

**CONDOMINIUM PUBLIC REPORT**

Prepared &

Issued by: Developer: JOHN TY BLALOCK and VERA LIANE BLALOCK  
Address: P. O. Box 2018, Kapaa, Kauai, Hawaii 96746

Project Name(\*): KEONI KAUA'I CONDOMINIUM  
Address: 5776 Kaapuni Road, Kapaa, Kauai, Hawaii 96746

Registration No. 3912  
(conversion)

Effective date: April 20, 1998  
Expiration date: May 20, 1999

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.

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

SUPPLEMENTARY: (pink) This report updates information contained in the:  
[ ] Preliminary Public Report dated: \_\_\_\_\_  
[ ] Final Public Report dated: \_\_\_\_\_  
[ ] Supplementary Public Report dated: \_\_\_\_\_

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

(\*) Exactly as named in the Declaration

**Disclosure Abstract:** Separate Disclosure Abstract on this condominium project:

Required and attached to this report                       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:

**SPECIAL ATTENTION**

This is a CONDOMINIUM PROJECT, **not** a subdivision. 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.

1. There is presently ONE (1) RESIDENTIAL STRUCTURE ON THE PROPERTY. The other building on the property is a storage shed, which may be defined as an "apartment" under the condominium property act.
2. 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.
3. 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.

**SPECIAL ATTENTION (Concluded):**

4. 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.
5. The prospective purchaser should be aware that as of the effective date of this public report, comments from the Kauai County Planning Department have not been received. If and when such comments are received which are contrary or in addition to the information contained herein, a copy shall be provided to each purchaser or prospective purchaser. If the information represents material facts not already disclosed in this public report, the Developer may be required to prepare a Supplementary public report.

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

## TABLE OF CONTENTS

|  | Page |
|--|------|
| Preparation of this Report   | 1    |
| Expiration Date of Reports   | 1    |
| Type of Report   | 1    |
| Disclosure Abstract  | 2    |
| Summary of Changes from Earlier Public Reports   | 2    |
| Table of Contents  | 3    |
| General Information of Condominiums  | 4    |
| Operation of the Condominium Project   | 4    |
| <br>   |      |
| I. PERSONS CONNECTED WITH THE PROJECT  | 5    |
| Developer                      Attorney for Developer                      General Contractor  |      |
| Real Estate Broker              Escrow Company                      Condominium Managing Agent |      |
| <br>   |      |
| II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS   |      |
| A. Declaration   | 6    |
| B. Condominium Map (File Plan)   | 6    |
| C. Bylaws  | 6    |
| D. House Rules   | 7    |
| E. Changes to Condominium Documents  | 7    |
| <br>   |      |
| III. THE CONDOMINIUM PROJECT   |      |
| A. Interest to be Conveyed to Buyer  | 8    |
| B. Underlying Land   | 9    |
| C. Buildings and Other Improvements  | 10   |
| D. Common Elements, Limited Common Elements, Common Interest                                   | 13   |
| E. Encumbrances Against Title  | 14   |
| F. Construction Warranties   | 15   |
| G. Status of Construction  | 16   |
| H. Project Phases  | 16   |
| <br>   |      |
| IV. CONDOMINIUM MANAGEMENT   |      |
| A. Management of the Common Elements   | 17   |
| B. Estimate of Initial Maintenance Fees  | 17   |
| C. Utility Charges for Apartments  | 17   |
| <br>   |      |
| V. MISCELLANEOUS   |      |
| A. Sales Documents Filed with the Real Estate Commission                                       | 18   |
| B. Buyer's Right to Cancel Sales Contract  | 18   |
| C. Additional Information Not Covered Above  | 20   |
| D. Signature of Developer  | 21   |
| <br>   |      |
| EXHIBIT A: DESCRIPTION OF BUILDINGS  |      |
| EXHIBIT B: ALTERATION OF PROJECT   |      |
| EXHIBIT C: COMMON ELEMENTS   |      |
| EXHIBIT D: COMMON INTERESTS  |      |
| EXHIBIT E: ENCUMBRANCES AGAINST TITLE  |      |
| EXHIBIT F: EST. OF INITIAL MAINTENANCE FEES & EST. OF MAINTENANCE FEE DISBURSEMENTS            |      |
| EXHIBIT G: SUMMARY OF DEPOSIT RECEIPT AND SALES CONTRACT                                       |      |
| EXHIBIT H: SUMMARY OF ESCROW AGREEMENT   |      |
| EXHIBIT I: SAMPLE FARM DWELLING AGREEMENT  |      |
| EXHIBIT J: DECLARATION OF RESTRICTIVE COVENANTS  |      |

## **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: JOHN TY BLALOCK and VERA LIANE BLALOCK Phone: (808) 821-0068  
P. O. Box 2018  
Kapaa, Kauai, Hawaii 96746

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

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Broker: Kauai Realty, Inc. Phone: (808) 245-1651  
P. O. Box 1246  
Lihue, Kauai, Hawaii 96766

Escrow: First Hawaii Title Corporation Phone: (808) 245-1608  
4336 Kukui Grove Street, Suite 205  
Lihue, Kauai, Hawaii 96766

General Contractor: Puuwai Construction Phone: (808) 823-6669  
6405 Kawaihau Road  
Kapaa, Kauai, Hawaii 96746

Condominium Managing Agent: Self-managed by Association of Apartment Owners

Attorney for Developer: Michael J. Belles Phone: (808) 245-4705  
Belles Graham Proudfoot & Wilson  
4334 Ricc Street, Suite 202  
Lihue, Kauai, Hawaii 96766-1388

**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. 98-024116  
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]:

- 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. 2686  
 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]:

- 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. 98-024117  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. \_\_\_\_\_

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

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

The House Rules for this condominium are:

Proposed                       Adopted                       Developer does not plan to adopt House Rules

**E. Changes to Condominium Documents**

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

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

|                                | <u>Minimum<br/>Set by Law</u> | <u>This Condominium</u> |
|--------------------------------|-------------------------------|-------------------------|
| Declaration<br>(and Condo Map) | 75%*                          | <u>100%</u>             |
| Bylaws                         | 65%                           | <u>65%</u>              |
| House Rules                    | -----                         | <u>N/A</u>              |

\*The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. Developer

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

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

The Developer reserves the right to change the Declaration and Condominium Map as provided for in Section L.2. of the Declaration, and further the Developer reserves the right to change the Bylaws as provided for in Section 13.5(b) of the Bylaws.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or 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: 5776 Kaapuni Road Tax Map Key: (TMK): (4) 4-6-11-95  
Kapaa, Kauai, Hawaii 96746

[ ] Address [ ] TMK is expected to change because \_\_\_\_\_

Land Area: 1.00 [ ] square feet [ X ] acre(s) Zoning: Agriculture

Fee Owner: JOHN TY BLALOCK and VERA LIANE BLALOCK  
P. O. Box 2018  
Kapaa, Kauai, Hawaii 96746

Lessor: N/A  
Name  
\_\_\_\_\_  
Address  
\_\_\_\_\_

**C. Buildings and Other Improvements:**

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

2. Number of Buildings:   2                        Floors Per Building   1  

Exhibit   "A   contains further explanations.

3. Principal Construction Material:

Concrete             Hollow Tile                       Wood

Other \_\_\_\_\_

4. Permitted Uses by Zoning:

|                                       | No. of Use Permitted<br><u>Apts.</u> <u>By Zoning</u>        |  | No. of<br><u>Apts.</u> | Use Determined<br><u>By Zoning</u>                                  |
|---------------------------------------|--|--|------------------------|---|
| <input type="checkbox"/> Residential  | ___ <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Ohana                             | _____                  | <input type="checkbox"/> Yes <input type="checkbox"/> No            |
| <input type="checkbox"/> Commercial   | ___ <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Industrial                        | _____                  | <input type="checkbox"/> Yes <input type="checkbox"/> No            |
| <input type="checkbox"/> Mix Res/Comm | ___ <input type="checkbox"/> Yes <input type="checkbox"/> No | <input checked="" type="checkbox"/> Agricultural           | <u>  1  </u>           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Hotel        | ___ <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Recreational                      | _____                  | <input type="checkbox"/> Yes <input type="checkbox"/> No            |
| <input type="checkbox"/> Timeshare    | ___ <input type="checkbox"/> Yes <input type="checkbox"/> No | <input checked="" type="checkbox"/> Other: <u>  Shed  </u> | <u>  1  </u>           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

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

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: No animals or pets other than those allowed pursuant to Section 13.1 of the Bylaws.

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

Other: There are special use restrictions contained in the project documents. See paragraph G of the Declaration.

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: \_\_\_\_\_ Stairways: \_\_\_\_\_ Trash Chutes: \_\_\_\_\_

| <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> |
|------------------|-----------------|----------------|------------------------------|----------------------------|-------------------|
| <u>Unit A</u>    | <u>1</u>        | <u>3/2</u>     | <u>1,028</u>                 | <u>343</u>                 | <u>garage</u>     |
| <u>Unit B</u>    | <u>1</u>        | <u>-0-</u>     | <u>-0-</u>                   | <u>32</u>                  | <u>shed</u>       |
| _____            | _____           | _____          | _____                        | _____                      | _____             |
| _____            | _____           | _____          | _____                        | _____                      | _____             |
| _____            | _____           | _____          | _____                        | _____                      | _____             |

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:

See Exhibit "A"

Permitted Alterations to Apartments:

See Exhibit "B"

7. Parking Stalls:

Total Parking Stalls: 4

|   | <u>Regular</u> |               | <u>Compact</u> |               | <u>Tandem</u>  |               | <u>TOTAL</u>  |
|---|----------------|---------------|----------------|---------------|----------------|---------------|---------------|
|   | <u>Covered</u> | <u>Open</u>   | <u>Covered</u> | <u>Open</u>   | <u>Covered</u> | <u>Open</u>   |               |
| Assigned (for each unit)<br>(Unit A only) | <u>2</u>       | <u>      </u> | <u>      </u>  | <u>      </u> | <u>      </u>  | <u>      </u> | <u>2</u>      |
| Guest                                     | <u>      </u>  | <u>      </u> | <u>      </u>  | <u>      </u> | <u>      </u>  | <u>      </u> | <u>      </u> |
| Unassigned                                | <u>      </u>  | <u>      </u> | <u>      </u>  | <u>      </u> | <u>      </u>  | <u>      </u> | <u>      </u> |
| Extra for Purchase                        | <u>      </u>  | <u>      </u> | <u>      </u>  | <u>      </u> | <u>      </u>  | <u>      </u> | <u>      </u> |
| Other: _____                              | <u>      </u>  | <u>      </u> | <u>      </u>  | <u>      </u> | <u>      </u>  | <u>      </u> | <u>      </u> |
| <b>Total Covered &amp; Open:</b>          | <u>2</u>       | <u>      </u> | <u>0</u>       | <u>      </u> | <u>0</u>       | <u>      </u> | <u>2</u>      |

Each residential apartment will have the exclusive use of at least 2\* parking stall(s).  
Buyers are encouraged to find out which stall(s) will be available for their use.

\*Unit B has ample space for parking within its limited common element area.

- Commercial parking garage permitted in condominium project.
- Exhibit \_\_\_\_\_ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

- There are no recreational or common facilities.
- Swimming pool                       Storage Area                       Recreation Area
- Laundry Area                       Tennis Court                       Trash Chute
- Other: \_\_\_\_\_

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

- There are no violations.                       Violations will not be cured.
- Violations and cost to cure are listed below.                       Violations will be cured by \_\_\_\_\_  
(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):

Unit A is in good condition and has a remaining useful life estimated to be 38 years.

11. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

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

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

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

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

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

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

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

**D. Common Elements, Limited Common Elements, Common 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:

described in Exhibit   "C"  .

as follows:

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

There are no limited common elements in this project.

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

described in Exhibit\_\_\_\_\_.

as follows:           The limited common element consists of the land area surrounding each unit as shown on the Condominium Map:

Unit A: 9,591 sq. ft.

Unit B: 33,989 sq. ft.

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

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 "D".

as follows:

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

Exhibit "E" describes the encumbrances against the title contained in the title report dated February 2, 1998

and issued by Title Guaranty of Hawaii, Incorporated.

**Blanket Liens:**

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

[ ] There are no blanket liens affecting title to the individual apartments.

[ X ] There are blanket liens which may affect title to the individual apartments.

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

| <u>Type of Lien</u> | <u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>        |
|---------------------|--|
| Mortgage            | Buyer's interest will be terminated and Buyer may be entitled to a refund of deposit, less escrow cancellation fees. |

**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:**

Units are sold "as is" and no warranties are applicable.

2. **Appliances:**

Any manufacturer's warranties currently in effect.

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

The construction of Unit A was completed in June, 1991.

The construction of Unit B was completed in December, 1996.

**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):

N/A



## 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

Specimen Sales Contract

Exhibit "G" contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated February 5, 1998

Exhibit "H" 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 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 Farm Dwelling Agreements dated September 23, 1980, June 7, 1989, June 1, 1990, March 8, 1991, and July 26, 1994; Declaration of Restrictive covenants, recorded March 10, 1992, as Document No. 92-034628.

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. 3912 filed with the Real Estate Commission on March 9, 1998.

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

YELLOW paper stock                       WHITE paper stock                       PINK paper stock

C. Additional Information Not Covered Above

1. For the purpose of Exhibit "F" of this final Condominium Public Report, the Developer has not conducted a reserve study in accordance with § 514-A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.
2. Purchasers should be aware that Chapter 205, Hawaii Revised Statutes ("H.R.S."), 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".

The term "farm dwelling" is defined in H.R.S. Chapter 205-4.5(a)(4) as a "single family dwelling located on and used in connection with a farm, including clusters of single-family farm dwelling permitted within agricultural parks developed by the State or where agricultural activity provides income to the family occupying the dwelling."

The penalty for violation of H.R.S. Section 205-4.5, 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.

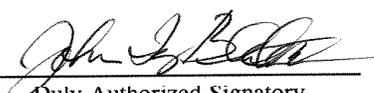
In order for any purchaser to obtain a building permit to construct a single family residential unit (farm dwelling), the County of Kauai will require the purchase to sign a Farm Dwelling Agreement in the form attached hereto as Exhibit "I".

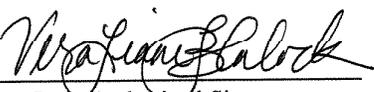
In addition, Section K.2., of the Declaration imposes a duty of each unit owner to bear an equal burden proportionate to the unit owner's respective appurtenant interest in the common area for the cost of maintaining agricultural activities on the Project that are satisfactory to the Planning Department of the County of Kauai and that will allow the issuance of a Farm Dwelling Agreement and corresponding building permit to all of the units with the Project. See Section K.2. of Exhibit "B", Alteration of Project.

3. Purchasers should be aware that the property, and each condominium unit, is subject to the restrictions contained in that certain Declaration of Restrictive Covenants And Lot Descriptions Of The Mamoru Wakuta And Kishiye Wakuta Subdivision, attached hereto as Exhibit "J".

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.

JOHN TY BLALOCK and VERA LIANE BLALOCK  
Owners/Developers

By:  01/30/98  
Duly Authorized Signatory Date

By:  01/30/98  
Duly Authorized Signatory Date

Distribution:

Department of Finance, County of Kauai  
Planning Department, County of Kauai

## EXHIBIT "A"

### DESCRIPTION OF BUILDINGS

The project consists of a one-story residential dwelling and a one-story agricultural shed of principally wood construction, without a basement. Each building (herein called "unit"), is more fully described as follows:

Unit A located as shown on the Condominium Map, contains three bedrooms, two bathrooms, closets, a living/dining room, kitchen, and other improvements as shown on the Condominium Map. Unit A contains a living area of 1,028 square feet and a garage area of 343 square feet, for a total area of 1,371 square feet.

Unit B is a storage shed as shown on the Condominium Map. Unit B contains a total area of 32 square feet.

### LIMITS OF UNITS

Each unit includes, but is not limited to, the footings or slab on which it is constructed, the exterior walls and roof, all interior walls, floors, ceilings, columns and partitions, and the finished surfaces thereof, the doors and door frames, windows and window frames, the air space within the perimeters of the units, and all fixtures originally installed in the unit. Each unit shall not include any pipes, shafts, wires, conduits or other utility or service lines running through such unit which are utilized for or serve more than one unit, the same being deemed common elements as hereinafter provided.

**EXHIBIT "B"**

**ALTERATION OF PROJECT**

Paragraph J of the Declaration provides that:

1. Each unit owner shall have the right at his sole option at any time and from time to time, as hereinafter set forth, without the consent and/or approval of the owner of the other unit or any other persons or entity, to improve, renovate, remodel, make additions to, enlarge, remove, replace, alter or restore the improvements to or in his unit or portions thereof or upon the yard appurtenant to his unit (collectively, the foregoing are referred to as "alterations"). Each unit owner shall have the right without the consent or joinder of any other person to amend this declaration and the Condominium Map to accomplish any such alterations. If required by the Act, promptly upon completion of such alterations the owner of the altered unit shall duly record such amendment to this declaration in the Bureau of Conveyances, together with a complete set of the floor plans of such unit as so altered, certified by a registered architect or professional engineer to fully and accurately depict the altered portions of the property as built. All existing unit owners and all future unit owners and their mortgagees, by accepting an interest in a unit, consent to all such alterations and agree to give and shall be deemed to have given the owner of the altered unit a power of attorney to execute an amendment to the declaration solely for the purpose of describing the alterations to such unit in the declaration so that the owner of the altered unit shall hereafter have a power of attorney from all the other unit owners to execute such amendment to the declaration. This power of attorney shall be deemed coupled with each owner's interest in his unit (including his common interest) and shall be irrevocable.

2. Pursuant to Chapter 205, Hawaii Revised Statutes, each unit owner is entitled to construct a farm dwelling on each limited common element within the Project, and each unit owner is required to enter into an agreement with the County of Kauai certifying that the farm dwelling will be used in connection with a farm or where agricultural activity provides income to the family occupying the farm dwelling. In addition, the Planning Department of the County of Kauai requires that any farm dwelling constructed after the first farm dwelling within the Project requires an inspection by the Planning Department to confirm whether the agricultural activities are being conducted on the Project in accordance with Chapter 205, Hawaii Revised Statutes. Each unit owner in the Project, therefore, shall bear an equal burden proportionate to the unit owner's respective appurtenant interest in the common area, for the cost of maintaining agricultural activities on the Project that are satisfactory to the Planning Department of the County of Kauai and that will allow the issuance of a Farm dwelling Agreement and corresponding

EXHIBIT "B"  
(Page 1 of 3)

building permit to all of the units within the Project. Any assessment that may be necessary to maintain agricultural activities pursuant to this paragraph may be imposed upon each unit in accordance with the Bylaws as a common expense of the association in connection with the operation of the Project.

3. Under current laws, the Project may be entitled to construct one (1) guest house as that term is used in the Comprehensive Zoning Ordinance of the County of Kauai. The right, if one exists, to construct said guest house is reserved to the owner of Unit B. Said right may be assigned by the owner of Unit B to any other unit owner within the Project at any time. The unit owner shall consult with the appropriate County and/or State agencies to determine whether the right to construct one (1) guest house exists. For the purpose of this paragraph a "guest house" is defined as a building used for dwelling purposes by guests with a floor area of no more than five hundred (500) square feet that contains no kitchen and is located on a parcel of at least nine thousand (9,000) square feet that contains one (1) or more dwelling units. All provisions of the Comprehensive Zoning Ordinance and any other laws, ordinances or regulations which are applicable shall be observed by the unit owner to which the right to build a guest house applies. The unit owner shall also consult with the appropriate County and/or State agencies regarding all applicable laws or regulations prior to construction.

4. Any alteration of the plans of a unit pursuant to this paragraph J shall be subject to the following conditions:

(a) All building plans for any such alterations shall conform with County building or zoning laws and other applicable County ordinances.

(b) Such alterations may decrease or increase the size of the affected unit, provided that no alteration shall extend or place the unit outside of the limits of the yard appurtenant to such unit.

(c) All such alterations shall be at the sole expense of the unit owner making the change and shall be made within one (1) year of the commencement thereof and in a manner that will not unreasonably interfere with the other unit owner's use of his unit or yard.

(d) The owner of the altered unit shall have the right to utilize, relocate and realign existing and/or to develop additional, central and appurtenant installations for services to the unit affected by such alteration for electricity, sewer and other utilities and services and when applicable, to add, delete, relocate, realign, designate and grant easement and rights-of-way over, under and on the

EXHIBIT "B"  
(Page 2 of 3)

common elements as necessary or desirable in connection therewith; provided that the same shall not cause any interruption in the service of such utilities to any other part of the project, nor shall it unreasonably interfere with the other unit owner's use or enjoyment of his unit or yard.

(e) Each and every conveyance, lease and mortgage or other lien made or created on any unit and all common interests and other appurtenances thereto shall be subject to the provisions of this paragraph and any lease of a unit shall reserve to all unit owners the rights set forth in this paragraph.

**\*SPECIAL NOTATION:** When applying for zoning permits with the Planning Department of the County of Kauai, 75% of the owners of the project must sign permit forms. This requirement is binding on all purchasers as well as future assignees.

The issuance of an effective date for the Condominium Public Report should not be construed to mean that all County Codes and Ordinances have been complied with and all subsequent development and use shall comply with applicable County codes and Ordinances.

Additionally, the creation of the Condominium Property Regime does not mean that the land has met the subdivision requirements of the County. As such, certain facilities/improvements normally associated with County approved subdivisions may not be necessarily provided for.

**EXHIBIT "B"**  
**(Page 3 of 3)**

## EXHIBIT "C"

### COMMON ELEMENTS

The common elements of the project include the land described in Exhibit "A" attached to the Declaration in fee simple, and the limited common elements as described in the Declaration, and all other portions of the project, other than the units, including, specifically, but not limited to: (1) the common elements mentioned in the Act that are actually constructed on the land, and all other portions of the project necessary or convenient to its existence, maintenance and safety or normally in common use and which are not included as part of a unit; and (2) the common elements shown on the Condominium Map.

**EXHIBIT "D"**

**COMMON INTEREST**

Each unit shall have appurtenant thereto an undivided fifty percent (50%) interest in all common elements of the property, and the same proportionate share in all common profits and expenses of the project for all other purposes, including voting. The percentage common interest for each unit is determined by apportioning a fifty percent (50%) interest to each of the two (2) units irrespective of the actual land areas contained in each of the two (2) units.

**EXHIBIT "E"**

**ENCUMBRANCES AGAINST TITLE**

1. Any taxes that may be due and owing and tax liens that may exist, refer to Director of Finance, Kauai County.
2. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Land Patent Grant No. S-13713 dated August 19, 1960.

The foregoing includes, but is not limited to, the following:

"Reserving to the State of Hawaii in perpetuity, for itself, its Lessees, Licensees and Grantees Easement F, fifteen (15.00) feet wide, for ditch purposes over, upon and across the above-described Lot 12, together with rights of ingress and egress thereto for the construction, inspection, maintenance, re-construction and repair of said ditch. Said Easement F being shown on the plan attached hereto made a part hereof.

And further reserving to the State of Hawaii, its successors and assigns, in perpetuity all of the waters from Kapahi Water Tank and Easement L for the free flowage of said waters into and through the gulch located on the above-described Lot 12, as shown on the plan attached hereto and made a part hereof.

And further excepting and reserving to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to that portion of the stream which passes over and across the above-described Lot 12 as shown on plan attached hereto and made a part hereof.

And further excepting and reserving to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to all springs located on the above-described Lot 12 whether or not shown on the plan attached hereto and made a part hereof.

**EXHIBIT "E"**  
(Page 1 of 3)

And further reserving to the State of Hawaii, its successors and assigns, in perpetuity, all rights to ground but not to surface waters which are or may be appurtenant to the hereinabove described land or the ownership thereof.

And further reserving to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine, and remove minerals and to occupy and use so much of the surface of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to occupy and use said land, to permanent improvements placed upon the land.

'Minerals' within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided that 'Minerals' shall not include sand, rock, gravel, and other similar materials when used in road or building construction."

3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Farm Dwelling Agreement, dated September 23, 1980, and recorded in Book 15141 Page 793, by Mamoru Wakuta with the County of Kauai Planning Department.
4. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Farm Dwelling Agreement, dated June 7, 1989, and recorded in Book 23408 Page 336, by Mamoru Wakuta and Kishiye Okumura Wakuta with the County of Kauai Planning Department.
5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Farm Dwelling Agreement, dated June 1, 1990, and recorded as Document No. 90-092558, by Mamoru Wakuta and Kishiye Okumura Wakuta with the County of Kauai Planning Department.
6. A 3-foot wide future road widening reserve as shown on surveyor's map dated October 12, 1990, by Dennis M. Esaki, Registered Professional Land Surveyor.

EXHIBIT "E"  
(Page 2 of 3)

7. Building setback line and drainage way as shown on surveyor's map dated October 12, 1990, by Dennis M. Esaki, Registered Professional Land Surveyor.
8. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Farm Dwelling Agreement, dated March 8, 1991, and recorded as Document No. 91-047321, by Mamoru Wakuta and Kishiye Wakuta with the County of Kauai Planning Department.
9. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Declaration dated February 21, 1992, and recorded as Document No. 92-034628.
10. That certain Mortgage in favor of John R. Blalock and Nancy N. Blalock dated March 21, 1996, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 96-052796.
11. Declaration of Condominium Property Regime of "Keoni Kaua'i Condominium" recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-024116.
12. Bylaws of the Association of Unit Owners of "Keoni Kaua'i Condominium" recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 98-024117.
13. Condominium Map recorded as Map No. 2686.

**EXHIBIT "E"**  
(Page 3 of 3)

**EXHIBIT "F"**

**ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

Estimate of Initial Maintenance Fees:

| <u>Apartment</u> | <u>Monthly Fee</u> x 12 months = <u>Yearly Total</u> |
|------------------|--|
| Unit A           | \$26.00 x 12 = \$312.00                              |
| Unit B           | \$26.00 x 12 = \$312.00                              |

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

**Estimate of Maintenance Fee Disbursements:**

Monthly x 12 months = Yearly Total

Utilities and Services

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

Maintenance, Repairs and Supplies

Building Grounds \$20.00 x 12 = \$240.00

Management

- Management Fee
- Payroll and Payroll Taxes
- Office Expenses

Insurance \$12.00 x 12 = \$140.00

Reserves(\*)

Taxes and Government Assessments

Audit Fees \$20.00 x 12 = \$240.00

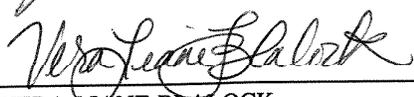
Other

**TOTAL \$624.00**

We, JOHN TY BLALOCK and VERA LIANE BLALOCK, the owners/developers for the KEONI KAUA'I CONDOMINIUM project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

  
 \_\_\_\_\_  
 JOHN TY BLALOCK

4/14/98  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 VERA LIANE BLALOCK

4/14/98  
 \_\_\_\_\_  
 Date

(\* ) Mandatory reserves assessment and collection in effect beginning 1994 budget year. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves", the Developer has 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.

Pursuant to §514A-83.6, HRS, a new association created after January 1, 1993, need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

End of EXHIBIT "F"

**NOTE:** The Project has no shared structures, shared utilities, shared roads, or other shared improvements which are common elements, and thus has no common elements which will require replacement.

The Developer has not conducted a reserve study in accordance with § 514-A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

**EXHIBIT "G"**

**SUMMARY OF DEPOSIT RECEIPT AND SALES CONTRACT**

The Deposit Receipt and Sales Contract, including the terms and conditions attached thereto as Article IV (hereinafter collectively called the "Sales Contract") contain the price and other terms and conditions under which a purchaser will agree to buy a unit in the Project. Among other things, the Sales Contract states:

(a) The total purchase price, method of payment and additional sums which must be paid in connection with the purchase of a unit.

(b) That the purchaser acknowledges having received and read a public report (either preliminary or final) for the Project prior to signing the Sales Contract.

(c) That the Developer makes no representations concerning rental of a unit, income or profit from a unit, or any other economic benefit to be derived from the purchase of a unit.

(d) That the purchaser's money will be held in escrow, under the terms of the Escrow Agreement.

(e) Requirements relating to the purchaser's financing of the purchase of a unit.

(f) That the unit and the Project will be subject to various other legal documents which the purchaser should examine, and that the Developer may change these documents under certain circumstances.

(g) That the Developer makes no warranties regarding the unit, the Project or anything installed or contained in the unit or the Project.

(h) That the purchase must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

(i) That the purchaser will not receive interest on deposits made under the Sales Contract.

EXHIBIT "G"  
(Page 1 of 2)

(j) If the buyer shall default:

(1) The contract may, at the seller's option, be terminated by written notice to the buyer; and

(2) Any sums paid by the buyer shall belong to the seller as liquidated damages (up to a maximum of 20% of the total purchase price); and

(3) The seller may pursue any other remedy, including specific performance, permitted by law or equity. All costs, including reasonable attorneys' fees, incurred by reason of default by the buyer shall be borne by the buyer.

Further, if the buyer 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 in paragraphs (1) through (3) above.

The Sales Contract contains various other important provisions relating to the purchase of a unit in the Project. It is incumbent upon purchasers and prospective purchasers to read with care the specimen sales Contract on file with the Real Estate Commission.

EXHIBIT "G"  
(Page 2 of 2)

## EXHIBIT "H"

### SUMMARY OF ESCROW AGREEMENT

The Escrow Agreement sets up an arrangement under which the deposits a purchaser makes pursuant to a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement, these things will or may happen:

- (a) Escrow will let the purchaser know when payments are due.
- (b) Escrow will arrange for the purchaser to sign all necessary documents.
- (c) The purchaser is entitled to a refund if the purchaser or seller cancels the Sales Contract in accordance with its cancellation provisions, or if the purchaser terminates its reservation before the Sales Contract is binding. However, Escrow may deduct from the refund cancellation fees in accordance with the Sales Contract.

In the event of a default by the purchaser, the funds paid by the purchaser shall belong to the seller as liquidated damages (up to a maximum of twenty percent (20%) of the total purchase price).

The Escrow Agreement contains various other important provisions and establishes certain charges with which a purchaser should be familiar. It is incumbent upon purchasers and prospective purchasers to read with care the executed Escrow Agreement on file with the Real Estate Commission.

- (d) The purchaser's funds that are placed in trust prior to closing may be used by the seller after (1) the purchaser has (i) been provided with a final public report; (ii) executed a receipt and notice and has waived his right to cancel or thirty (30) days have elapsed since the purchaser has been provided with the final public report and receipt and notice of right to cancel; and (2) the seller notifies escrow in writing that since (i) and (ii) have happened, the Sales Contract is binding; and (3) the seller's attorney advises escrow that the Sales Contract is binding and the Requirements of Hawaii Revised Statutes, Section 514A-39, -63 and -65 have been met.

EXHIBIT "I"

LAND COURT SYSTEM

REGULAR SYSTEM

RETURN BY: MAIL [ ] PICKUP [ ] To:

County of Kauai  
Planning Department  
4280 Rice Street  
Lihue, Kauai, Hawaii 96766

FARM DWELLING AGREEMENT

This agreement made and entered into as of the \_\_\_\_\_ day of

\_\_\_\_\_, 19 \_\_\_\_\_, by and between \_\_\_\_\_

whose mailing address is \_\_\_\_\_

hereinafter called the "APPLICANT(S)", and the COUNTY OF KAUAI, Planning Department, whose business and mailing address is 4280 Rice Street, Lihue, Hawaii 96766, hereinafter called the "DEPARTMENT",

W I T N E S S E T H :

WHEREAS, the APPLICANT(S) warrant and represent that they are the \_\_\_\_\_ of that certain

parcel of land, Tax Map Key No. \_\_\_\_\_ more particularly described in Exhibit "A", attached hereto and made a part hereof; and

WHEREAS, this document pertains only to \_\_\_\_\_ as shown in Exhibit "B" and made part hereof; and

WHEREAS, that certain parcel of land is classified Agriculture by the State Land Use Commission and is zoned Agriculture by the County of Kauai; and

WHEREAS, Chapter 205, Hawaii Revised Statutes, and the State Land Use District Regulations only permit "farm dwellings" within the State Agriculture Land Use District unless otherwise relieved from the restriction by a special permit obtained pursuant to Chapter 205, Section 6, Hawaii Revised Statutes; and

WHEREAS, a "farm dwelling" is defined by Chapter 205, Hawaii Revised Statutes, and the State Land Use District Regulations as "a single family dwelling located on and used in connection with a farm where agricultural activity provides income to the family occupying the dwelling"; and

WHEREAS, the parcel identified by Tax Map Key No. \_\_\_\_\_ is entitled to \_\_\_\_\_ residential units and one guest house; and

WHEREAS, this agreement is evidenced that \_\_\_\_\_ is entitled to one of those residential units; and

WHEREAS, a "family" as used in the definition of a "farm dwelling" is defined by the State Land Use District Regulations as "an individual or two or more persons related by blood, marriage or adoption or a group comprising not more than five persons, not related by blood, marriage or by adoption"; and

WHEREAS, the APPLICANT(S) acknowledge that a violation of Chapter 205, Hawaii Revised Statutes, and the State Land Use District restriction is subject to a citation and fine of not more than \$5,000 pursuant to Chapter 205, Section 13, Hawaii Revised Statutes, as amended; and

WHEREAS, the APPLICANT(S) also acknowledge that failure to abide by this agreement may result in the removal of the prohibited structure at the owner's expense; and

WHEREAS, the DEPARTMENT is charged with the enforcement of the restriction by Chapter 205, Hawaii Revised Statutes; and

WHEREAS, the APPLICANT(S) wish to construct a dwelling unit on that certain parcel of land described in Exhibit A; and

WHEREAS, the APPLICANT(S) wish to execute this Farm Dwelling Agreement without first obtaining the signatures of all interest holders in the CPR;

NOW THEREFORE, for and in consideration of the terms, covenants and conditions hereinafter contained, the parties hereby mutually agree as follows:

1. That the dwelling permitted to be constructed on the parcel of land described in Exhibit "A" classified Agriculture by the State Land Use Commission shall be a "farm dwelling" as defined by Chapter 205, Hawaii Revised Statutes, and the State Land Use District Regulations, as recited herein; and

2. That the dwelling shall only be occupied by a "family", as defined by the State Land Use District Regulations and as recited herein, who derive income from the agricultural activity on the parcel; and

3. That the APPLICANT(S) and all present and future owners, lessees and occupants of said land grant the DEPARTMENT the right of entry at the request of the DEPARTMENT to inspect the premises to assure compliance with the provisions of this agreement; and

4. That this agreement shall be a covenant running with the land and be binding on the APPLICANT(S), and all present and future owners, lessees and occupants of said land and anyone claiming under said APPLICANT(S), their heirs, executors, administrators, successors and assigns, as owners or occupants thereof or otherwise; and

5. That this agreement shall remain in effect so long as the land retains its Agriculture District classification under the State Land Use Commission and the pertinent restrictive provisions of Chapter 205, Hawaii Revised Statutes, and the State Land Use District Regulations remain in effect; and

6. That the APPLICANT(S) expressly set forth the provisions of this agreement in any subsequent conveyance, deed, lease or rental agreement to said property executed by them, so as to give effect to said covenant; and

7. That this agreement shall be recorded with the State of Hawaii Bureau of Conveyances, fees to be paid by the APPLICANT(S); and

8. The DEPARTMENT and APPLICANT(S) shall execute the Farm Dwelling Agreement; and

9. The APPLICANT(S), for themselves (himself/herself), their (his/her) heirs, administrators, successors and assigns, do hereby waive and release the DEPARTMENT and the County of Kauai, a political subdivision of the State of Hawaii, whose principle place of business is 4396 Rice Street, Lihue, Hawaii, 96766, from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of the DEPARTMENT'S execution of said Farm Dwelling Agreement; and

10. The APPLICANT(S) do(es) hereby promise to indemnify and hold the DEPARTMENT and the County of Kauai, its successors, assigns, offices, employees, agents, attorneys or any other person or legal entity connected with or legally responsible to them, harmless from any and all claims, actions, causes of action, lawsuits, demands or liability for damages of whatever kind and nature, arising out of the DEPARTMENT'S execution of said Farm Dwelling Agreement; and

11. This Agreement shall be a covenant running with the portion of land described in Exhibit A, and shall be binding on APPLICANT(S) and all present and future owners and occupants of said portion of land and any one claiming under APPLICANT(S), their successors, and assigns, as owners or occupants thereof. The APPLICANT(S) further agree(s) to expressly set forth the provisions of this waiver and indemnity agreement in any subsequent conveyance, deed, lease, or rental agreement so as to give effect to said covenant.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed on the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.

APPROVED:

Applicant(s)

\_\_\_\_\_  
Planning Director

APPROVED AS TO FORM  
AND LEGALITY:

\_\_\_\_\_  
County Attorney

STATE OF HAWAII        )  
                          ) ss.  
COUNTY OF KAUAI     )

On this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_, before me personally appeared \_\_\_\_\_

to me known to be the person(s) described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.

\_\_\_\_\_  
Notary Public, Fifth Judicial Circuit  
State of Hawaii

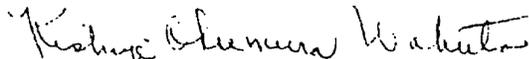
My commission expires:



NOW, THEREFORE, the Declarants do hereby declare that the said Lots 12-A through 12-J of the Mamoru Wakuta and Kishiye Wakuta Subdivision, as more particularly described in Exhibits B" through "K", attached hereto and made a part hereof, shall be subject to the restrictive covenants and conditions as set forth in the respective descriptions of the lots attached hereto, and that such restrictive covenants and conditions shall continue in full force and effect unless and until the same shall be amended by written agreement between the Planning Department of the County of Kauai and no less than seventy-five percent (75%) of the then owners of the said Lots 12-A through 12-J, inclusive of the Mamoru wakuta and kishiye wakuta Subdivision, which written agreement shall be recorded in the Bureau of Conveyances of the State of Hawaii.

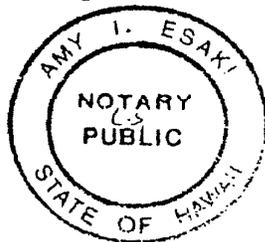
IN WITNESS WHEREOF, the Declarants have hereunto set forth their hands as of this 21<sup>st</sup> day of February, 1992.

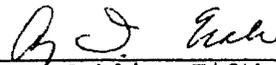
  
MAMORU WAKUTA

  
KISHIYE OKUMURA WAKUTA

STATE OF HAWAII )  
                          ) ss:  
COUNTY OF KAUAI )

On this 21<sup>st</sup> day of February 19 92, before me appeared MAMORU WAKUTA and KISHIYE OKUMURA WAKUTA, husband and wife, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged that they executed the same as their free act and deed.



  
Notary Public, Fifth Judicial  
Circuit, State of Hawaii

My Commission expires: 9-7-94



EXHIBIT "B"

LOT 12-A

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Southwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,514.66 feet North and 3,485.25 feet East, thence running by azimuths measured clockwise from true South:

|    |                  |     |     |         | Thence along the North side of Kaapuni Road on a curve to the right with a radius of 945.00 feet, the chord azimuth and distance being: |
|----|------------------|-----|-----|---------|---|
| 1. | 123 <sup>o</sup> | 15' | 53" | 16.28   | feet;   |
| 2. | 236 <sup>o</sup> | 10' |     | 1064.57 | feet along Grant 13210 (Lot 10);  |
| 3. | 327 <sup>o</sup> | 13' | 30" | 275.13  | feet along Grant 13212 (Lot 11);  |
| 4. | 57 <sup>o</sup>  | 13' | 30" | 286.62  | feet along the remainder of Grant S-13713 (Lot 12-D);   |
| 5. | 147 <sup>o</sup> | 06' | 30" | 254.82  | feet along the remainder of Grant S-13713 (Lot 12-B);   |
| 6. | 56 <sup>o</sup>  | 10' |     | 770.76  | feet along the remainder of Grant S-13713 (Lot 12-B) to the point of beginning and containing an area of 2.061 acres.                   |

TOGETHER WITH EASEMENT 2 for access and utility purposes, said Easement 2 being more particularly described as follows:

EASEMENT 2

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of



6. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine, and remove minerals and to occupy and use so much of the surface of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to occupy and use said land, to permanent improvements placed upon the land.

"Minerals" within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided that "minerals" shall not include sand, rock, gravel, and other similar materials when used in road or building construction.

7. Restrictive covenants and conditions set forth in Land Patent Grant No. S-13,713.

8. Easement 1, in favor of Lots 12-B and 12-C for access and utility purposes, said Easement 1 being more particularly described as follows:

#### EASEMENT 1

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Southwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,514.66 feet North and 3,485.25 feet East, thence running by azimuths measured clockwise from true South:

Thence along the North side of Kaapuni Road on a curve to the right with a radius of 945.00 feet, the chord azimuth and distance being:

- |    |                  |     |     |        |   |
|----|------------------|-----|-----|--------|---|
| 1. | 123 <sup>o</sup> | 15' | 53" | 16.28  | feet;   |
| 2. | 236 <sup>o</sup> | 10' |     | 777.34 | feet along Grant 13210 (Lot 10);                      |
| 3. | 327 <sup>o</sup> | 06' | 30" | 15.00  | feet along the remainder of Grant S-13713 (Lot 12-A); |
| 4. | 153 <sup>o</sup> | 11' | 30" | 15.08  | feet along the re-                                    |

mainder of Grant S-13713  
(Lot 12-B) to the point  
of beginning and con-  
taining an area of 11,615  
square feet.

9. A 3-foot wide future road widening reserve along Kaapuni Road. There shall be no new structures permitted within the reserve, and any new structures shall be setback an adequate distance from Kaapuni Road so as to meet all setback requirements as though Kaapuni Road was widened to the extent of the road widening reserve.

10. A building setback line and drainageway, all as shown on the subdivision map for the Mamoru Wakuta and Kishiye Wakuta Subdivision. No structures, fills or any obstruction shall be built or allowed within this building setback and drainage setback. Each lot owner upon whose lot this building setback line and drainageway setback crosses shall keep the said setback and drainageway free from debris, structures, types of vegetation, or other obstacles which may tend to obstruct the flow of waters and storm runoff through this drainageway, shall accept the storm flows that result from the development of the basin as shown on the County General Plans, shall accept and expect damages such as erosion with flowages of water and the County shall not be held responsible for any damages, and shall take precautions during flood times since high flows and velocities can be expected.

11. The uses on the newly-created lots shall be limited to those listed as permissible uses within the "A" Agriculture District in the State Land Use Commission Rules and Regulations. Dwellings on the lot shall mean a single-family dwelling located on and used in connection with a farm where agriculture activity provides income to the family occupying the dwelling. Further, and notwithstanding that the same may be a permitted use within the "A" Agriculture District as well as the County of Kauai's "Agriculture" zoning, no piggeries shall be permitted to be operated on the said lot; provided that this restriction shall not prohibit the raising for personal use and consumption by the owner(s) of this Lot of not more than two (2) pigs at the same time.

EXHIBIT "C"

LOT 12-B

LAND SITUATED AT KAPAA, KAWAIIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,514.66 feet North and 3,485.25 feet East, thence running by azimuths measured clockwise from true South:

- |    |       |     |     |        |   |
|----|-------|-----|-----|--------|---|
| 1. | 236 ° | 10' |     | 770.76 | feet along the remainder of Grant S-13713 (Lot 12-A);   |
| 2. | 327 ° | 06' | 30" | 254.82 | feet along the remainder of Grant S-13713 (Lot 12-A);   |
| 3. | 57 °  | 13' | 30" | 321.39 | feet along the remainder of Grant S-13713 (Lot 12-E);   |
| 4. | 148 ° | 09' | 32" | 233.99 | feet along the remainder of Grant S-13713 (Lot 12-C);   |
| 5. | 56 °  | 10' |     | 446.72 | feet along the remainder of Grant S-13713 (Lot 12-C);   |
|    |       |     |     |        | thence along the North side of Kaapuni Road on a curve to the right with a radius of 945.00 feet, the chord azimuth and distance being: |
| 6. | 122 ° | 16' | 25" | 16.41  | feet to the point of beginning and containing an area of 2.000 acres.   |

TOGETHER WITH EASEMENT 1 for access and utility purposes, said Easement 1 being more particularly described as follows:

EASEMENT 1

LAND SITUATED AT KAPAA, KAWAIIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Southwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,514.66 feet North and 3,485.25 feet East, thence running by azimuths measured clockwise from true South:

|    |                  |     |     |   |
|----|------------------|-----|-----|---|
|    |                  |     |     | Thence along the North side of Kaapuni Road on a curve to the right with a radius of 945.00 feet, the chord azimuth and distance being: |
| 1. | 123 <sup>o</sup> | 15' | 53" | 16.28 feet;   |
| 2. | 236 <sup>o</sup> | 10' |     | 777.34 feet along Grant 13210 (Lot 10);   |
| 3. | 327 <sup>o</sup> | 06' | 30" | 15.00 feet along the remainder of Grant S-13713 (Lot 12-A);   |
| 4. | 153 <sup>o</sup> | 11' | 30" | 15.08 feet along the remainder of Grant S-13713 (Lot 12-B) to the point of beginning and containing an area of 11,615 square feet.      |

SUBJECT, HOWEVER, to the following:

1. Reserving to the State of Hawaii in perpetuity for itself, its lessees, licensees and grantees Easement F, fifteen (15.00) feet wide, for ditch purposes over, upon and across the above-described land, together with rights of ingress and egress thereto for the construction, inspection, maintenance, re-construction and repair of said ditch, as reserved in Land Patent Grant No. S-13,713 dated August 19, 1960.

2. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity all of the waters from Kapahi Water Tank and Easement L for the free flowage of said waters into and through the gulch located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

3. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to that portion of the stream which passes over and across the above-described land, as reserved in Land Patent Grant No. S-13,713.

4. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to all springs which are or may be located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

5. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all rights to ground but not to surface waters which are or may be appurtenant to

the hereinabove described land or the ownership thereof.

6. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine, and remove minerals and to occupy and use so much of the surface of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to occupy and use said land, to permanent improvements placed upon the land.

"Minerals" within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided that "minerals" shall not include sand, rock, gravel, and other similar materials when used in road or building construction.

7. Restrictive covenants and conditions set forth in Land Patent Grant No. S-13,713.

8. Easement 2, in favor of Lot 12-A and 12-C for access and utility purposes, said Easement 2 being more particularly described as follows:

EASEMENT 2

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,514.66 feet North and 3,485.25 feet East, thence running by azimuths measured clockwise from true South:

- |    |      |         |        |   |
|----|------|---------|--------|---|
| 1. | 236° | 10'     | 770.76 | feet along the remainder of Grant S-13713 (Lot 12-A);           |
| 2. | 327° | 06' 30" | 15.00  | feet along the remainder of Grant S-13713 (Lot 12-A);           |
| 3. | 56°  | 10'     | 763.86 | feet along the remainder of Grant S-13713 (Lots 12-B and 12-C); |

Thence along the North side of Kaapuni Road on

a curve to the right  
with a radius of 945.00  
feet, the chord azimuth  
and distance being:

4.        122°      16'    25"        16.41 feet to the point of  
beginning and con-  
taining an area of  
11,513 square feet.

9. A 3-foot wide future road widening reserve along Kaapuni Road. There shall be no new structures permitted within the reserve, and any new structures shall be setback an adequate distance from Kaapuni Road so as to meet all setback requirements as though Kaapuni Road was widened to the extent of the road widening reserve.

10. A building setback line and drainageway, all as shown on the subdivision map for the Mamoru Wakuta and Kishiye Wakuta Subdivision. No structures, fills or any obstruction shall be built or allowed within this building setback and drainage setback. Each lot owner upon whose lot this building setback line and drainageway setback crosses shall keep the said setback and drainageway free from debris, structures, types of vegetation, or other obstacles which may tend to obstruct the flow of waters and storm runoff through this drainageway, shall accept the storm flows that result from the development of the basin as shown on the County General Plans, shall accept and expect damages such as erosion with flowages of water and the County shall not be held responsible for any damages, and shall take precautions during flood times since high flows and velocities can be expected.

11. The uses on the newly-created lots shall be limited to those listed as permissible uses within the "A" Agriculture District in the State Land Use Commission Rules and Regulations. Dwellings on the lot shall mean a single-family dwelling located on and used in connection with a farm where agriculture activity provides income to the family occupying the dwelling. Further, and notwithstanding that the same may be a permitted use within the "A" Agriculture District as well as the County of Kauai's "Agriculture" zoning, no piggeries shall be permitted to be operated on the said lot; provided that this restriction shall not prohibit the raising for personal use and consumption by the owner(s) of this Lot of not more than two (2) pigs at the same time.

EXHIBIT "D"

LOT 12-C

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHU FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the South corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,394.63 feet North and 3,743.24 feet East, thence running by azimuths measured clockwise from true South:

- |    |      |     |     |        |   |
|----|------|-----|-----|--------|---|
| 1. | 110° | 49' | 30" | 88.21  | feet along the North side of Kaapuni Road;<br><br>thence along the North side of Kaapuni Road on a curve to the right with a radius of 945.00 feet, the chord azimuth and distance being: |
| 2. | 116° | 18' | 02" | 180.35 | feet;   |
| 3. | 236° | 10' |     | 446.72 | feet along the remainder of Grant S-13713 (Lot 12-B);   |
| 4. | 328° | 09' | 32" | 233.99 | feet along the remainder of Grant S-13713 (Lot 12-B);   |
| 5. | 153° | 11' | 30" | 15.08  | feet along the remainder of Grant S-13713 (Lot 12-F) to the point of beginning and containing an area of 2.000 acres.   |

TOGETHER WITH EASEMENTS 1 and 2 for access and utility purposes, said Easements 1 and 2 being more particularly described as follows:

EASEMENT 1

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHU FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Southwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey

Triangulation Station "NONOU" being 12,514.66 feet North and 3,485.25 feet East, thence running by azimuths measured clockwise from true South:

Thence along the North side of Kaapuni Road on a curve to the right with a radius of 945.00 feet, the chord azimuth and distance being:

- |    |              |        |  |
|----|--------------|--------|--|
| 1. | 123° 15' 53" | 16.28  | feet;  |
| 2. | 236° 10'     | 777.34 | feet along Grant 13210 (Lot 10);   |
| 3. | 327° 06' 30" | 15.00  | feet along the remainder of Grant S-13713 (Lot 12-A);  |
| 4. | 153° 11' 30" | 15.08  | feet along the remainder of Grant S-13713 (Lot 12-B) to the point of beginning and containing an area of 11,615 square feet. |

and

#### EASEMENT 2

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,514.66 feet North and 3,485.25 feet East, thence running by azimuths measured clockwise from true South:

- |    |              |        |   |
|----|--------------|--------|---|
| 1. | 236° 10'     | 770.76 | feet along the remainder of Grant S-13713 (Lot 12-A);           |
| 2. | 327° 06' 30" | 15.00  | feet along the remainder of Grant S-13713 (Lot 12-A);           |
| 3. | 56° 10'      | 763.86 | feet along the remainder of Grant S-13713 (Lots 12-B and 12-C); |

Thence along the North side of Kaapuni Road on a curve to the right with a radius of 945.00 feet, the chord azimuth and distance being:

4. 122' 16' 25" 16.41 feet to the point of beginning and containing an area of 11,513 square feet.

SUBJECT, HOWEVER, to the following:

1. Reserving to the State of Hawaii in perpetuity for itself, its lessees, licensees and grantees Easement F, fifteen (15.00) feet wide, for ditch purposes over, upon and across the above-described land, together with rights of ingress and egress thereto for the construction, inspection, maintenance, re-construction and repair of said ditch, as reserved in Land Patent Grant No. S-13,713 dated August 19, 1960.

2. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity all of the waters from Kapahi Water Tank and Easement L for the free flowage of said waters into and through the gulch located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

3. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to that portion of the stream which passes over and across the above-described land, as reserved in Land Patent Grant No. S-13,713.

4. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to all springs which are or may be located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

5. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all rights to ground but not to surface waters which are or may be appurtenant to the hereinabove described land or the ownership thereof.

6. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine, and remove minerals and to occupy and use so much of the surface of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to occupy and use said land, to permanent improvements placed upon the land.

"Minerals" within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided that "minerals" shall not include sand, rock, gravel, and other similar materials when used in road or building construction.

7. Restrictive covenants and conditions set forth in Land Patent Grant No. S-13,713.

8. A 3-foot wide future road widening reserve along Kaapuni Road. There shall be no new structures permitted within the reserve, and any new structures shall be setback an adequate distance from Kaapuni Road so as to meet all setback requirements as though Kaapuni Road was widened to the extent of the road widening reserve.

9. A building setback line and drainageway, all as shown on the subdivision map for the Mamoru Wakuta and Kishiye Wakuta Subdivision. No structures, fills or any obstruction shall be built or allowed within this building setback and drainage setback. Each lot owner upon whose lot this building setback line and drainageway setback crosses shall keep the said setback and drainageway free from debris, structures, types of vegetation, or other obstacles which may tend to obstruct the flow of waters and storm runoff through this drainageway, shall accept the storm flows that result from the development of the basin as shown on the County General Plans, shall accept and expect damages such as erosion with flowages of water and the County shall not be held responsible for any damages, and shall take precautions during flood times since high flows and velocities can be expected.

10. The uses on the newly-created lots shall be limited to those listed as permissible uses within the "A" Agriculture District in the State Land Use Commission Rules and Regulations. Dwellings on the lot shall mean a single-family dwelling located on and used in connection with a farm where agriculture activity provides income to the family occupying the dwelling. Further, and notwithstanding that the same may be a permitted use within the "A" Agriculture District as well as the County of Kauai's "Agriculture" zoning, no piggeries shall be permitted to be operated on the said lot; provided that this restriction shall not prohibit the raising for personal use and consumption by the owner(s) of this Lot of not more than two (2) pigs at the same time.

EXHIBIT "E"

LOT 12-D

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the West corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,222.90 feet North and 3,959.11 feet East, thence running by azimuths measured clockwise from true South:

|    |      |     |     |        |  |
|----|------|-----|-----|--------|--|
| 1. | 237° | 13' | 30" | 530.66 | feet along the remainder of Grant S-13713 (Lot 12-E);  |
| 2. | 147° | 13' | 30" | 261.25 | feet along the remainder of Grant S-13713 (Lot 12-E);  |
| 3. | 237° | 13' | 30" | 286.62 | feet along the remainder of Grant S-13713 (Lot 12-A);  |
| 4. | 327° | 13' | 30" | 276.25 | feet along the remainder of Grant S-13713 (Lot 12-G);  |
| 5. | 57°  | 13' | 30" | 814.90 | feet along Grant S-13745 (Lot 13)  |
| 6. | 138° | 12' | 30" | 15.19  | feet along the North side of Kaapuni Road to the point of beginning and containing an area of 2.000 acres. |

TOGETHER WITH EASEMENT 3 for access and utility purposes, said Easement 3 being more particularly described as follows:

EASEMENT 3

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey

Triangulation Station "NONOU" being 12,222.90 feet North and 3,959.11 feet East, thence running by azimuths measured clockwise from true South:

- |    |                  |     |     |        |   |
|----|------------------|-----|-----|--------|---|
| 1. | 138 <sup>o</sup> | 12' | 30" | 15.19  | feet along the remainder of Grant S-13713 (Lot 12-J);   |
| 2. | 237 <sup>o</sup> | 13' | 30" | 533.04 | feet along the remainder of Grant S-13713 (Lots 12-F and 12-E);   |
| 3. | 327 <sup>o</sup> | 13' | 30" | 15.00  | feet along the remainder of Grant S-13713 (Lot 12-D);   |
| 4. | 237 <sup>o</sup> | 13' | 30" | 530.66 | feet along the remainder of Grant S-13713 (Lot 12-D) to the point of beginning and containing an area of 7,978 square feet. |

SUBJECT, HOWEVER, to the following:

1. Reserving to the State of Hawaii in perpetuity for itself, its lessees, licensees and grantees Easement F, fifteen (15.00) feet wide, for ditch purposes over, upon and across the above-described land, together with rights of ingress and egress thereto for the construction, inspection, maintenance, re-construction and repair of said ditch, as reserved in Land Patent Grant No. S-13,713 dated August 19, 1960.

2. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity all of the waters from Kapahi Water Tank and Easement L for the free flowage of said waters into and through the gulch located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

3. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to that portion of the stream which passes over and across the above-described land, as reserved in Land Patent Grant No. S-13,713.

4. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to all springs which are or may be located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

5. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all rights to ground but not to surface waters which are or may be appurtenant to the hereinabove described land or the ownership thereof.

6. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine, and remove minerals and to occupy and use so much of the surface

of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to occupy and use said land, to permanent improvements placed upon the land.

"Minerals" within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided that "minerals" shall not include sand, rock, gravel, and other similar materials when used in road or building construction.

7. Restrictive covenants and conditions set forth in Land Patent Grant No. S-13,713.

8. Easement 4 in favor of Lots 12-E, 12-G and 12-H for access and utility purposes, said Easement 4 being more particularly described as follows:

EASEMENT 4

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,222.90 feet North and 3,959.11 feet East, thence running by azimuths measured clockwise from true South:

|    |              |        |  |
|----|--------------|--------|--|
| 1. | 237° 13' 30" | 530.66 | feet along the remainder of Grant S-13713 (Lot 12-E);  |
| 2. | 327° 13' 30" | 15.00  | feet along the remainder of Grant S-13713 (Lot 12-D);  |
| 3. | 237° 13' 30" | 528.28 | feet along the remainder of Grant S-13713 (Lots 12-G and 12-H);  |
| 4. | 138° 12' 30" | 15.19  | feet along the North side of Kaapuni Road to the point of beginning and containing an area of 7,942 square feet. |

9. A 3-foot wide future road widening reserve along Kaapuni Road. There shall be no new structures permitted within the reserve, and any new structures shall be setback an adequate distance from Kaapuni Road so as to meet all

setback requirements as though Kaapuni Road was widened to the extent of the road widening reserve.

10. A building setback line and drainageway, all as shown on the subdivision map for the Mamoru Wakuta and Kishiye Wakuta Subdivision. No structures, fills or any obstruction shall be built or allowed within this building setback and drainage setback. Each lot owner upon whose lot this building setback line and drainageway setback crosses shall keep the said setback and drainageway free from debris, structures, types of vegetation, or other obstacles which may tend to obstruct the flow of waters and storm runoff through this drainageway, shall accept the storm flows that result from the development of the basin as shown on the County General Plans, shall accept and expect damages such as erosion with flowages of water and the County shall not be held responsible for any damages, and shall take precautions during flood times since high flows and velocities can be expected.

11. The uses on the newly-created lots shall be limited to those listed as permissible uses within the "A" Agriculture District in the State Land Use Commission Rules and Regulations. Dwellings on the lot shall mean a single-family dwelling located on and used in connection with a farm where agriculture activity provides income to the family occupying the dwelling. Further, and notwithstanding that the same may be a permitted use within the "A" Agriculture District as well as the County of Kauai's "Agriculture" zoning, no piggeries shall be permitted to be operated on the said lot; provided that this restriction shall not prohibit the raising for personal use and consumption by the owner(s) of this Lot of not more than two (2) pigs at the same time.

EXHIBIT "F"

LOT 12-E

LAND SITUATED AT KAPAA, KAWAIIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Southwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,222.90 feet North and 3,959.11 feet East, thence running by azimuths measured clockwise from true South:

- |    |      |     |     |        |  |
|----|------|-----|-----|--------|--|
| 1. | 138° | 12' | 30" | 15.19  | feet along the North side of Kaapuni Road;   |
| 2. | 237° | 13' | 30" | 211.65 | feet along the remainder of Grant S-13713 (Lot 12-F);  |
| 3. | 147° | 13' | 30" | 246.25 | feet along the remainder of Grant S-13713 (Lot 12-F);  |
| 4. | 237° | 13' | 30" | 321.39 | feet along the remainder of Grant S-13713 (Lot 12-B);  |
| 5. | 57°  | 13' | 30" | 530.66 | feet along the remainder of Grant S-13713 (Lot 12-D);  |
| 6. | 138° | 12' | 30" | 15.19  | feet along the North side of Kaapuni Road to the point of beginning and containing an area of 2.000 acres. |

TOGETHER WITH EASEMENT 4 for access and utility purposes, said Easement 4 being more particularly described as follows:

EASEMENT 4

LAND SITUATED AT KAPAA, KAWAIIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,222.90 feet North and 3,959.11 feet East, thence running by azimuths measured clockwise from true South:

|    |      |     |     |        |  |
|----|------|-----|-----|--------|--|
| 1. | 237° | 13' | 30" | 530.66 | feet along the remainder of Grant S-13713 (Lot 12-E);  |
| 2. | 327° | 13' | 30" | 15.00  | feet along the remainder of Grant S-13713 (Lot 12-D);  |
| 3. | 237° | 13' | 30" | 528.28 | feet along the remainder of Grant S-13713 (Lots 12-G and 12-H);  |
| 4. | 138° | 12' | 30" | 15.19  | feet along the North side of Kaapuni Road to the point of beginning and containing an area of 7,942 square feet. |

SUBJECT, HOWEVER, to the following:

1. Reserving to the State of Hawaii in perpetuity for itself, its lessees, licensees and grantees Easement F, fifteen (15.00) feet wide, for ditch purposes over, upon and across the above-described land, together with rights of ingress and egress thereto for the construction, inspection, maintenance, re-construction and repair of said ditch, as reserved in Land Patent Grant No. S-13,713 dated August 19, 1960.

2. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity all of the waters from Kapahi Water Tank and Easement L for the free flowage of said waters into and through the gulch located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

3. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to that portion of the stream which passes over and across the above-described land, as reserved in Land Patent Grant No. S-13,713.

4. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to all springs which are or may be located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

5. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all rights to ground but not to surface waters which are or may be appurtenant to the hereinabove described land or the ownership thereof.

6. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine, and remove minerals and to occupy and use so much of the surface of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to

occupy and use said land, to permanent improvements placed upon the land.

"Minerals" within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided that "minerals" shall not include sand, rock, gravel, and other similar materials when used in road or building construction.

7. Restrictive covenants and conditions set forth in Land Patent Grant No. S-13,713.

8. Easement 3 in favor of Lots 12-D, 12-G and 12-H for access and utility purposes, said Easement 3 being more particularly described as follows:

EASEMENT 3

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,222.90 feet North and 3,959.11 feet East, thence running by azimuths measured clockwise from true South:

|    |                  |     |     |        |   |
|----|------------------|-----|-----|--------|---|
| 1. | 138 <sup>o</sup> | 12' | 30" | 15.19  | feet along the remainder of Grant S-13713 (Lot 12-J);   |
| 2. | 237 <sup>o</sup> | 13' | 30" | 533.04 | feet along the remainder of Grant S-13713 (Lots 12-F and 12-E);   |
| 3. | 327 <sup>o</sup> | 13' | 30" | 15.00  | feet along the remainder of Grant S-13713 (Lot 12-D);   |
| 4. | 237 <sup>o</sup> | 13' | 30" | 530.66 | feet along the remainder of Grant S-13713 (Lot 12-D) to the point of beginning and containing an area of 7,978 square feet. |

9. A 3-foot wide future road widening reserve along Kaapuni Road. There shall be no new structures permitted within the reserve, and any new structures shall be setback an adequate distance from Kaapuni Road so as to meet all setback requirements as though Kaapuni Road was widened to the extent of the road widening reserve.

10. A building setback line and drainageway, all as shown on the subdivision map for the Mamoru Wakuta and Kishiye Wakuta Subdivision. No structures, fills or any obstruction shall be built or allowed within this building setback and drainage setback. Each lot owner upon whose lot this building setback line and drainageway setback crosses shall keep the said setback and drainageway free from debris, structures, types of vegetation, or other obstacles which may tend to obstruct the flow of waters and storm runoff through this drainageway, shall accept the storm flows that result from the development of the basin as shown on the County General Plans, shall accept and expect damages such as erosion with flowages of water and the County shall not be held responsible for any damages, and shall take precautions during flood times since high flows and velocities can be expected.

11. The uses on the newly-created lots shall be limited to those listed as permissible uses within the "A" Agriculture District in the State Land Use Commission Rules and Regulations. Dwellings on the lot shall mean a single-family dwelling located on and used in connection with a farm where agriculture activity provides income to the family occupying the dwelling. Further, and notwithstanding that the same may be a permitted use within the "A" Agriculture District as well as the County of Kauai's "Agriculture" zoning, no piggeries shall be permitted to be operated on the said lot; provided that this restriction shall not prohibit the raising for personal use and consumption by the owner(s) of this Lot of not more than two (2) pigs at the same time.

EXHIBIT "G"

LOT 12-F

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHU FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the West corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,394.63 feet North and 3,743.24 feet East, thence running by azimuths measured clockwise from true South:

- |    |       |     |     |        |  |
|----|-------|-----|-----|--------|--|
| 1. | 237 ° | 13' | 30" | 297.81 | feet along the remainder of Grant S-13713 (Lot 12-C);  |
| 2. | 327 ° | 13' | 30" | 246.25 | feet along the remainder of Grant S-13713 (Lot 12-E);  |
| 3. | 57 °  | 13' | 30" | 211.65 | feet along the remainder of Grant S-13713 (Lot 12-E);  |
| 4. | 138 ° | 12' | 30" | 65.83  | feet along the North side of Kaapuni Road;<br><br>thence along the North side of Kaapuni Road on a curve to the left with a radius of 415.00 feet, the chord azimuth and distance being: |
| 5. | 124 ° | 31' |     | 196.46 | feet to the point of beginning and containing an area of 1.369 acres.  |

SUBJECT, HOWEVER, to the following:

1. Reserving to the State of Hawaii in perpetuity for itself, its lessees, licensees and grantees Easement F, fifteen (15.00) feet wide, for ditch purposes over, upon and across the above-described land, together with rights of ingress and egress thereto for the construction, inspection, maintenance, re-construction and repair of said ditch, as reserved in Land Patent Grant No. S-13,713 dated August 19, 1960.

2. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity all of the waters from Kapahi Water Tank and Easement L for the free flowage of said waters into and through the gulch located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

3. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to that portion of the stream which passes over and across the above-described land, as reserved in Land Patent Grant No. S-13,713.

4. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to all springs which are or may be located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

5. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all rights to ground but not to surface waters which are or may be appurtenant to the hereinabove described land or the ownership thereof.

6. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine, and remove minerals and to occupy and use so much of the surface of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to occupy and use said land, to permanent improvements placed upon the land.

"Minerals" within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided that "minerals" shall not include sand, rock, gravel, and other similar materials when used in road or building construction.

7. Restrictive covenants and conditions set forth in Land Patent Grant No. S-13,713.

8. A 3-foot wide future road widening reserve along Kaapuni Road. There shall be no new structures permitted within the reserve, and any new structures shall be setback an adequate distance from Kaapuni Road so as to meet all setback requirements as though Kaapuni Road was widened to the extent of the road widening reserve.

9. A building setback line and drainageway, all as shown on the subdivision map for the Mamoru Wakuta and Kishiye Wakuta Subdivision. No structures, fills or any obstruction shall be built or allowed within this building setback and drainage setback. Each lot owner upon whose lot this building setback line and drainageway setback crosses shall keep the said setback and drainageway free from debris, structures, types of vegetation, or other obstacles which may tend to obstruct the flow of waters and storm runoff through this drainageway, shall accept the storm flows that result from the development of the basin as shown on the County General Plans, shall accept and expect damages such as erosion with flowages of water and the County shall not be held responsible for any damages, and shall take

precautions during flood times since high flows and velocities can be expected.

10. The uses on the newly-created lots shall be limited to those listed as permissible uses within the "A" Agriculture District in the State Land Use Commission Rules and Regulations. Dwellings on the lot shall mean a single-family dwelling located on and used in connection with a farm where agriculture activity provides income to the family occupying the dwelling. Further, and notwithstanding that the same may be a permitted use within the "A" Agriculture District as well as the County of Kauai's "Agriculture" zoning, no piggeries shall be permitted to be operated on the said lot; provided that this restriction shall not prohibit the raising for personal use and consumption by the owner(s) of this Lot of not more than two (2) pigs at the same time.

EXHIBIT "H"

LOT 12-G

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Southwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 11,834.14 feet North and 4,220.62 feet East, thence running by azimuths measured clockwise from true South:

- |    |                  |     |     |        |  |
|----|------------------|-----|-----|--------|--|
| 1. | 237 <sup>o</sup> | 13' |     | 250.00 | feet along the remainder of Grant S-13713 (Lot 12-J);  |
| 2. | 165 <sup>o</sup> | 38' | 33" | 477.64 | feet along the remainder of Grant S-13713 (Lots 12-J, 12-I and 12-H);                                      |
| 3. | 237 <sup>o</sup> | 13' | 30" | 406.95 | feet along the remainder of Grant S-13713 (Lot 12-D);  |
| 4. | 327 <sup>o</sup> | 13' | 30" | 467.61 | feet along Grant 13212 (Lot 11);   |
| 5. | 57 <sup>o</sup>  | 10' |     | 809.42 | feet along Grant S-13745 (Lot 13);   |
| 6. | 153 <sup>o</sup> | 11' | 30" | 15.08  | feet along the North side of Kaapuni Road to the point of beginning and containing an area of 5.293 acres. |

TOGETHER WITH EASEMENTS 3 and 4 for access and utility purposes, said Easements 3 and 4 being more particularly described as follows:

EASEMENT 3

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,222.90 feet North and

3,959.11 feet East, thence running by azimuths measured clockwise from true South:

1. 138<sup>o</sup> 12' 30" 15.19 feet along the remainder of Grant S-13713 (Lot 12-J);
2. 237<sup>o</sup> 13' 30" 533.04 feet along the remainder of Grant S-13713 (Lots 12-F and 12-E);
3. 327<sup>o</sup> 13' 30" 15.00 feet along the remainder of Grant S-13713 (Lot 12-D);
4. 237<sup>o</sup> 13' 30" 530.66 feet along the remainder of Grant S-13713 (Lot 12-D) to the point of beginning and containing an area of 7,978 square feet.

and

#### EASEMENT 4

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,222.90 feet North and 3,959.11 feet East, thence running by azimuths measured clockwise from true South:

1. 237<sup>o</sup> 13' 30" 530.66 feet along the remainder of Grant S-13713 (Lot 12-E);
2. 327<sup>o</sup> 13' 30" 15.00 feet along the remainder of Grant S-13713 (Lot 12-D);
3. 237<sup>o</sup> 13' 30" 528.28 feet along the remainder of Grant S-13713 (Lots 12-G and 12-H);
4. 138<sup>o</sup> 12' 30" 15.19 feet along the North side of Kaapuni Road to the point of beginning and containing an area of 7,942 square feet.

SUBJECT, HOWEVER, to the following:

1. Reserving to the State of Hawaii in perpetuity for itself, its lessees, licensees and grantees Easement F, fifteen (15.00) feet wide, for ditch purposes over, upon and across the above-described land, together with rights of ingress and egress thereto for the construction, inspection, maintenance, re-construction and repair of said ditch, as reserved in Land Patent Grant No. S-13,713 dated August 19, 1960.

2. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity all of the waters from Kapahi Water Tank and Easement L for the free flowage of said waters into and through the gulch located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

3. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to that portion of the stream which passes over and across the above-described land, as reserved in Land Patent Grant No. S-13,713.

4. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to all springs which are or may be located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

5. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all rights to ground but not to surface waters which are or may be appurtenant to the hereinabove described land or the ownership thereof.

6. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine, and remove minerals and to occupy and use so much of the surface of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to occupy and use said land, to permanent improvements placed upon the land.

"Minerals" within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided that "minerals" shall not include sand, rock, gravel, and other similar materials when used in road or building construction.

7. Restrictive covenants and conditions set forth in Land Patent Grant No. S-13,713.

8. A 3-foot wide future road widening reserve along Kaapuni Road. There shall be no new structures permitted within the reserve, and any new structures shall be setback an adequate distance from Kaapuni Road so as to meet all setback requirements as though Kaapuni Road was widened to the extent of the road widening reserve.

9. A building setback line and drainageway, all as shown on the subdivision map for the Mamoru Wakuta and Kishiye Wakuta Subdivision. No structures, fills or any obstruction shall be built or allowed within this building setback and drainage setback. Each lot owner upon whose lot this building setback line and drainageway setback crosses shall keep the said setback and drainageway free from debris, structures, types of vegetation, or other obstacles which may tend to obstruct the flow of waters and storm runoff through this drainageway, shall accept the storm flows that result from the development of the basin as shown on the County General Plans, shall accept and expect damages such as erosion with flowages of water and the County shall not be held responsible for any damages, and shall take precautions during flood times since high flows and velocities can be expected.

10. The uses on the newly-created lots shall be limited to those listed as permissible uses within the "A" Agriculture District in the State Land Use Commission Rules and Regulations. Dwellings on the lot shall mean a single-family dwelling located on and used in connection with a farm where agriculture activity provides income to the family occupying the dwelling. Further, and notwithstanding that the same may be a permitted use within the "A" Agriculture District as well as the County of Kauai's "Agriculture" zoning, no piggeries shall be permitted to be operated on the said lot; provided that this restriction shall not prohibit the raising for personal use and consumption by the owner(s) of this Lot of not more than two (2) pigs at the same time.

EXHIBIT "I"

LOT 12-H

LAND SITUATED AT KAPAA, KAWAIIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the South corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,098.15 feet North and 4,069.98 feet East, thence running by azimuths measured clockwise from true South:

|    |                  |     |     |  |
|----|------------------|-----|-----|--|
|    |                  |     |     | Thence along the North side of Kaapuni Road on a curve to the left with a radius of 625.00 feet, the chord azimuth and distance being: |
| 1. | 139 <sup>o</sup> | 19' | 53" | 24.50 feet;  |
| 2. | 138 <sup>o</sup> | 12' | 30" | 127.21 feet along the North side of Kaapuni Road;  |
| 3. | 237 <sup>o</sup> | 13' | 30" | 407.95 feet along the remainder of Grant S-13713 (Lot 12-D);   |
| 4. | 345 <sup>o</sup> | 38' | 33" | 157.64 feet along the remainder of Grant S-13713 (Lot 12-G);   |
| 5. | 57 <sup>o</sup>  | 10' |     | 334.84 feet along the remainder of Grant S-13713 (Lot 12-I) to the point of beginning and containing an area of 1.276 acres.           |

TOGETHER WITH EASEMENTS 3 and 4 for access and utility purposes, said Easements 3 and 4 being more particularly described as follows:

EASEMENT 3

LAND SITUATED AT KAPAA, KAWAIIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey

Triangulation Station "NONOU" being 12,222.90 feet North and 3,959.11 feet East, thence running by azimuths measured clockwise from true South:

- |    |                  |     |     |        |   |
|----|------------------|-----|-----|--------|---|
| 1. | 138 <sup>o</sup> | 12' | 30" | 15.19  | feet along the remainder of Grant S-13713 (Lot 12-J);   |
| 2. | 237 <sup>o</sup> | 13' | 30" | 533.04 | feet along the remainder of Grant S-13713 (Lots 12-F and 12-E);   |
| 3. | 327 <sup>o</sup> | 13' | 30" | 15.00  | feet along the remainder of Grant S-13713 (Lot 12-D);   |
| 4. | 237 <sup>o</sup> | 13' | 30" | 530.66 | feet along the remainder of Grant S-13713 (Lot 12-D) to the point of beginning and containing an area of 7,978 square feet. |

and

EASEMENT 4

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Northwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,222.90 feet North and 3,959.11 feet East, thence running by azimuths measured clockwise from true South:

- |    |                  |     |     |        |  |
|----|------------------|-----|-----|--------|--|
| 1. | 237 <sup>o</sup> | 13' | 30" | 530.66 | feet along the remainder of Grant S-13713 (Lot 12-E);  |
| 2. | 327 <sup>o</sup> | 13' | 30" | 15.00  | feet along the remainder of Grant 13713 (Lot 12-D);  |
| 3. | 237 <sup>o</sup> | 13' | 30" | 528.28 | feet along the remainder of Grant S-13713 (Lots 12-G and 12-H);  |
| 4. | 138 <sup>o</sup> | 12' | 30" | 15.19  | feet along the North side of Kaapuni Road to the point of beginning and containing an area of 7,942 square feet. |

SUBJECT, HOWEVER, to the following:

1. Reserving to the State of Hawaii in perpetuity for itself, its lessees, licensees and grantees Easement F, fifteen (15.00) feet wide, for ditch purposes over, upon and across the above-described land, together with rights of ingress and egress thereto for the construction, inspection, maintenance, re-construction and repair of said ditch, as reserved in Land Patent Grant No. S-13,713 dated August 19, 1960.

2. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity all of the waters from Kapahi Water Tank and Easement L for the free flowage of said waters into and through the gulch located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

3. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to that portion of the stream which passes over and across the above-described land, as reserved in Land Patent Grant No. S-13,713.

4. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to all springs which are or may be located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

5. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all rights to ground but not to surface waters which are or may be appurtenant to the hereinabove described land or the ownership thereof.

6. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine, and remove minerals and to occupy and use so much of the surface of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to occupy and use said land, to permanent improvements placed upon the land.

"Minerals" within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided that "minerals" shall not include sand, rock, gravel, and other similar materials when used in road or building construction.

7. Restrictive covenants and conditions set forth in Land Patent Grant No. S-13,713.

8. A 3-foot wide future road widening reserve along Kaapuni Road. There shall be no new structures permitted within the reserve, and any new structures shall be setback an adequate distance from Kaapuni Road so as to meet all setback requirements as though Kaapuni Road was widened to the extent of the road widening reserve.

9. A building setback line and drainageway, all as shown on the subdivision map for the Mamoru Wakuta and Kishiye Wakuta Subdivision. No structures, fills or any obstruction shall be built or allowed within this building setback and drainage setback. Each lot owner upon whose lot this building setback line and drainageway setback crosses shall keep the said setback and drainageway free from debris, structures, types of vegetation, or other obstacles which may tend to obstruct the flow of waters and storm runoff through this drainageway, shall accept the storm flows that result from the development of the basin as shown on the County General Plans, shall accept and expect damages such as erosion with flowages of water and the County shall not be held responsible for any damages, and shall take precautions during flood times since high flows and velocities can be expected.

10. The uses on the newly-created lots shall be limited to those listed as permissible uses within the "A" Agriculture District in the State Land Use Commission Rules and Regulations. Dwellings on the lot shall mean a single-family dwelling located on and used in connection with a farm where agriculture activity provides income to the family occupying the dwelling. Further, and notwithstanding that the same may be a permitted use within the "A" Agriculture District as well as the County of Kauai's "Agriculture" zoning, no piggeries shall be permitted to be operated on the said lot; provided that this restriction shall not prohibit the raising for personal use and consumption by the owner(s) of this Lot of not more than two (2) pigs at the same time.

EXHIBIT "J"

LOT 12-I

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the West corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 12,098.15 feet North and 4,069.98 feet East, thence running by azimuths measured clockwise from true South:

- |    |       |     |     |        |  |
|----|-------|-----|-----|--------|--|
| 1. | 237 ° | 10' |     | 334.84 | feet along the remainder of Grant S-13713 (Lot 12-H);  |
| 2. | 345 ° | 38' | 33" | 151.75 | feet along the remainder of Grant S-13713 (Lot 12-G);  |
| 3. | 238 ° | 13' | 25" | 285.97 | feet along the remainder of Grant S-13713 (Lot 12-J);  |
|    |       |     |     |        | thence along the North side of Kaapuni road on a curve to the left with a radius of 625.00 feet, the chord azimuth and distance being: |
| 4. | 146 ° | 49' | 23" | 138.66 | feet to the point of beginning and containing an area of 1.000 acres.  |

SUBJECT, HOWEVER, to the following:

1. Reserving to the State of Hawaii in perpetuity for itself, its lessees, licensees and grantees Easement F, fifteen (15.00) feet wide, for ditch purposes over, upon and across the above-described land, together with rights of ingress and egress thereto for the construction, inspection, maintenance, re-construction and repair of said ditch, as reserved in Land Patent Grant No. S-13,713 dated August 19, 1960.

2. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity all of the waters from Kapahi Water Tank and Easement L for the free flowage of said waters into and through the gulch located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

3. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to that portion of the stream which passes over and across the above-described land, as reserved in Land Patent Grant No. S-13,713.

4. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to all springs which are or may be located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

5. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all rights to ground but not to surface waters which are or may be appurtenant to the hereinabove described land or the ownership thereof.

6. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine, and remove minerals and to occupy and use so much of the surface of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to occupy and use said land, to permanent improvements placed upon the land.

"Minerals" within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided that "minerals" shall not include sand, rock, gravel, and other similar materials when used in road or building construction.

7. Restrictive covenants and conditions set forth in Land Patent Grant No. S-13,713.

8. A 3-foot wide future road widening reserve along Kaapuni Road. There shall be no new structures permitted within the reserve, and any new structures shall be setback an adequate distance from Kaapuni Road so as to meet all setback requirements as though Kaapuni Road was widened to the extent of the road widening reserve.

9. A building setback line and drainageway, all as shown on the subdivision map for the Mamoru Wakuta and Kishiye Wakuta Subdivision. No structures, fills or any obstruction shall be built or allowed within this building setback and drainage setback. Each lot owner upon whose lot this building setback line and drainageway setback crosses shall keep the said setback and drainageway free from debris, structures, types of vegetation, or other obstacles which may tend to obstruct the flow of waters and storm runoff through this drainageway, shall accept the storm flows that result from the development of the basin as shown on the County General Plans, shall accept and expect damages such as erosion with flowages of water and the County shall not be held responsible for any damages, and shall take precautions during flood times since high flows and velocities can be expected.

10. The uses on the newly-created lots shall be limited to those listed as permissible uses within the "A" Agriculture District in the State Land Use Commission Rules

and Regulations. Dwellings on the lot shall mean a single-family dwelling located on and used in connection with a farm where agriculture activity provides income to the family occupying the dwelling. Further, and notwithstanding that the same may be a permitted use within the "A" Agriculture District as well as the County of Kauai's "Agriculture" zoning, no piggeries shall be permitted to be operated on the said lot; provided that this restriction shall not prohibit the raising for personal use and consumption by the owner(s) of this Lot of not more than two (2) pigs at the same time.

EXHIBIT "K"

LOT 12-J

LAND SITUATED AT KAPAA, KAWAIHAU, (PUNA), KAUAI, HAWAII

Being Portion of Lot 12, "KAPAHI FARM LOTS"

Being also Land Patent Grant Number S-13713 to  
Mamoru Wakuta and Kishiye Okumura Wakuta

Beginning at the Southwest corner of this parcel of land on the North side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 11,834.14 feet North and 4,220.62 feet East, thence running by azimuths measured clockwise from true South:

- |    |      |     |     |        |  |
|----|------|-----|-----|--------|--|
| 1. | 153° | 11' | 30" | 165.77 | feet along the North side of Kaapuni Road;   |
| 2. | 238° | 13' | 25" | 285.97 | feet along the remainder of Grant S-13713 (Lot 12-I);  |
| 3. | 345° | 38' | 33" | 168.25 | feet along the remainder of Grant S-13713 (Lot 12-G);  |
| 4. | 57°  | 10' |     | 250.00 | feet along the remainder of Grant S-13713 (Lot 12-G) to the point of beginning and containing an area of 1.000 acre. |

SUBJECT, HOWEVER, to the following:

1. Reserving to the State of Hawaii in perpetuity for itself, its lessees, licensees and grantees Easement F, fifteen (15.00) feet wide, for ditch purposes over, upon and across the above-described land, together with rights of ingress and egress thereto for the construction, inspection, maintenance, re-construction and repair of said ditch, as reserved in Land Patent Grant No. S-13,713 dated August 19, 1960.

2. Reserving also to the State of Hawaii, its successors and assigns, as may be applicable, in perpetuity all of the waters from Kapahi Water Tank and Easement L for the free flowage of said waters into and through the gulch located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

3. Reserving also to the State of Hawaii, its successors and assigns, as may be applicable, the waters and all riparian and other rights in and to that portion of the stream which passes over and across the above-described land, as reserved in Land Patent Grant No. S-13,713.

4. Reserving also to the State of Hawaii, its successors and assigns, the waters and all riparian and other rights in and to all springs, as may be applicable, which are or may be located on the above-described land, as reserved in Land Patent Grant No. S-13,713.

5. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all rights to ground but not to surface waters which are or may be appurtenant to the hereinabove described land or the ownership thereof.

6. Reserving also to the State of Hawaii, its successors and assigns, in perpetuity, all minerals in, on or under the land and the right, on its own behalf or through persons authorized by it, to prospect for, mine, and remove minerals and to occupy and use so much of the surface of the land as may be required for all purposes reasonably extending to the mining and removal of such minerals by any means whatsoever, conditioned upon the payment, prior to any exercise of such right, of compensation for destruction of or damage or injury, caused by the exercise of such right to occupy and use said land, to permanent improvements placed upon the land.

"Minerals" within the meaning of such reservation shall mean any or all oil, gas, coal, phosphate, sodium, sulfur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided that "minerals" shall not include sand, rock, gravel, and other similar materials when used in road or building construction.

7. Restrictive covenants and conditions set forth in Land Patent Grant No. S-13,713.

8. A 3-foot wide future road widening reserve along Kaapuni Road. There shall be no new structures permitted within the reserve, and any new structures shall be setback an adequate distance from Kaapuni Road so as to meet all setback requirements as though Kaapuni Road was widened to the extent of the road widening reserve.

9. The uses on the newly-created lots shall be limited to those listed as permissible uses within the "A" Agriculture District in the State Land Use Commission Rules and Regulations. Dwellings on the lot shall mean a single-family dwelling located on and used in connection with a farm where agriculture activity provides income to the family occupying the dwelling. Further, and notwithstanding that the same may be a permitted use within the "A" Agriculture District as well as the County of Kauai's "Agriculture" zoning, no piggeries shall be permitted to be operated on the said lot; provided that this restriction shall not prohibit the raising for personal use and consumption by the owner(s) of this Lot of not more than two (2) pigs at the same time.