment Owners Phone:
Name
Business Address

Attorney for Developer: Units 4A/4B Glen T. Hale Phone: 808-245-4100
Name
2970 Kele Street, Suite 110
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

Recorded - Bureau of Conveyances:

Document No. 95-046942

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]:

See Page 6a

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. 2231

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]:

See Page 6a

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. 95-046943

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]:

Declaration of Condominium Property Regime Amendments

1. First Amendment to Declaration of Condominium Property Regime of Kalihiwai Mountains Estates dated December 26, 1995, recorded in the Bureau of Conveyances of the State of Hawaii as Doc. No. 96-016625;
2. Second Amendment to Declaration of Condominium Property Regime of Kalihiwai Mountains Estates and Second Amended Condominium Map No. 2231, dated February 6, 2001, recorded in said Bureau of Conveyances as Doc. No. 2001-022407;
3. Third Amendment to Declaration of Condominium Property Regime of Kalihiwai Mountains Estates and Amendment to the Second Amended Condominium Map No. 2231; Correction to Second Amendment to Declaration of Condominium Property Regime of Kalihiwai Mountains Estates Due to Scrivener's Error dated May 1, 2001, recorded in the Bureau of Conveyances of the State of Hawaii as Doc. No. 2001-075362; and
4. Fourth Amendment to Declaration of Condominium Property Regime of Kalihiwai Mountains Estates and Amended Condominium Map No. 2231, dated September 4, 2001, recorded in said Bureau of Conveyances as Doc. No. 2001-148214.

Condominium Map Amendments

1. First Amendment to Declaration of Condominium Property Regime of Kalihiwai Mountains Estates dated December 26, 1995, recorded in the Bureau of Conveyances of the State of Hawaii as Doc. No. 96-016625;
2. Second Amendment to Declaration of Condominium Property Regime of Kalihiwai Mountains Estates and Second Amended Condominium Map No. 2231, dated February 6, 2001, recorded in said Bureau of Conveyances as Doc. No. 2001-022407; and
3. Fourth Amendment to Declaration of Condominium Property Regime of Kalihiwai Mountains Estates and Amended Condominium Map No. 2231, dated September 4, 2001, recorded in said Bureau of Conveyances as Doc. No. 2001-148214.

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: _____
Exhibit F – Building and House Rules
- [x] Other: Exhibit G – Summary of Declaration of Protective Covenants, Conditions and Restrictions for Kalihiwai Ridge
- [] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: -0- Stairways: -0- Trash Chutes: -0-

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>Identify</u>
Units 1, 2, 4B and 5	<u>4</u>	<u>N/A</u>	<u> </u>	<u>64</u>	<u>Shed</u>
<u>Unit 4A</u>	<u>1</u>	<u>N/A</u>	<u> </u>	<u>20</u>	<u>Shade Structure</u>
** <u>Unit 3</u>	<u>1</u>	<u> </u>	<u> </u>	<u> </u>	<u>Residence</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Total number of Apartments: Six (6)

**The residence located on Unit 3 is currently under development. Until it is completed and an amendment to the declaration for the project and a disclosure abstract are filed with the Real Estate Commission, Unit 3 may not be sold under this supplementary report.

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

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

Boundaries of Each Apartment:

The exterior surfaces of the structures and the description of the limited common element for each of the units as set forth in the Second Amended Condominium Map.

Permitted Alterations to Apartments:

Each apartment owner can increase the total square footage of his structure, add additional structures, alter the location of his structure and/or subdivide in accordance with the Declaration, Building and House Rules, building code, zoning and subdivision ordinances.

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.

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

There are no limited common elements in this project.

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

described in Exhibit _____.

as follows:

The land area of each apartment consisting of the land beneath it as shown and delineated on the Second Amended Condominium Map is a limited common element for the use of the owner of each respective apartment.

Unit 1	=	5.461 acres
Unit 2	=	5.462 acres
Unit 3	=	3.459 acres
Unit 4A	=	3.342 acres
Unit 4B	=	4.116 acres
Unit 5	=	5.454 acres

Note: the land areas referenced above are not legally subdivided.

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:

described in Exhibit _____.

as follows:

Unit 1	=	20% appurtenant common interest
Unit 2	=	20% appurtenant common interest
Unit 3	=	12% appurtenant common interest
Unit 4A	=	14% appurtenant common interest
Unit 4B	=	14% appurtenant common interest
Unit 5	=	<u>20%</u> appurtenant common interest
		100%

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 B describes the encumbrances against the title contained in the title report dated September 25, 2001 and issued by Title Guaranty of Hawaii, Inc.

G. **Status of Construction and Date of Completion or Estimated Completion Date:**

All 4 sheds on Units 1, 2, 4B and 5 were completed on December 16, 1994.

The shade structure on Unit 4A was completed on March 16, 2001.

The residence located on Unit 3 is currently under development. Please refer to page 11, item 6 of this report.

H. **Project Phases:**

The developer has 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):

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 by 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 Declaration of Covenants, Conditions and Restrictions for Kalihiwai Ridge; Building and House Rules Kalihiwai Mountains Estates; Waiver and Release – Water Service

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. 3341 filed with the Real Estate Commission on May 4, 1995.

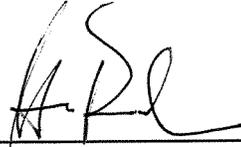
Reproduction of Report. When reproduced, this report must be on:

YELLOW paper stock WHITE paper stock PINK paper stock

- 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-] (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.



ULRICH RACHNER
Name of Developer



By: _____
Duly Authorized Signatory*

September 4, 2001
Date

ULRICH RACHNER
OWNER/DEVELOPER OF UNITS 4A AND 4B/PRESIDENT OF AOA
Printed Name & Title of Person Signing Above

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 "B"

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. Designation of Easement "D-11" (area 0.017 acre) for drainage purposes, as shown on File Plan No. 2053.
4. Designation of Easement "R-3" (area 0.306 acre) for vehicular and pedestrian access purposes, as shown on File Plan No. 2053.
5. Grant of Easement in favor of Kilauea Agronomics, Inc., dated November 7, 1991, recorded as Document No. 91-155975; granting an easement over said Easement "R-3" for roadway, vehicular and pedestrian access and underground utility purposes.
6. Grant of Easement in favor of Kilauea Irrigation Co., Inc., dated November 7, 1991, recorded as Document No. 91-155976; granting an easement over said Easement "R-3" for roadway, vehicular and pedestrian access and underground utility purposes.
7. Designation of Easement "W-20" (area 0.837 acre) for irrigation ditch and access purposes, as shown on File Plan No. 2053.
8. Grant of Easement in favor of Kilauea Agronomics, Inc., dated November 7, 1991, recorded as Document No. 91-155973; granting an easement over said Easement "W-20" for irrigation ditch, pipeline and facility and vehicular and pedestrian access purposes.
9. Grant of Easement in favor of Kilauea Agronomics, Inc., dated November 7, 1991, recorded as Document No. 91-155974; granting an easement over said Easement "W-20" for irrigation ditch, pipeline and facility and vehicular and pedestrian access purposes.
10. Setback for building and drainageway purposes, as shown on File Plan No. 2053.

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

INSTRUMENT: AGREEMENT

DATED: March 16, 1977

RECORDED: Liber 12110/Page 330

The foregoing includes, but is not limited to, matters relating to the use of the land for agricultural purposes.

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

INSTRUMENT: DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
KALIHAIWAI RIDGE

DATED: October 3, 1988

RECORDED: Liber 22452/Page 429

Said Declaration was amended and supplemented by instruments dated July 5, 1990, recorded as Document No. 90-104733, dated November 7, 1991, recorded as Document No. 91-155979, and dated August 9, 1993, recorded as Document No. 94-037305.

13. Unrecorded KALIHAIWAI RIDGE ENVIRONMENTAL DESIGN RULES AND GUIDELINES PURSUANT TO DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR KALIHAIWAI RIDGE dated October 12, 1988, as amended.

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

INSTRUMENT: AGREEMENT TO INCORPORATE
AGRICULTURAL RESTRICTIONS INTO
INSTRUMENTS OF CONVEYANCE

DATED: November 7, 1991

RECORDED: Document No. 91-155967

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

INSTRUMENT: DEED

DATED: December 4, 1991

RECORDED: Document No. 91-177419

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

INSTRUMENT: WAIVER AND RELEASE
DATED: May 26, 1994
RECORDED: Document No. 94-095026
RE: water service

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

INSTRUMENT: WAIVER AND RELEASE
DATED: May 31, 1994
RECORDED: Document No. 94-097579
RE: water service

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

INSTRUMENT: WAIVER AND RELEASE
DATED: June 10, 1994
RECORDED: Document No. 94-100126
RE: water service

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

INSTRUMENT: WAIVER AND RELEASE
DATED: June 6, 1994
RECORDED: Document No. 94-106687
RE: water service

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

INSTRUMENT: WAIVER AND RELEASE
DATED: June 8, 1994
RECORDED: Document No. 94-116288
RE: water service

21. 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 FOR THE "KALIHAIWAI MOUNTAINS
ESTATES" CONDOMINIUM PROJECT

DATED: March 16, 1995
RECORDED: Document No. 95-046942
MAP: 2231 and any amendments thereto

Said Declaration was amended by instruments dated December 26, 1995, recorded as Document No. 96-016625; dated February 6, 2001, recorded as Document No. 2001-022407; dated May 1, 2001, recorded as Document No. 2001-075362; and dated September 4, 2001, recorded as Document No. 2001-148214.

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

INSTRUMENT: BY-LAWS OF THE ASSOCIATION OF
APARTMENT OWNERS

DATED March 16, 1995
RECORDED: Document No. 95-046943

23. Grant in favor of the COUNTY OF KAUAI, dated March 29, 1995, recorded as Document No. 95-145624; granting an easement for drainage purposes.
24. Designation of Easements "WD-1" AN "WD-2" for waterline purposes, as shown on Condominium Map No. 2231 and set forth in Apartment Deed dated September 25, 1995, recorded as Document No. 96-109826.
25. Grant in favor of CITIZENS UTILITIES COMPANY, dated July 15, 1996, recorded as Document No. 96-117284; granting a perpetual right and easement to build, construct, reconstruct, rebuild, repair, maintain and operate pole and wire lines and/or underground lines, etc., for the transmission and distribution of electricity, over and across the easement area designated as Easement "E-1".
26. The terms and provision, including the failure to comply with any covenants, conditions and reservations, contained in Apartment Deed dated September 25, 1995, recorded as Document No. 96-109826.
27. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land described herein.

END OF EXHIBIT "B"

EXHIBIT "E"

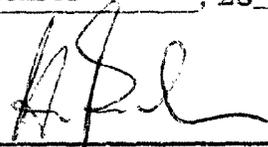
DISCLOSURE ABSTRACT FOR KALIHIWAI MOUNTAINS ESTATES

Pursuant to Hawaii Revised Statutes, Section 514(A)-61, the Developer of KALIHIWAI MOUNTAINS ESTATES makes the following disclosures:

1. The Successor Developer of the Project who is the President of AOA O Kalihawai Mountains Estates and the owner of Units 4A and 4B is ULRICH RACHNER, whose mailing address is Post Office Box 692, Kilauea, Hawaii 96754.
2. See Exhibit I to the Second Supplementary Public Report for the projected annual maintenance fees. The Developer hereby certifies that the estimations have been based on generally accepted accounting principles.
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 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. The real estate broker for Units 4A and 4B is ERA Regency Pacific Realty LLC, P.O. Box 1046, Hanalei, Hawaii 96714. There is no broker for Units 3 and 5, the only unsold units in the project.
6. The escrow company for Units 4A and 4B is Title Guaranty Escrow Services, Inc., 235 Queen Street, First Floor, Honolulu, Hawaii 96813. The escrow company for Units 3 and 5 is First Hawaii Title, as shown in the prior public report for this project.
7. The general contractor for Units 4A and 4B is Mark R. Gauthier, dba, Mark Gauthier Construction, License No. BC 19728, 4174 Kekuaanoa Lane, Princeville, Hawaii 96722.
8. The attorney for this supplementary report and for Units 4A and 4B is Glen T. Hale, 2970 Kele Street, Suite 110, Lihue, Hawaii 96766.

9. The Developer has not conducted a reserve study in accordance with 514A-83.6, 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.
10. This Project consists of completed structures built during **condominium ownership**, except Unit 3, owned by Gerald and Marjorie Clerc, currently under development.
11. The Developer amends the Second Supplementary Public Report to correctly describe and locate the shade structure in Unit 4A and the Agricultural Shed in Unit 4B.

In witness whereof, the developer has executed this Disclosure Abstract this 4th day of September, 2001.



ULRICH RACHNER

RECEIPT

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

Purchaser(s):

END OF EXHIBIT "E"

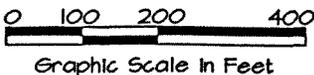
EXHIBIT "H"
CONDOMINIUM MAP
AND LIMITED COMMON
ELEMENT LOCATIONS

TRUE NORTH
 SCALE 1" = 200'

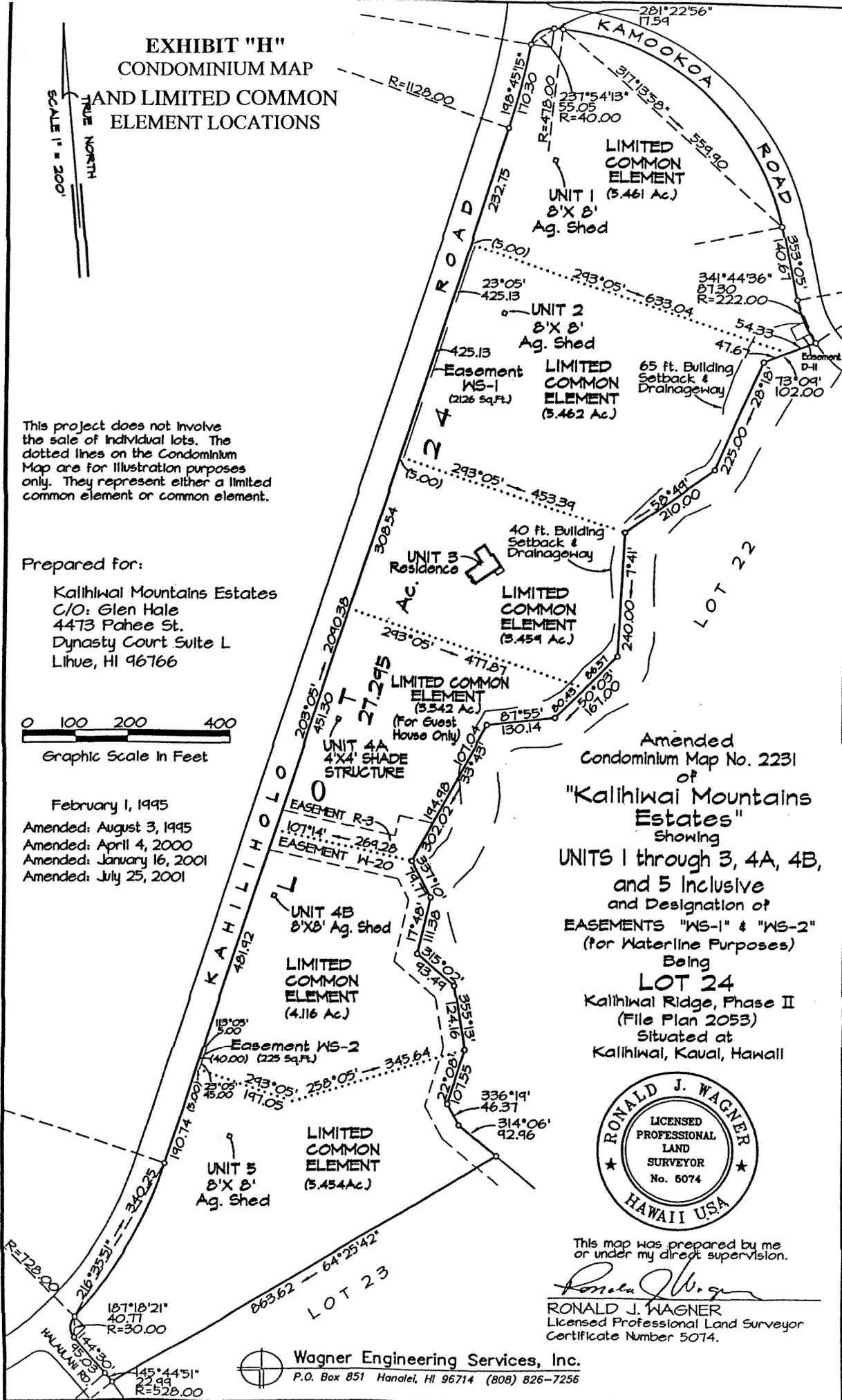
This project does not involve the sale of individual lots. The dotted lines on the Condominium Map are for illustration purposes only. They represent either a limited common element or common element.

Prepared for:

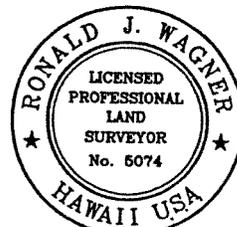
Kalihiwai Mountains Estates
 C/O: Glen Hale
 4473 Pahee St.
 Dynasty Court Suite L
 Lihue, HI 96766



February 1, 1995
 Amended: August 3, 1995
 Amended: April 4, 2000
 Amended: January 16, 2001
 Amended: July 25, 2001



Amended
 Condominium Map No. 2231
 of
**"Kalihiwai Mountains
 Estates"**
 Showing
**UNITS 1 through 3, 4A, 4B,
 and 5 Inclusive**
 and Designation of
EASEMENTS "WS-1" & "WS-2"
 (for Waterline Purposes)
 Being
LOT 24
 Kalihiwai Ridge, Phase II
 (File Plan 2053)
 Situated at
 Kalihiwai, Kaula, Hawaii



This map was prepared by me or under my direct supervision.

Ronald J. Wagner
RONALD J. WAGNER
 Licensed Professional Land Surveyor
 Certificate Number 5074.



Wagner Engineering Services, Inc.
 P.O. Box 851 Hanalei, HI 96714 (808) 826-7256

EXHIBIT "J"

SCHEDULE OF APARTMENTS AND COMMON INTERESTS

Quantity	Unit No.	Area of Limited Common Element* (Acres)	No. of Br./Bath	Appx. Net Living Area (Sq. Ft.)	Appx. Other Area (Sq. Ft.)	% of Common Int.
1	1	5.461 acres	-0-	64	-0-	20%
1	2	5.462 acres	-0-	64	-0-	20%
**1	3	3.459 acres				12%
1	4A	3.342 acres	-0-	20	-0-	14%
1	4B	4.116 acres	-0-	64	-0-	14%
1	5	5.454 acres	-0-	64	-0-	20%

**The residence located on Unit 3 is currently under development. Until it is completed and an amendment to the declaration for the project and a disclosure abstract are filed with the Real Estate Commission, Unit 3 may not be sold under this supplementary report.

Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which the common interest has been computed. The sizes of the limited common elements appurtenant to the units vary; therefore, the assessment of undivided interest both for common expense and for voting is as follows: **Unit 1 = 20%, Unit 2 = 20%, Unit 3 = 12%, Unit 4A = 14%, Unit 4B = 14%, and Unit 5 = 20%.**

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 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.

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

END OF EXHIBIT "J"