

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer Kahua Sea View, Inc.

Address 75-5995 Kuakini Hwy, Ste 123, Kailua-Kona, HI 96740

Project Name(*) **KAHUA SEA VIEW LOT 45 A CONDOMINIUM PROJECT**

Address LOT 45-A Kahua 1st, Kahua & Waika, District of North Kohala, Island and County of Hawaii, State of Hawaii

Registration No. 3438

(Partial conversion)

Effective Date **September 1, 1998**

Expiration Date Pursuant to § 514A-43(6) (2)

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 (yellow)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:The developer has legally created a condominium and has (white) 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: This report updates information contained in the:

- (pink) Preliminary Public Report dated: _____
- Final Public Report dated: November 20, 1995
- Supplementary Public Report dated: _____

- AND Supersedes all prior public reports.
- Must be read together with Final Public Report dated 11/20/95
- This report reactivates the _____ public report(s) which expired on _____

(*) Exactly as named in the Declaration

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

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

- Required and attached to this report
As Exhibit "G" covered in this report. Not required

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 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:

SPECIAL ATTENTION

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

1. There are County restrictions on the number of residential dwelling units, or other structures, which may be built on the property. Therefore, unless the Purchaser is buying an existing residential dwelling, THERE IS NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO BUILD A RESIDENTIAL DWELLING UNIT ON THE PROPERTY. THERE IS ALSO NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO CONVERT AN EXISTING NON-RESIDENTIAL STRUCTURE TO A RESIDENTIAL USE. The Purchaser should consult with the appropriate County agencies to determine whether the Purchaser may build a residential dwelling unit, or any other type of structure, on the property.
 - a. Unit 2 is a greenhouse, which may be defined as an "apartment" under the condominium property act.
 - b. Further improvement of the property is also subject to the requirements of the Hawaii County Comprehensive Zoning Ordinance specifically as it relates to "ohana" additional dwelling units.
2. Facilities and improvements normally associated with County-approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owners and emergency traffic, drainage facilities, etc., may not be provided, and services such as County street maintenance and trash collection may not be available for interior roads and driveways.

Special Attention Cont.

3. This is to inform you that Chapter 205, Hawaii Revised Statutes, does not authorize residential dwellings as a permissible use in an agricultural use district, unless the dwelling is related to an agricultural activity or is a "farm dwelling".

Farm dwelling is defined in Section 205-4.5(a)(4) as "a single family dwelling located on and used in conjunction with a farm, including clusters of single-family farm dwellings permitted within agricultural parks developed by the State, or where agricultural activity provides income to the family occupying the dwelling".

Penalty for violation of Section 205-4.5, Hawaii Revised Statutes, is a fine of not more than \$5,000. If any person who is cited for a violation of the law fails to remove the violation within six months of such citation and the violation continues, such person is subject to a citation for a new and separate violation. There shall be a fine of not more than \$5,000 for any additional violation.

4. Limited Common Element. Certain parts of the common elements, herein referred to as the "limited common elements", are hereby set aside and reserved for the exclusive use of certain 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 are as follows:

- (a) That certain land area upon and around which Unit 1 is located, shown and designated on the Condominium Map as "Limited Common Element Land Area Appurtenant to Unit 1", containing an area of approximately 2.044 acres, shall be a limited common element appurtenant to and for the exclusive use of Unit 1;

- (b) That certain land area upon and around which Unit 2 is located, shown and designated on the Condominium Map as "Limited Common Element Land Area Appurtenant to Unit 2", containing an area of approximately 1.59 acres, shall be a limited common element appurtenant to and for the exclusive use of Unit 2;

- (c) That certain easement area shown and designated on the Condominium Map as the "Limited Common Element Easement Area over Unit 1 in favor of Unit 2 for Access and Utility Purposes is a limited common element appurtenant to Unit 2; and

(d) All other common elements of the Project which are rationally related to less than all of said units shall be limited to the use of such units to which their use is rationally related.

All costs of every kind pertaining to the aforesaid limited common elements, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne solely by the owner of the unit to which said limited common elements are appurtenant.

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

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

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Kahua Sea View, Inc. Phone (808)882-7677
75-5995 Kuakini Highway, Ste 123
Kailua-Kona, Hawaii 96740

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

N/A

Real Estate Broker: Realty Executives, Hawaii Phone (808) 329-7022
74-5620A Palani Road, Suite 105
Kailua-Kona, Hawaii 96740

Escrow: First Hawaii Title Corporation Phone(808)329-8227
75-5722 Kuakini Highway, Ste 210
Kailua-Kona, Hawaii 96740

General Contractor: N/A Conversion Phone_____

Condominium Managing Agent: Project will be self-managed by Phone (808)882-7677
Association of Apartment Owners

Attorney for Developer: Wendelin L. Campbell Phone(808)885-0522
65-1235 A Opelo Road, Haina Cottage Ste. 5
Kamuela, Hawaii 96743

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: Doc. No. _____

Book _____ Page _____

Filed – Land Court Doc. No. 2258579

The Declaration referred to above has been amended by the following instruments (state name of document, date and recording/filing information): **1st Amendment to Declaration of Condominium Property Regime of Kahua Sea View Lot 45A Condominium Project dated Feb. 29, 1996 and filed as Doc. No. 2301153; 2nd Amendment to Declaration of Condominium Property Regime of Kahua Sea View Lot 45A Condominium Project dated Feb. 12, 1998 and filed as Doc. No. 2439737 and noted on TCT No. 380083.**

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. _____

Filed – Land Court Condo Map No. 1100

Also 2nd Amendment to Declaration of Condominium Property Regime of Kahua Sea View Lot 45A Condominium Project dated Feb. 12, 1998 and filed as Doc. No. 2439737 and noted on TCT No. 380083.

The Condominium Map has been amended by the following instruments (state name of document, date and recording/filing information):

C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the 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: Doc. No.

Book _____ Page _____

Filed – Land Court: Doc. No. 2258580

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

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.
- C) Bylaws of the Association of Apartment Owners.
- D) House Rules. NONE
- E) Condominium Map.
- 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 Farm Dwelling Notice, Declaration of Covenants, Conditions & Restrictions of Kahua Sea View Subdivision

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, Hawaii 96809, at a nominal cost.

This Public Report is part of Registration No. 3438 filed with the Real Estate Commission on November 2, 1995.

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

yellow paper stock white paper stock pink paper stock

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.

KAHUA SEA VIEW, INC.
Name of Developer

By: Dale W. McGowan June 4, 1998
Duly Authorized Signatory Date

Dale W. McGowan, President
print name & title of person signing above

Distribution:

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

Exhibit C

Limited Common Elements

Certain parts of the common elements, herein referred to as the "limited common elements", are hereby set aside and reserved for the exclusive use of certain 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 are as follows:

(a) That certain land area upon and around which Unit 1 is located, shown and designated on the Condominium Map as "Limited Common Element Land Area Appurtenant to Unit 1", containing an area of approximately 2.044 acres, shall be a limited common element appurtenant to and for the exclusive use of Unit 1;

(b) That certain land area upon and around which Unit 2 is located, shown and designated on the Condominium Map as "Limited Common Element Land Area Appurtenant to Unit 2", containing an area of approximately 1.59 acres, shall be a limited common element appurtenant to and for the exclusive use of Unit 2;

(c) That certain easement area shown and designated on the Condominium Map as the "Limited Common Element Easement Area over Unit 1 in favor of Unit 2 for Access and Utility Purposes is a limited common element appurtenant to Unit 2; and

(d) All other common elements of the Project which are rationally related to less than all of said units shall be limited to the use of such units to which their use is rationally related.

All costs of every kind pertaining to the aforesaid limited common elements, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne solely by the owner of the unit to which said limited common elements are appurtenant.