CONDOMINIUM PUBLIC REPORT

Prepared &
Issued by: Developer: STEVEN JUN NISHIMURA, LAWRENCE SHIRO NISHIMURA, and WAYNE KEIO NISHIMURA
Address: P. O. Box 202, Kalaheo, Kauai, Hawaii 96741

Project Name(*): Na Hale O'Kuli Condominium
Address: Lot 6, Kalaheo Homesteads, Kalaheo, Kauai, Hawaii

Registration No. 4389

Effective date: May 10, 2000
Expiration date: June 10, 2001

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

FORM: RECO-30 286/986/189/892/0197/1098
This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2644 to submit your request.

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

[ ] Required and attached to this report [X] 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.

[X] 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 are presently NO RESIDENTIAL STRUCTURES ON THE PROPERTY. The only buildings on the property are agricultural shade sheds, each of 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 governmental 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.

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.

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
I.	PERSONS CONNECTED WITH THE PROJECT	5
	Developer / Attorney for Developer / General Contractor	
	Real Estate Broker / Escrow Company / Condominium Managing Agent	
II.	CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
	A. Declaration	6
	B. Condominium Map (File Plan)	6
	C. Bylaws	6
	D. House Rules	7
	E. Changes to Condominium Documents	7
III.	THE CONDOMINIUM PROJECT	
	A. Interest to be Conveyed to Buyer	8
	B. Underlying Land	9
	C. Buildings and Other Improvements	10
	D. Common Elements, Limited Common Elements, Common Interest	13
	E. Encumbrances Against Title	14
	F. Construction Warranties	15
	G. Status of Construction	16
	H. Project Phases	16
IV.	CONDOMINIUM MANAGEMENT	
	A. Management of the Common Elements	17
	B. Estimate of Initial Maintenance Fees	17
	C. Utility Charges for Apartments	17
V.	MISCELLANEOUS	
	A. Sales Documents Filed with the Real Estate Commission	18
	B. Buyer's Right to Cancel Sales Contract	18
	C. Additional Information Not Covered Above	20
	D. Signature of Developer	21

EXHIBIT A: DESCRIPTION OF BUILDINGS/LIMITS OF UNITS
EXHIBIT B: ALTERATION OF PROJECT
EXHIBIT C: COMMON ELEMENTS
EXHIBIT D: LIMITED COMMON ELEMENTS
EXHIBIT E: ENCUMBRANCES AGAINST TITLE
EXHIBIT F: ESTIMATE OF INITIAL MAINT. FEES & ESTIMATE OF MAINT. FEE DISBURSEMENTS
EXHIBIT G: SUMMARY OF DEPOSIT RECEIPT AND SALES CONTRACT
EXHIBIT H: SUMMARY OF ESCROW AGREEMENT
EXHIBIT I: FARM DWELLING AGREEMENT (Sample Form)
EXHIBIT J: DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

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:	STEVEN JUN NISHIMURA LAWRENCE SHIRO NISHIMURA P. O. Box 202 Kalaheo, Kauai, Hawaii 96741 WAYNE KEIO NISHIMURA 3205 Nakamura Street Lihue, Kauai, Hawaii 96766	Phone: (808) 245-6935
Real Estate Broker:	KAUAI REALTY, INC. P. O. Box 1246 Lihue, Kauai, Hawaii 96766	Phone: (808) 245-1651
Escrow:	TITLE GUARANTY ESCROW SERVICES, INC. 235 Queen Street Honolulu, Hawaii 96813	Phone: (808) 245-3381
General Contractor:	LARRY IIDA CONSTRUCTION 5001 Manako Place Kapaa, Kauai, Hawaii 96746	Phone: (808) 822-5374
Condominium Managing Agent:	Self-managed by Association of Unit Owners	
Attorney for Developer:	MAX W. J. GRAHAM, JR. BELLES GRAHAM PROUDFOOT & WILSON 4334 Rice Street, Suite 202 Lihue, Kauai, Hawaii 96766	Phone: (808) 245-4705

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

[ ] Proposed
[X] Recorded - Bureau of Conveyances: Document No. 2000-029931
Book_____ Page _____
[ ] Filed - Land Court: Document No._____

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

First Amendment to Declaration of Condominium Property Regime of Na Hale O'Kuli Condominium, dated March 24, 2000, and recorded as Document No. 2000-043189.

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
[X] Recorded - Bureau of Conveyances Condo Map No. 3047
[ ] 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
[X] Recorded - Bureau of Conveyances: Document No. 2000-029932
Book_____Page_____
[ ] Filed - Land Court: Document No. _____

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

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

The House Rules for this condominium are:

[ ] Proposed [ ] Adopted [X] Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents**

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

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

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

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

2. Developer

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

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

The Developer reserves the right to change the Declaration and Condminium Map as provided for in Section M.2. of the Declaration, and further the Developer reserves the right to change the Bylaws as provided for in Section 13.5 of the Bylaws.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

[ ] Leasehold or Sub-leasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

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

Exhibit_____contains further explanation regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires:_____ Rent Renegotiation Date(s): _____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

Exhibit_____contains a schedule of the lease rent for each apartment per [ ] Month [ ] Year

For Sub-leaseholds:

[ ] Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
[ ] Canceled [ ] Foreclosed

[ ] As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

[ ] Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Sub-leasehold:

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

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

Lease Term Expires: _____ Rent Renegotiation Date(s): _____

Lease Rent Payable: [ ] Monthly [ ] Quarterly
[ ] Semi-Annually [ ] Annually

Exhibit_____contains a schedule of the lease rent for each apartment per: [ ] Month [ ] Year

[ ] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

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

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

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

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

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

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

B. Underlying Land:

Address: Lot 6, Kalaheo Homesteads
Kalaheo, Kauai, Hawaii

Tax Map Key: (TMK): (4) 2-4-01:83

[X] Address [X] TMK is expected to change because addresses will be assigned by the County when houses are constructed; CPR numbers will be added to the current TMK number

Land Area: 2.0 [ ] square feet [X] acre(s) Zoning: Agriculture

Fee Owner: STEVEN JUN NISHIMURA
LAWRENCE SHIRO NISHIMURA
P. O. Box 202
Kalaheo, Kauai, Hawaii 96741

WAYNE KEIO NISHIMURA
3461 Maona Road
Lihue, Kauai, Hawaii 96766

Lessor: N/A

C. Buildings and Other Improvements:

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

2. Number of Buildings: 2 Floors Per Building 1

   [X] Exhibit "A" contains further explanations.

3. Principal Construction Material:

   [ ] Concrete [ ] Hollow Tile [ ] Wood

   [X] Other PVC pipes and screen

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning		No. of Apts.	Use Determined By Zoning
[ ] Residential		[X] Yes [ ] No	[ ] Ohana		[ ] Yes [ ] No
[ ] Commercial		[ ] Yes [ ] No	[ ] Industrial		[ ] Yes [ ] No
[ ] Mix Res/Comm		[ ] Yes [ ] No	[X] Agricultural		[X] Yes [ ] No
[ ] Hotel		[ ] Yes [ ] No	[ ] Recreational		[ ] Yes [ ] No
[ ] Timeshare		[ ] Yes [ ] No	[X] Other: Shed	2	[X] Yes [ ] No

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

[X] Yes [ ] No

5. Special Use Restrictions:

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

[X] 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 and Section 8.4 of the Bylaws.

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 0 Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
Unit A	1			64 sq. ft.	Shed
Unit B	1			64 sq. ft.	Shed

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

	Regular		Compact		Tandem		
	Covered	Open	Covered	Open	Covered	Open	TOTAL
Assigned (for each unit)		2					4
Guest							
Unassigned							
Extra for Purchase							
Other:							
Total Covered & Open:		4		0		0	4

Each apartment will have the exclusive use of at least 2 parking stall(s).
There is ample space within the limited common element area for the parking stalls.

[ ] Commercial parking garage permitted in condominium project.

[ ] Exhibit _____ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

[X] There are no recreational or common facilities.

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

[ ] Laundry Area [ ] Tennis Court [ ] Trash Chute

[ ] Other:

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

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

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

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

N/A

11. Conformance to Present Zoning Code

a. [X] No variances to zoning code have been granted.

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

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

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

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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

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

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

D. Common Elements, Limited Common Elements, Common Interests:

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

[X] described in Exhibit "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.

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

[X] described in Exhibit "D".

[ ] as follows:

3. Common Interests: Each apartment will have an undivided fractional interests in all of the common elements. This interest is called the "common interests." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

[ ] described in Exhibit_____.

[X] as follows:

Units A and B shall each have an apurtenant undivided fifty percent (50%) interest in all common elements of the project and the same proportionate share in all common profits and all common expenses of the property (except as may be provided in the Bylaws) and 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.

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 3, 2000

and issued by TITLE GUARANTY OF HAWAII, INC.

Blanket Liens:

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

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

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

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

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

F. Construction Warranties:

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

1. Building and Other Improvements:

None. Units are sold "as is".

2. Appliances:

Any manufacturer's warranties currently in effect.

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

The construction of Units A and B were completed in May, 1999.

H. Project Phases:

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

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

IV. CONDOMINIUM MANAGEMENT

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

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

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

[ ] not affiliated with the Developer
[X] self-managed by the Association of Apartment Owners
[ ] the Developer or the Developer's affiliate.
[ ] other_____

B. **Estimate of Initial Maintenance Fees:**

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your apartment and the apartment may be sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

Exhibit___"F"_____contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. **Utility Charges for Apartments:**

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

[X] None [ ] Electricity (_____ Common Elements only _____Common Elements & Apartments)
[ ] Gas (_____ Common Elements only _____ Common Elements & Apartments)
[ ] Water [ ] Sewer [ ] Television Cable
[ ] Other _____

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

[ ] Notice to Owner Occupants

[X] Specimen Sales Contract
Exhibit "G" contains a summary of the pertinent provisions of the sales contract.

[X] Escrow Agreement dated March 17, 2000
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 be the Hawaii Real Estate Commission.
B) Declaration of Condominium Property Regime, as amended.
C) Bylaws of the Association of Apartment Owners, as amended.
D) House Rules, if any.
E) Condominium Map, as amended.
F) Escrow Agreement.
G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
H) Other

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer 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. 4389 filed with the Real Estate Commission on April 5, 2000.

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

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

C. Additional Information Not Covered Above

1. For the purpose of Exhibit "F" of the Final Condominium Public Report the Developer has not conducted a reserve study in accordance with § 514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

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 Covenants, Conditions and Restrictions, attached hereto as Exhibit "J".

4. The use of hazardous material is restricted except as provided under Article H of the Declaration and all hazardous materials laws.

5. Pursuant to the provisions of the CZO, the Property has a housing density of one single-family dwelling/farm dwelling (referred to in the Declaration as a "Condominium House"). However, pursuant to the provisions of Article 26 of the CZO, the Property is eligible to have a second house, known as an Additional Dwelling Unit ("ADU"), constructed on it provided that certain conditions are met. There are no assurances that such conditions can be met or that the County will approve the construction of an ADU on the Property. Among other things, the Fire Department of the County of Kauai ("Fire Department") has determined that the closest fire hydrant is located too far from the Property, and that this fire hydrant may have insufficient fire flow. If the Fire Department were to

approve a request to construct an ADU, it would require the owner of the ADU to install an approved Residential Home Fire Sprinkler System in compliance with NFPA 13D Standards in the ADU structure, and follow the requirements and restrictions of the Fire Department in this regard.

In addition, the portion of CZO Article 26 which allows the construction of an ADU on lands other than those located within the CZO Residential District will expire on December 31, 2006. Since the Property is not located within the CZO Residential District, this means that the right to construct an ADU on the Property will expire on December 31, 2006.

The first Condominium House constructed on the Property will be considered the permitted single-family dwelling, and will not have to meet the ADU requirements. However, the second home to be constructed on the Property will be considered the ADU, and will have to meet all of the ADU requirements. As a result, there is no guarantee that the owner of Unit A or the owner of Unit B will be allowed to construct a Condominium House on the owner's respective unit if it will be the second home to be constructed, unless it qualifies under, and meets, all of the provisions applicable to an ADU.

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.

STEVEN JUN NISHIMURA
LAWRENCE SHIRO NISHIMURA
WAYNE KEIO NISHIMURA

Owners/Developers

STEVEN JUN NISHIMURA	02/02/00 Date
LAWRENCE SHIRO NISHIMURA	02/02/00 Date
WAYNE KEIO NISHIMURA	02/02/00 Date

Distribution:

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

EXHIBIT "A"

DESCRIPTION OF BUILDINGS

The project consists of two (2) agricultural shade sheds built of PVC pipe and screen, without a basement or foundation.

Units A and B, located as shown on the Condominium Map, both contain a total area of 16 square feet.

The approximate net floor areas of each unit as set forth above is measured from the interior surface of the unit perimeter walls and includes all of the walls and partitions within its perimeter walls.

EXHIBIT "B"

ALTERATION OF PROJECT

Paragraph K 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 any 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 or within the limited common elements or easements 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. If, despite the provisions of this paragraph, any governmental agency shall require some or all of the owners of units in the Project (other than the unit owner applying for the governmental permit) to sign the necessary governmental permit application or related documents, then all of the other unit owners shall be required to sign any such permit applications or related documents as may be necessary to allow a unit owner to obtain the governmental permit authorized by this paragraph.

2. In certain cases, H.R.S. Chapter 205 may require that the Condominium Houses located within the Project qualify and be used as Farm Dwellings. If one or more of the Condominium Houses within the Project must qualify as a Farm Dwelling, then the affected unit owner will be 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 may not allow any Farm Dwelling to be constructed after the first Farm Dwelling within the Project unless the Planning Department inspects the Project to confirm whether agricultural activities are being conducted on the Project in accordance with H.R.S. Chapter 205. 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 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. Any alteration of a unit pursuant to this Paragraph K shall be subject to the following conditions:

(a) All such alterations shall conform with all applicable governmental regulations, laws and 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 Area 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 Area.

(d) The owner of the altered unit shall have the right to utilize, relocate, realign and/or develop additional, central and appurtenant installations for services to the unit affected by such alteration for electricity, sewer and other utilities and services. When necessary, the owner of the altered unit may add, delete, relocate, realign, designate and grant easements and rights-of-way over, under and on the common elements as necessary or desirable in connection therewith. Provided, however, that no work done pursuant to this paragraph shall cause any unreasonable interruption in the service of such utilities to any other part of the Project, nor shall it unreasonably interfere with any other unit owner's use or enjoyment of his unit or Yard Area.

4. Under current laws, the Project is not entitled to construct a Guest House. However, if it becomes possible to construct a Guest House within the Project, then the right to construct said Guest House is reserved to the owner of Unit A. Said right may be assigned by the owner of Unit A to any other unit owner within the Project at any time. 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.

5. Each and every conveyance, lease and mortgage or other lien made or created on any unit and all common interests, limited common elements, 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 the 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 "C"

COMMON ELEMENTS

The common elements of the project shall specifically include, but are not limited to, the following:

1. The land described in Exhibit "A" attached to the Declaration in fee simple.

2. All central and appurtenant installations for common services, including power, light, water, telephone and sewer.

3. Any and all apparatus and installations of common use and all other parts of the project necessary or convenient to its existence, maintenance and safety, or normally in common use.

EXHIBIT "D"

LIMITED COMMON ELEMENTS

Certain units shall have appurtenant thereto easements for the exclusive use of certain limited common elements as follows:

Unit A: The land area under and surrounding Unit A, consisting of approximately 1.015 acres, as designated on the Condominium Map, is reserved for the exclusive use of Unit A for the support of the building and other improvements comprising Unit A, and for the yard, driveway purposes, parking and other permitted uses.

Unit B: The land area under and surrounding Unit B, consisting of approximately 0.985 acres, as designated on the Condominium Map, is reserved for the exclusive use of Unit B for the support of the building and other improvements comprising Unit B, and for the yard, driveway purposes, parking and other permitted uses.

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 Land Patent Grant Number 6965.

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

   > "Excepting and reserving therefrom a right-of-way 60-feet wide across this lot for the Kauai Electric Co.'s transmission line."; as excepted and reserved in Land Patent Grant No. 6956.

3. Unrecorded Pasture Lease between Fusao Tanabe and Ichiyo Tanabe, husband and wife, and Duane T. Shimogawa, as mentioned in Deed dated January 30, 1987, recorded in Liber 20344 at Page 364.

4. Restriction of vehicular access rights along Lot 10, shown on survey map dated March 28, 1991, prepared by Dennis M. Esaki, Registered Professional Surveyor.

5. "Domestic water service for these lots are available from Kuli Road only. Any request for additional water meter service from Kaumualii Highway right-of-way will be dependent on the adequacy of the source, storage and transmission facilities existing at that time.", as shown on survey map prepared by Dennis M. Esaki Registered Professional Land Surveyor, dated March 28, 1991.

6. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Declaration dated June 12, 1991, and recorded in said Bureau as Document No. 91-079658.

7. Any claims or boundary dispute which may exist or arise by reason of the failure of the Deed referred to herein to locate with certainty the boundaries of the Easement A and D described in said instrument.

8. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Farm Dwelling Agreement dated May 27, 1994, recorded in said Bureau as Document No. 94-105512, between Thomas F. Hausa and the County of Kauai Planning Department.

9. Waiver and Release dated February 6, 1996, recorded as Document No. 96-017740, by and between Steven J. Nishimura and the County of Kauai.

EXHIBIT "F"

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Apartment	Monthly Fee	x 12 months	=	Yearly Total
Unit A	$5.00	x 12	=	$60.00
Unit B	$5.00	x 12	=	$60.00

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	
Management	
Management Fee	
Payroll and Payroll Taxes	
Office Expenses	
Insurance	$10.00 x 12 = $120.00
Reserves(*)	
Taxes and Government Assessments	
Audit Fees	
Other	
TOTAL	$120.00

We, STEVEN JUN NISHIMURA, LAWRENCE SHIRO NISHIMURA and WAYNE KEIO NISHIMURA, the owners/developers for the NA HALE O'KULI 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.

STEVEN JUN NISHIMURA	February 2, 2000 Date
LAWRENCE SHIRO NISHIMURA	February 2, 2000 Date
WAYNE KEIO NISHIMURA	February 2, 2000 Date

LIHUE1\25593\1\18183.1\MWG

(*) 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.

Developer discloses that Developer has not conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules.

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 purchaser 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.

(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 "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.

(e) Escrow may not disburse any buyer's funds in the construction of the project until completion of the project and the expiration of the mechanic's and materialmen's lien period. Escrow may disburse prior to completion of the project and expiration of the applicable lien period if the Developers would furnish each purchaser an Owners Title Insurance with an endorsement against any future liens placed on the apartments or project as a result of the development, plus providing the Real Estate Commission a release of the General Contractor's lien rights.

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 king 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:

_____
Planning Director

APPROVED AS TO FORM
AND LEGALITY:

_____
County Attorney

Applicant(s)

_____

_____

_____

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:

91 079685

STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED

[illegible] AM 9 48

S. [illegible], REGISTRAR

LAND COURT SYSTEM

REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL ( )

PICK - UP ( )

Security Title Corporation

EXHIBIT J

LAND COURT | REGULAR SYSTEM

AFTER RECORDATION, RETURN BY MAIL (X) PICK-UP ( )

Max W. J. Graham, Jr.
Lorna A. Nishimitsu
LOWENTHAL, AUGUST & GRAHAM
Kokua Professional Building
2959 Umi Street, Suite 202
Lihue, Kauai, Hawaii 96766

L6138 STC

c:2arr.rky

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

THIS DECLARATION is made by RUSSELL S. KYONO, husband of Letitia M. Kyono, whose residence address is 4691 Akemama Road, Lawai, Kauai, Hawaii, and whose mailing address is P. O. Box 948, Lawai, Kauai, Hawaii 96765, hereinafter called the "Declarant".

W I T N E S S E T H :

WHEREAS, the Declarant is the owner in fee simple of that certain land situated at Kalaheo Homesteads, First Series, Kalaheo, Koloa, Island and County of Kauai, State of Hawaii, (hereinafter "The Property") more particularly described in that certain Quitclaim Deed dated January 30, 1987, between Fusao Tanabe and Ichiyo Tanabe, husband and wife, as Grantor, and Fumie Jane Yoshimori, wife of Tamotsu Yoshimori, et al., as Grantee,

recorded in the Bureau of Conveyances of the State of Hawaii in Liber 20344 at Page 364, incorporated herein by reference; and

WHEREAS, the Declarant is developing The Property into an agricultural subdivision; and

WHEREAS, the County of Kauai Planning Commission ("Planning Commission") has required, in Subdivision Application S-91-53, as a condition for final subdivision approval, that the lots in the subdivision of The Property be subject to certain restrictive covenants and conditions as hereinafter contained and that such conditions and covenants be recorded in the Bureau of Conveyances of the State of Hawaii as conditions running with the land; and

WHEREAS, the Declarant intends to impose certain Easements, Reserves, and other Restrictions upon the lots in the subdivision of the Property in order to provide for access, utilities, setbacks and other such uses, and to limit and control the uses to which the lots might be put and the nature and types of structures which might be constructed;

NOW, THEREFORE, the Declarant does hereby declare that Lots 1 through 9, inclusive, in the subdivision of The Property, shall be held, sold, conveyed, encumbered, leased, used, occupied and improved subject to the following limitations, restrictions, covenants, conditions, reserves and easements, which shall run with the land and shall be binding upon all persons, entities or corporations having, or who may acquire, any right, title or interest in and to said lots and shall inure to the benefit of the Declarant, the County of Kauai, the owners and beneficiaries of the easements and reserves granted herein, and each person who

becomes an owner of any said lots:

SECTION I.

DECLARATION OF
RESTRICTIVE COVENANTS AND CONDITIONS

1. PUBLIC REGULATIONS. The owner of each of the lots created in the subdivision of The Property is responsible for being informed of and complying with any and all appropriate Federal, State and County laws, rules, regulations, codes and ordinances which are applicable to the lot. No owner, nor the owner's invitees, guests, tenants or lessees shall commit any act or cause or keep, nor suffer to be caused or kept, anything or object which would constitute a violation of any law, rule, regulation, code or ordinance of any governmental agency or body. An additional dwelling unit shall be allowed on each lot created in the subdivision of The Property if such lot qualifies for such additional dwelling unit under any law, rule, regulation, code or ordinance. If a standard set forth herein differs from standards established by a governmental agency, the stricter standard shall apply.

2. DEVELOPMENT STANDARDS. The following standards shall apply to any and all construction, use or development within Subdivision Unit II:

(a) Every structure, including accessory structures, buildings or other improvements, shall be of new masonry, lumber or other material free of dry rot and termites. No second-hand material may be utilized. No existing structure, dwelling or accessory structures may be

relocated from a different location and placed, erected or installed on any lot created in the subdivision of The Property.

(b) The use of the following types of roofing material is prohibited:

(i) mineral surfaced asphalt felt roof rolling; and

(ii) metal or metallic-coated roofing.

c) Geodesic domes and structures which incorporate geodesic dome shapes in their external design are prohibited.

3. UTILITY FACILITIES. No television or amateur radio towers may be erected, installed or maintained on or above any lot created in the subdivision of The Property. Notwithstanding the foregoing, standard residential television antennae are permitted to be installed on or upon single-family dwellings or structures.

4. TEMPORARY STRUCTURES. No house trailer, mobile home, temporary building, structure, outhouse, shed, tent or garage of any kind shall be erected, constructed, placed or maintained on any lot created in the subdivision of The Property for use as a residence, whether on a temporary or permanent basis. No metal shacks or structures will be allowed on or upon any lot created in the subdivision of The Property; provided, however, that prefabricated metal storage buildings or structures no greater than 170 square feet in size may be allowed for storage purposes only.

5. NOXIOUS OR OFFENSIVE ACTIVITIES. No noxious or

offensive activity shall be carried out on any lot created in the subdivision of The Property, nor shall anything be done or placed on any lot which is or may become a nuisance or cause embarrassment, disturbance or annoyance to owners of other lots.

6. MAINTENANCE OF LOTS. No lot created in the subdivision of The Property shall be used or maintained as a dumping ground or landfill area for rubbish, trash, garbage or other waste (with the exception of well and sanitarily maintained compost piles). All rubbish, trash, garbage or other waste shall be kept in containers. All incinerators, containers and equipment for the storage or disposal of such material shall be kept in clean and sanitary condition. Each owner shall cause his lot to be maintained in neat appearance at all times, shall follow prudent pasture or lawn maintenance, and shall prevent noxious weeds from increasing on his property or spreading to adjoining properties.

7. ANIMALS. No swine, chickens or bees shall be raised, bred or kept on any lot created in the subdivision of The Property. Dogs, cats and other common household pets may be raised, bred or kept on any lot created in the subdivision of The Property, but only in numbers and at a density compatible with neighboring residential properties, and provided that such animals are not kept, bred or maintained for any commercial purposes.

8. INSURANCE. The owners of each lot created in the subdivision of The Property shall, at their own expense, and during the term of their respective ownership of any lot, keep such lot and any buildings, fixtures or improvements on the lot

covered under a policy or policies of comprehensive liability insurance or equivalent homeowner's or additional residence premises insurance, with a substantial insurance company or companies qualified to do business in the State of Hawaii, with minimum limits of not less than $300,000 for damage to property or injury to persons, such policy or policies to name the Association as additional insured, true copies of which are to be deposited with the Association, together with proof of premium payments, and to cover any and all common access and utilities easement areas created in the subdivision of The Property.

9. KULI ROAD HOMEOWNERS' ASSOCIATION. The Kuli Road Homeowners' Association ("Association") is a non-profit corporation charged with the duties and empowered with the rights set forth herein and in its Articles of Incorporation and By-Laws.

(a) Every owner of a lot created in the subdivision of The Property shall be a member of the Association; provided that any such person or entity who holds such interest merely as a security for performance of an obligation shall not be such a member. Membership shall be appurtenant to and may not be separated from ownership of any lot created in the subdivision of The Property.

(b) The voting rights of the members of the Association shall be as set forth in the Articles of Incorporation and By-Laws of the Association.

(c) The Association shall have the rights, obligations and duties, subject to this Declaration, to do and perform

each and every one of the following for the benefit of the owners and for the maintenance and improvement Easement "A", being a common access and utilities easement area created in the subdivision of The Property, as described in Exhibit "A" attached hereto and incorporated herein:

(i) The Association shall accept all owners as members of the Association.

(ii) The Association may charge reasonable fees for Easement "A", to help defray the costs of construction, maintenance, repair or operation of said Easement area.

(iii) The Association shall maintain, repair or operate Easement "A".

(iv) To the extent not assessed to or paid by the owners, the Association may pay all real property taxes and assessments levied upon any portion of Easement "A".

(v) The Association shall have all the powers set forth in this Declaration, including, without limitation, the power to levy assessments and to make and enter into contracts, and to take such action, whether or not expressly authorized by this Declaration, as may reasonably be necessary to enforce the restrictions, limitations, covenants and conditions of this Declaration.

10. <u>POWERS OF THE ASSOCIATION</u>. The Association shall have all the powers set forth in its Articles of Incorporation, together with its general powers as a non-profit corporation, and to do any and all things which may be authorized, required or permitted to be done by the Association under and by virtue of

this Declaration. Without in any way limiting the generality of the foregoing, the Association shall have the following powers:

(a) The Association shall maintain and repair Easement "A". The Association shall also have the power and authority from time to time in its own name, on its own behalf, or in the name and behalf of any owner or owners of lots created in the subdivision of The Property who consent thereto, to commence and maintain actions and suits to restrain and enjoin any breach or threatened breach of this Declaration, or to enforce by mandatory injunction or otherwise all of the provisions of this Declaration.

(b) In fulfilling any of its duties under its Articles of Incorporation or this Declaration, including its duties for the maintenance, repair, operation or administration of Easement "A", the Association shall have the power and authority:

(i) To contract and pay for, or otherwise provide for, construction, maintenance and repair of all improvements upon or to Easement "A" on such terms and conditions as the Association shall deem appropriate, and to pay and discharge all liens arising out of any such work;

(ii) To obtain, maintain and pay for such insurance policies or bonds as the Board may deem to be appropriate for the protection or benefit of the Association, the members of the Board, or the owners;

(iii) To contract and pay for, or otherwise provide for the services of architects, engineers, contractors,

attorneys and certified public accountants or such other professional or nonprofessional services as the Board may deem necessary;

(iv) To contract and pay for, or otherwise provide for, such materials, supplies, equipment and labor as and to the extent the Board deems necessary, and to pay and discharge any and all liens placed upon Easement "A", on account of any work done or performed by the Association in the fulfillment of any maintenance, repair, operation of administration of the aforesaid common access and utilities easement areas.

11. LIABILITY OF THE ASSOCIATION. No member of the Board of the Association shall be personally liable to any owner, guest, lessee, invitee, or to any other person, for any error or omission of the Association, its representatives and employees; provided, however, that such member has with actual knowledge possessed by him, acted in good faith.

12. ASSESSMENTS. The Declarant, hereby covenants, and each owner of any lot created in the subdivision of The Property by acceptance of a purchase and sale agreement, deed or lease therefor, whether or not it shall be so expressed in any such deed, lease or any other conveyance, shall be deemed to covenant and agree to pay to the Association his proportionate share of maintenance assessment and special assessment for capital improvements to Easement "A", such assessments to be fixed, established and collected as from time to time as hereinafter provided.

(a) The proportionate share of maintenance and special assessments shall be as follows:

Lot 1 =	1/9
Lot 2 =	1/9
Lot 3 =	1/9
Lot 4 =	1/9
Lot 5 =	1/9
Lot 6 =	1/9
Lot 7 =	1/9
Lot 8 =	1/9
Lot 9 =	1/9

(b) At least thirty (30) days prior to the commencement of each fiscal year, the Board shall fix the amount of the maintenance or special assessments, if any, for such fiscal year and shall, at that time, prepare a roster of the lots and assessment applicable thereto. Written notice of the assessment shall be sent to every owner subject to such assessment.

(c) The maintenance and special assessments levied by the Association shall be used exclusively for the purpose of financing the Association functions and duties.

(d) If at any time and from time to time during any fiscal year, the maintenance or special assessment levied proves inadequate for any reason, including nonpayment of any owner's share thereof, the Board may levy a further assessment in the amount of such actual or estimated inadequacy, which shall be assessed to the owners in the manner set forth in foregoing Paragraph 12(a).

(e) The Board may also levy an assessment against any owner, as a direct result of whose acts or failure or refusal to act or otherwise comply with this Declaration,

monies have been expended by the Association in performing its functions under this Declaration. Such assessment shall be in the amount so expended and shall be due and payable to the Association when levied. Monies so expended may include, without limitation, reasonable engineer's, architect's, contractor's, attorney's or certified public accountant's fees incurred by the Association.

(f) Each assessment under this Paragraph 12 shall be a separate, distinct and personal debt and obligation of the owner against whom it is assessed, and each owner by acceptance of a purchase and sale agreement, deed or lease, shall be deemed to covenant and agree to pay the same to the Association. If the owner does not pay such assessment or any installment thereof when due, the owner shall be deemed in default and the amount of the assessment not paid, together with the amount of any subsequent default, plus interest at the rate of 10% per annum and costs, including reasonable attorney's fees, shall be and become a lien upon the lot of such owner upon recordation by the Association of a notice of lien. Such lien shall be subject and subordinate to the lien of any mortgage on the lot of such owner. A foreclosure of any such paramount lien, whether by judicial proceedings or pursuant to a power of sale contained in such mortgage, shall extinguish the lien as to payments of assessments which became due prior to such sale, transfer or conveyance, but no such sale, transfer or conveyance shall relieve such lot or the purchaser or

transferee thereof with regard to assessments thereafter becoming due. The Association assessment lien may be foreclosed through suit by the Association in like manner as a mortgage of real property, and the Association shall have the right to bid on the lot at any foreclosure sale and to acquire and hold, lease, mortgage or convey the lot. A suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving the lien securing the same. The foregoing remedies shall be in addition to any other remedies provided by law for the enforcement of such assessment obligation.

(g) When requested by any owner, the Association shall execute a certificate stating the indebtedness secured by the Association lien upon the lot of the owner, and such certificate shall be conclusive upon the Association and the owner in favor of such persons who rely thereon in good faith as to the amount of such indebtedness as of the date of the certificate. The Association shall be entitled to a reasonable fee as a condition to issuing the certificate.

13. STATE LAND USE RESTRICTIONS. As long as a lot created in the subdivision of The Property shall remain in the State Land Use Agriculture District, then such lot shall be subject to the following conditions:

(a) Pursuant to Chapter 205, Hawaii Revised Statutes, the use of the lots shall be primarily in pursuit of agricultural activities and only for those uses permissibl in an agricultural district as contained in Section 205-4.5

Hawaii Revised Statutes, as amended from time to time, which lists permissible uses as follows:

"Within the agricultural district all lands with soil classified by the Land Study Bureau's Detailed Land Classification as Overall (Master) Productivity Rating Class A or B shall be restricted to the following permitted uses:

(1) Cultivation of crops, including but not limited to flowers, vegetables, foliage, fruits, forage and timber;

(2) Game and fish propagation;

(3) Raising of livestock, including but not limited to poultry, bees, fish or other animal or aquatic life that are propagated for economic or personal use;

(4) Farm dwellings, employee housing, farm buildings, or activity or uses related to farming and animal husbandry;

(5) Public institutions and buildings which are necessary for agricultural practices;

(6) Public and private open area types of recreational uses including day camps, picnic grounds, parks and riding stables, but not including dragstrips, airports, drive-in theaters, golf courses, golf driving ranges, country clubs, and overnight camps;

(7) Public, private and quasi-public utility lines and roadways, transformer stations, sold waste transfer stations, and appurtenant small buildings such as booster pumping stations, but not including offices or yards for equipment, material, vehicle storage repair or maintenance, treatment plants and major storage tanks not ancillary to agricultural practices, or corporation yards or other like structures;

(8) Retention, restoration, rehabilitation or improvement of buildings or sites of historic or scenic interest;

(9) Roadside stands for the sale of agricultural products grown on the premises;

(10) Buildings and uses, including but not limited to mills, storage and processing facilities maintenance facilities that are normally considered direct accessory to the above-mentioned uses; or

(11) Agricultural parks."

(b) Notwithstanding the foregoing provisions of Section 205-4.5, Hawaii Revised Statutes, the uses and structures allowed on the lots created in the subdivision of The Property are limited by the provisions of Paragraphs 1 through 12, inclusive.

(c) Dwellings on such lots shall be limited to farm dwellings, defined in the State Land Use District Regulations as single-family dwellings located on and used in connection with a farm where agricultural activity provides income to the family occupying the dwelling.

14. COUNTY LAND USE RESTRICTIONS. As long as a lot created in the subdivision of The Property shall remain in the County Agricultural zoning district, then such lot shall be limited to those permissible uses and structures within the Agricultural zoning district in Section 8-7.2 of the Kauai County Code (hereinafter "KCC"), as amended from time to time, as further limited by the provisions of Paragraphs 1 through 12, inclusive.

15. OTHER RESTRICTIONS. The Property is dedicated lands, pursuant to Chapter 5, KCC. Prior to construction of any structures on any of the lots created in the subdivision of The Property, the owner thereof should confer with the Real Property Division of the Department of Finance, County of Kauai, to identify the siting of such structure and to resolve the issue of any real property assessment or other penalties, if any, which might be imposed on or against the lot.

16. DOMESTIC WATER. Domestic water service will not be available until the required construction improvements for this subdivision have been completed and accepted by the Department of Water, County of Kauai.

17. PERIOD OF RESTRICTIVE COVENANTS. The covenants, conditions and restrictions contained in this Declaration shall continue and be in full force and effect as to any particular lot

created in the subdivision of The Property for a period of thirty (30) years from the date of this Declaration, after which time said covenants, conditions and restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument, signed by all of the then owners of a majority of the lots created in the subdivision of The Property has been recorded with the Bureau of Conveyances of the State of Hawaii, agreeing to the amendment of the covenants, conditions and restrictions, in whole or in part.

18. BREACH. Any breach of any of the provisions of this Declaration may be enforced by injunctive or other legal remedies by the Declarant, the Association, the owner of any lot created in the subdivision of The Property, or the County of Kauai. If any of such person or entities shall be successful in preventing or enforcing against such breach, then such person or entity shall be entitled to recover its attorney's fees and costs of enforcement from the offending party.

SECTION II

EASEMENTS, RESERVATIONS AND RESTRICTIONS

Lots 1 through 9, inclusive, of the subdivision of The Property shall be subject to the following described easements, reservations and restrictions:

1. Lots 1 through 9, inclusive, shall be subject to the restriction of access along Kaumualii Highway as shown on the Final Subdivision Map, a copy of which is attached hereto and incorporated herein as Exhibit "A".

2. Lots 1, 2, 3 and 4 shall be subject to the building setback line as shown on the Final Subdivision Map, to eliminate visual impacts of structures as viewed from Kaumualii Highway. All existing mature trees along the south-eastern boundaries of these lots shall be retained; provided, however, that the owners of Lots 1, 2, 3 and 4 may conduct periodic maintenance, trimming and pruning as may be required to minimize any risk of property damage or bodily injury as may reasonably be expected to result from unrestricted growth of such vegetation.

3. Lots 1, 2, 3, 4, 7 and 8 shall be subject to the building setback and drainage way line as shown on the Final Subdivision Map. All structures shall be set back from the building setback and drainage way line.

4. Lot 2 is subject to Easement "B", as described in Exhibit "B" attached hereto and incorporated herein, Easement "B" being a non-exclusive easement for vehicular and pedestrian access and utility facilities purposes, containing 0.193 acre, together with the right to construct, install, repair and maintain said access and utility facilities, in favor of Lots 1 and 9.

5. Lot 3 is subject to Easement "D" as described in Exhibit "C" attached hereto and incorporated herein, Easement "D" being a non-exclusive easement for landscaping purposes, containing 0.119 acre but excluding the portion thereof which Easement "A" (hereinafter described) incorporates, together with the right to plant, install and maintain any vegetation, trees and shrubs which shall constitute such landscaping, in favor of

Lot 6.

6. Lot 4 is subject to Easement "E", as described in Exhibit "D" attached hereto and incorporated herein, Easement "E" being a non-exclusive easement for landscaping purposes, containing 0.122 acre but excluding the portion thereof which Easement "A" incorporates, together with the right to plant, install and maintain any vegetation, trees and shrubs which shall constitute such landscaping, in favor of Lot 5.

7. Lots 1, 2, 3, 4, 5, 6, 7, 8 and 9 are subject to Easement "A", as described in Exhibit "E", Easement "A" being a non-exclusive easement for vehicular and pedestrian access and utility facilities purposes containing an area of 0.766 acre, together with the right to construct, install, repair and maintain said access and utility facilities, in favor of Lots 1, 2, 3, 4, 5, 6, 7, 8 and 9.

8. Lot 9 is subject to Easement "C", as described in Exhibit "F" attached hereto and incorporated herein, Easement "C" being a non-exclusive easement for vehicular and pedestrian access and utilities facilities purposes containing an area of 0.194 acre, together with the right to construct, install, repair and maintain said access and utility facilities, in favor of Lots 1 and 2.

9. Lot 1 is subject to Easement "H", as described in Exhibit "G" attached hereto and incorporated herein, Easement "H" being a non-exclusive easement for landscaping purposes containing 0.272 acre, together with the right to plant, install and maintain any vegetation, trees and shrubs which shall

constitute such landscaping, in favor of Lots 8 and 9.

10. Lot 2 is subject to Easement "F", as described in Exhibit "H" attached hereto and incorporated herein, Easement "F" being a non-exclusive easement for landscaping purposes containing 0.054 acre, together with the right to plant, install and maintain any vegetation, trees and shrubs which shall constitute such landscaping, in favor of Lot 7.

11. Lot 9 is subject to Easement "G", as described in Exhibit "I" attached hereto and incorporated herein, Easement "G" being a non-exclusive easement for landscaping purposes containing 0.043 acre, together with the right to plant, install and maintain any vegetation, trees and shrubs which shall constitute such landscaping, in favor of Lot 8.

12. Lots 1 through 9 shall be subject to the exception and reservation unto the Declarant, of easements for roadway, electrical, gas, communications and other utility purposes and for sewer, drainage and water facilities, over, under, along, across and through said lots, together with the right to grant to the United States of America, the State of Hawaii, the County of Kauai, the Board of Water Supply of the County of Kauai, or any other appropriate governmental agency or public utility, or to any other public or private corporation or association, or to any individual, easements for such purposes over, under, across, along and through said real property under the usual terms and conditions required by the Declarant or the grantee for such easement rights; provided, however, that such easement rights must be exercised in such manner as will not unreasonably

interfere with the use of said lots by the owner or owners thereof, their successors and assigns, and in connection with the installation, maintenance or repair of any facilities pursuant to any of said easements said lots shall be promptly restored by and at the expense of the persons owning and exercising such easement rights to the condition of said lot immediately prior to the exercise thereof. Declarant shall have the right to grant any such easements without the consent or joinder of the person or persons then owning any such lot affected for a period of five (5) years subsequent to the sale of the last lot created in the subdivision of The Property.

13. The easements, reserves, rights, duties, restrictions and obligations conferred or imposed pursuant to paragraphs 1 through 12 above shall inure to the benefit of, and/or be binding upon, the owners or beneficiaries of such easements or reserves, the owners of Lots 1 through 9, the Declarant, and/or the County of Kauai, as the case may be, together with their respective estates, heirs, personal representatives, successors, assigns, successors in interest, or any person or entity claiming by or through them.

SECTION III

GRANT OF EASEMENTS TO LOTOWNERS AND OTHERS

The Declarant, having reserved certain easements in the Subdivision as previously described in Section II, above, hereby declares, gives, grants and conveys to the following described persons in perpetuity the following easements:

1. To the owners of Lots 1 and 9, and to Declarant, Easement "B", as described in Exhibit "B", being a non-exclusive easement for vehicular and pedestrian access and utility purposes, together with the right to construct, install, repair and maintain said access and utility facilities; provided that the owner of Lot 2 shall retain the right to use said easement area for vehicular and pedestrian access to his lot, and to construct, install, repair, and maintain said access facilities.

2. To the owner of Lot 6, Easement "D", as described in Exhibit "C", being a non-exclusive easement for landscaping purposes, together with the right to plant, install and maintain any vegetation, trees and shrubs which shall constitute such landscaping; provided that the owner of Lot 3 shall retain the right to use said easement area for landscaping purposes and to plant, install and maintain such landscaping.

3. To the owner of Lot 5, Easement "E" as described in Exhibit "D", being a non-exclusive easement for landscaping purposes, together with the right to plant, install and maintain any vegetation, trees and shrubs which shall constitute such landscaping; provided that the owner of Lot 4 shall retain the right to use said easement area for landscaping purposes, and to plant, install and maintain such landscaping.

4. To the owners of Lots 1 and 2 and to Declarant, Easement "C", as described in Exhibit "F", being a non-exclusive easement for vehicular and pedestrian access and utility purposes, together with the right to construct, install, repair and maintain said access and utility facilities; provided that

the owner of Lot 9 shall retain the right to use said easement area for vehicular and pedestrian access to his lot, and to construct, install, repair, and maintain said access facilities.

5. To the owners of Lots 1, 2, 3, 4, 5, 6, 7, 8 and 9, and to Declarant, Easement "A", as described in Exhibit "E", being a non-exclusive easement for vehicular and pedestrian access and utility purposes, together with the right to construct, install, repair and maintain said access and utility facilities; provided that the owners of Lots 1, 2, 3, 4, 5, 6, 7, 8 and 9 shall retain the right to use said easement area for vehicular and pedestrian access to their respective lots, and to construct, install, repair, and maintain said access facilities.

6. To the owners of Lots 8 and 9, Easement "H", as described in Exhibit "G", attached hereto and incorporated herein, being a non-exclusive easement for landscaping purposes, together with the right to plant, install and maintain any vegetation, trees and shrubs which shall constitute such landscaping; provided that the owner of Lot 1 shall retain the right to use said easement area for landscaping purposes, and to plant, install and maintain such landscaping.

7. To the owner of Lot 7, Easement "F", as described in Exhibit "H", attached hereto and incorporated herein, being a non-exclusive easement for landscaping purposes, together with the right to plant, install and maintain any vegetation, trees and shrubs which shall constitute such landscaping; provided that the owner of Lot 2 shall retain the right to use said easement area for landscaping purposes, and to plant, install and maintain

such landscaping.

8. To the owner of Lot 8, Easement "G", as described in Exhibit "I", attached hereto and incorporated herein, being a non-exclusive easement for landscaping purposes, together with the right to plant, install and maintain any vegetation, trees and shrubs which shall constitute such landscaping; provided that the owner of Lot 9 shall retain the right to use said easement area for landscaping purposes, and to plant, install and maintain such landscaping.

TO HAVE AND TO HOLD the same unto the respective persons above-named for so long as the respective Easements shall be used for the purposes stated herein.

PROVIDED, THAT, these grants of easements are made on and subject to the following conditions:

1. Neither the owner of any of the lots created in the subdivision of The Property and subject to an easement (hereinafter "Lot Owner"), nor the owner or beneficiary of the above-described easements, or any of them, (hereinafter "Easement Owners"), shall at any time during the term of this indenture erect any building, structure or improvement of any kind, above or on the surface of any of the lands subject to the above described easements (hereinafter "Easement Areas"), except as provided in this Declaration.

2. Any utility structures or equipment constructed, reconstructed or installed by any Easement Owner within the Easement Area shall be and remain the property of the person constructing the same.

3. If at any time an Easement Area, or any part thereof, shall be condemned or taken for any public project by any governmental authority, the Easement Owner shall have the right to claim or recover from the condemning authority, but not from the Declarant, such compensation as is payable for the said Easement and the rights granted herein.

4. Any Easement Owner that installs, repairs or removes any structures or equipment on or in an Easement Area will restore the surface of the ground to its original condition to the extent that such restoration is reasonably possible.

5. After the original installation of any structure or equipment on or in an Easement Area, the expense of any removal or relocation thereof shall be the responsibility of any person requesting or desiring same.

6. Each Easement Owner shall have the right, as reasonably necessary, to install, repair, maintain or remove any structures or equipment on or in an Easement Area and to repair and maintain the Easement Area as may be necessary to exercise his rights as granted herein.

7. Each Easement Owner will exercise his rights hereunder in such manner as to occasion as little interference as reasonably necessary with the use of said Easement Area by the Lot Owner or any other Easement Owner.

8. Each Easement Owner agrees to indemnify and hold harmless the Declarant and the Lot Owner against all claims, suits and actions by whomsoever brought on account of injuries or damages to persons or property resulting from either the Easement

Owner's exercise of his rights as granted herein or from any other person's use of the Easement Area pursuant to the rights granted to the Easement Owner.

9. Each individual Easement Owner agrees to use due care in exercising his rights hereunder so as to avoid any damage to the Lot Owner's real property, and improvements and personal property located thereon, and to be absolutely liable to the Lot Owner for the full extent of any damages which the Easement Owner may cause to the Lot Owner's real property or improvements or personal property located thereon, resulting from the Easement Owner's exercise of his rights as granted herein.

10. Each Easement Owner shall give the other Easement Owners and the Lot Owner at least forty-eight (48) hours prior notice of his intent to enter onto the Easement Area in order to install, maintain or remove any structures or equipment in the Easement Area in accordance with the provisions of paragraph (6), which entry shall be restricted to reasonable daylight hours. However, the restrictions of this paragraph shall not be required for the making of emergency repairs necessary to protect the Easements or any of the Easement Owner's personal and real property or improvements located thereon.

11. These easements and the rights granted hereunder shall run solely in favor of the Easement Owners described above and may not be assigned, granted or otherwise given for the purpose of benefitting any other person, entity, or real property, except to a successor in ownership; provided, however, that this restriction shall not apply to Declarant, who reserves the right

and power as an Easement Owner to grant or assign such further easements or easement rights as Declarant in its sole judgment deems appropriate.

12. The Easement Owners' rights shall be strictly limited to those necessary to allow them to utilize the Easement Area for the purposes intended and described above. The Easement Owners shall have no right to utilize an Easement Area for purposes unrelated to the exercise of their rights hereunder.

13. For the purposes of this document, the term "utility" shall include services for water, telephone, gas, electric, cable television and other services employing electrical or electronic means of transmission.

14. The Easement Owner's rights hereunder shall be limited to those uses legally permitted on their lots and for no other purposes.

15. The Easement Owners shall be responsible for (a) maintaining the Easement Area in which they have easement rights in a good, clean, safe, sanitary and well-kept condition, and (b) maintaining and repairing any facilities or improvements which they own, in whole or in part, in any Easement Area in which they have easement rights in good and safe repair and condition. The Easement Owners shall share the cost of constructing, installing, maintaining, repairing and operating any facilities or improvements in any Easement Area (including, but not limited to, road, access, driveway, waterline, utilities, irrigation, and drainage facilities) in proportion to their individual use thereof.

IT IS AGREED AND UNDERSTOOD that the rights and obligations set forth herein shall be binding upon, and inure to the benefit of, the Easement Owners and the Lot Owners and their respective estates, heirs, personal representatives, successors, successors in trust and assigns.

IT IS FURTHER AGREED AND UNDERSTOOD that the terms "Declarant", "Easement Owner", "Lot Owner", and "Owner", as and when used herein, or any pronouns used in place thereof, shall mean and include the masculine or feminine, the singular or plural number, individuals or corporation and their and each of their respective successors, heirs, personal representatives and assigns, according to the contest thereof.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be duly executed on this _____ day of JUN 12 1991, 1991.

DECLARANT

Russell S. Kyono

RUSSELL S. KYONO

STATE OF HAWAII)
:SS
COUNTY OF KAUAI)

On this _____ day of JUN 12 1991, 1991, before me personally appeared RUSSELL S. KYONO, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

MELANEY HA'O-BERGADO NOTARY PUBLIC STATE OF HAWAII

Melemay Hao Bergado

Notary Public, State of Hawaii

My commission expires:

MELANEY HA'O-BERGADO
Notary Public, State of Hawaii
My commission expires January 20, 1994

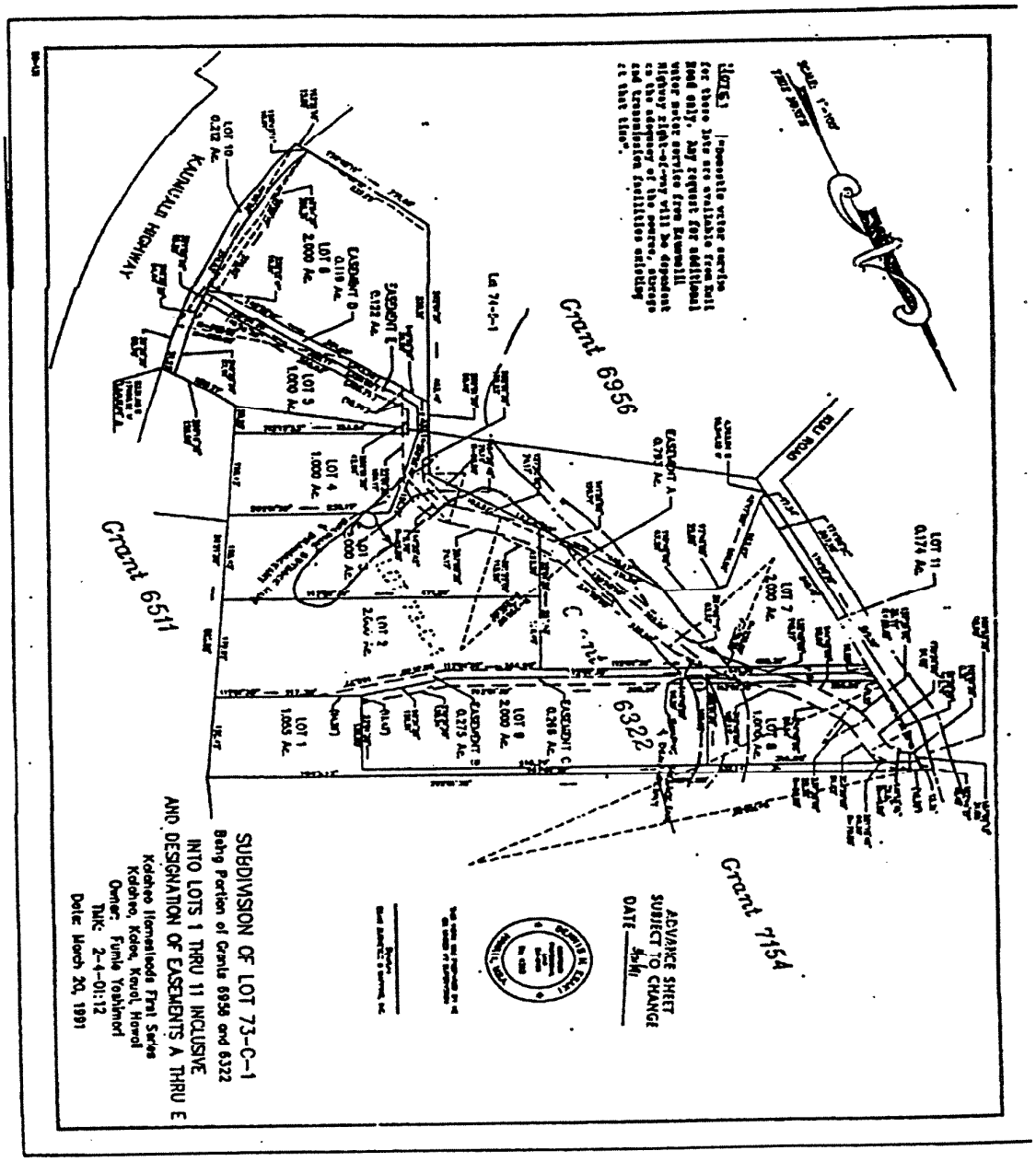


EXHIBIT A

RECORDER'S MEMO: Legibility of Writing, Typing or Printing UNSATISFACTORY in this Document when received.

EASEMENT "B"
(15-FEET WIDE FOR ACCESS AND UTILITY PURPOSES)

LAND SITUATED AT KALAHEO, KOLOA, KAUAI, HAWAII

Being a Portion of Lot 2

Being Also a Portion of Grant 6322
Kalaheo Homesteads, First Series

Beginning at the Northwest corner of this parcel of land, on the Northeast side of Easement A, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LAAUKAHI" being 4,476.58 feet South and 18,153.12 feet West, thence running by azimuths measured clockwise from true South:

1.	292° 01' 30"	416.00	feet along the remainder of Grant 6322 (Lot 9);
3.	278° 31' 30"	128.51	feet along the remainder of Grant 6322 (Lot 9);
4.	292° 01' 30"	64.26	feet along the remainder of Grant 6322 (Lot 1);
5.	98° 31' 30"	192.77	feet along the remainder of Grant 6322 (Lot 2);
6.	112° 01' 30"	386.20	feet along the remainder of Grant 6322 (Lots 2 and 7);
			thence along the remainder of Grant 6322 (Lot 2), on a curve to the left with a radius of 230.00 feet, the chord azimuth and distance being:
7.	137° 26' 08"	34.96	feet, to the point of beginning and containing an area of 0.193 acre.

DENNIS M. ESAKI
REGISTERED PROFESSIONAL LAND SURVEYOR
No. 4383
HAWAII, U.S.A.

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Dennis M. Esaki
Registered Professional Surveyor
Certificate Number 4383

Lihue, Hawaii
March 1991

EXHIBIT B

EASEMENT "D"
(15-FEET WIDE FOR LANDSCAPE PURPOSES)

LAND SITUATED AT KALAHEO, KOLOA, KAUAI, HAWAII

Being a Portion of Lot 3

Being Also a Portion of Grant 6956
Kalaheo Homesteads, First Series

Beginning at the South corner of this parcel of land on the Northwest side of Kaumualii Highway Widening Lot 10, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LAAUKAHI" being 5,440.32 feet South and 17,722.41 feet West, thence running by azimuths measured clockwise from true South:

1.	146° 56' 26"	343.50	feet along the remainder of Grant 6322 (Lot 6);
2.	202° 01' 30"	18.29	feet along the remainder of Grant 6322 (Lot 3);
3.	326° 56' 26"	350.03	feet along the remainder of Grant 6322 (Lot 4);
			thence along the Northwest side of Kaumualii Highway Widening Lot 10, on a curve to the right with a radius of 800.00 feet, the chord azimuth and distance being:
4.	42° 12' 47"	15.51	feet, to the point of beginning and containing an area of 0.119 acre.

DENNIS M. ESAKI
REGISTERED PROFESSIONAL LAND SURVEYOR
No. 4383
HAWAII, U.S.A.

Lihue, Hawaii
March 1991

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Dennis M. Esaki
Registered Professional Surveyor
Certificate Number 4383

EXHIBIT C

EASEMENT "E"
(15-FEET WIDE FOR LANDSCAPE PURPOSES)

LAND SITUATED AT KALAHEO, KOLOA, KAUAI, HAWAII

Being a Portion of Lot 4

Being Also a Portion of Grant 6956
Kalaheo Homesteads, First Series

Beginning at the Southwest corner of this parcel of land on the Northwest side of Kaumualii Highway Widening Lot 10, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LAAUKAHI" being 5,417.08 feet South and 17,701.74 feet West, thence running by azimuths measured clockwise from true South:

			Along the Northwest side of Kaumualii Highway Widening Lot 10, on a curve to the right with a radius of 800.00 feet, the chord azimuth and distance being:
1.	41° 05' 58"	15.59	feet;
2.	146° 56' 26"	350.03	feet along the remainder of Grant 6956 (Lot 3);
3.	202° 01' 30"	18.29	feet along the remainder of Grants 6956 and 6322 (Lot 4);
4.	326° 56' 26"	356.25	feet along the remainder of Grant 6956 (Lot 5), to the point of beginning and containing an area of 0.122 acre.

DENNIS M. ESAKI
REGISTERED PROFESSIONAL LAND SURVEYOR
No. 4383
HAWAII, U.S.A.

Lihue, Hawaii
March 1991

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Dennis M. Esaki
Registered Professional Surveyor
Certificate Number 4383

EXHIBIT D

EASEMENT "A"
(30-FEET WIDE FOR ACCESS AND UTILITY PURPOSES)

LAND SITUATED AT KALAHEO, KOLOA, KAUAI, HAWAII

Being Portions of Lots 1, 3, 4, 5, 7, 8, 9

Being Also a Portion of Grants 6956 and 6322
Kalaheo Homesteads, First Series

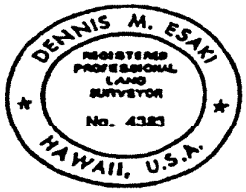
Beginning at the Northwest corner of this parcel of land on the Northeast side of Kuli Road Widening Lot 11, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LAAUKAHI" being 4,199.91 feet South and 18,358.61 feet West, thence running by azimuths measured clockwise from true South:

1.	292° 01' 30"	16.30	feet along Grant 7154;
			thence along the remainder of Grant 6322 (Lots 1 and 8), on a curve to the right with a radius of 70.00 feet, the chord azimuth and distance being:
2.	321° 15' 45"	68.38	feet;
3.	350° 30'	51.62	feet along the remainder of Grant 6322 (Lot 8);
			thence along the remainder of Grant 6322 (Lot 8), on a curve to the left with a radius of 50.00 feet, the chord azimuth and distance being:
4.	337° 35'	22.35	feet;
5.	324° 40'	89.54	feet along the remainder of Grant 6322 (Lot 8);
6.	312° 40'	107.12	feet along the remainder of Grant 6322 (Lots 8 and 9);
			thence along the remainder of Grant 6322 (Lots 2, 7 and 9), on a curve to the right with a radius of 230.00 feet, the chord azimuth and distance being:
7.	324° 45'	96.29	feet;
8.	336° 50'	222.30	feet along the remainder of Grant 6322 (Lot 7);

EXHIBIT E

			thence along the remainder of Grant 6322 (Lots 3 and 7), on a curve to the left with a radius of 220.00 feet, the chord azimuth and distance being:
9.	321° 55'	113.26	feet;
10.	307° 00'	74.17	feet along the remainder of Grant 6322 (Lot 3);
			thence along the remainder of Grant 6322 (Lots 3 and 4), on a curve to the right with a radius of 95.00 feet, the chord azimuth and distance being:
11.	344° 30' 45"	115.70	feet;
12.	22° 01' 30"	159.17	feet along the remainder of Grants 6322 and 6956 (Lots 3, 4 and 5);
13.	146° 56' 26"	36.59	feet along the remainder of Grant 6956 (Lot 6);
14.	202° 01' 30"	138.23	feet along the remainder of Grants 6322 and 6956 (Lot 3);
			thence along the remainder of Grant 6322 (Lot 3), on a curve to the left with a radius of 65.00 feet, the chord azimuth and distance being:
15.	164° 30' 45"	79.16	feet;
16.	127° 00'	74.17	feet along the remainder of Grant 6322 (Lot 3);
			thence along the remainder of Grant 6322 (Lots 3 and 7), on a curve to the right with a radius of 250.00 feet, the chord azimuth and distance being:
17.	141° 55'	128.71	feet;
18.	156° 50'	222.30	feet along the remainder of Grant 6322 (Lot 7);

			thence along the remainder of Grant 6322 (Lot 7), on a curve to the left with a radius of 200.00 feet, the chord azimuth and distance being:
19.	144° 45'	83.73	feet;
20.	132° 40'	110.27	feet along the remainder of Grant 6322 (Lots 2, 7 and 9);
21.	144° 40'	92.69	feet along the remainder of Grant 6322 (Lots 8 and 9);
			thence along the remainder of Grant 6322 (Lot 8), on a curve to the right with a radius of 80.00 feet, the chord azimuth and distance being:
22.	157° 35'	35.77	feet;
23.	170° 30'	51.62	feet along the remainder of Grant 6322 (Lot 8);
			thence along the remainder of Grant 6322 (Lot 8), on a curve to the left with a radius of 40.00 feet, the chord azimuth and distance being:
23.	141° 15' 45"	39.07	feet;
24.	112° 01' 30"	8.31	feet along the remainder of Grant 6322 (Lot 8);
25.	187° 06' 13"	31.05	feet along the East side of Kuli Road Widening Lot 11, to the point of beginning and containing an area of 0.766 acre.



DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Dennis M. Esaki
Registered Professional Surveyor
Certificate Number 4383

Lihue, Hawaii
March 1991

EASEMENT "C"
(15-FEET WIDE FOR ACCESS AND UTILITY PURPOSES)

LAND SITUATED AT KALAHEO, KOLOA, KAUAI, HAWAII

Being a Portion of Lot 9

Being Also a Portion of Grant 6322
Kalaheo Homesteads, First Series

Beginning at the Southwest corner of this parcel of land, on the Northeast side of Easement A, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LAAUKAHI" being 4,476.58 feet South and 18,153.12 feet West, thence running by azimuths measured clockwise from true South:

				Along the remainder of Grant 6322 (Lot 9), on a curve to the left with a radius of 230.00 feet, the chord azimuth and distance being:
1.	132° 52'	19"	1.65	feet;
2.	132° 40'		40.89	feet along the remainder of Grant 6322 (Lot 9);
3.	292° 01'	30"	454.04	feet along the remainder of Grant 6322 (Lots 8 and 9);
4.	278° 31'	30"	130.34	feet along the remainder of Grant 6322 (Lot 9);
5.	22° 01'	30"	15.43	feet along the remainder of Grant 6322 (Lot 1);
6.	98° 31'	30"	128.51	feet along the remainder of Grant 6322 (Lot 2);
7.	112° 01'	30"	416.00	feet along the remainder of Grant 6322 (Lot 2), to the point of beginning and containing an area of 0.194 acre.

DENNIS M. ESAKI
REGISTERED PROFESSIONAL LAND SURVEYOR
No. 4383
HAWAII, U.S.A.

Lihue, Hawaii
March 1991

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Dennis M. Esaki
Registered Professional Surveyor
Certificate Number 4383

EXHIBIT F

EASEMENT "H"
(FOR LANDSCAPE PURPOSES)

LAND SITUATED AT KALAHEO, KOLOA, KAUAI, HAWAII

Being a Portion of Lot 1

Being Also a Portion of Grant 6322
Kalaheo Homesteads, First Series

Beginning at the Northwest corner of this parcel of land, on the North side of Easement A, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LAAUKAHI" being 4,206.02 feet South and 18,343.50 feet West, thence running by azimuths measured clockwise from true South:

1.	292° 01' 30"	820.45	feet along Grant 7154;
2.	22° 01' 30"	15.00	feet along the remainder of Grant 6322 (Lot 1);
3.	112° 01' 30"	777.15	feet along the remainder of Grant 6322 (Lots 8 and 9);
			thence along the remainder of Grant 6322 (Lot 1), on a curve to the left with a radius of 70.00 feet, the chord azimuth and distance being:
4.	131° 07' 54"	45.83	feet, to the point of beginning and containing an area of 0.272 acre.

DENNIS M. ESAKI
REGISTERED PROFESSIONAL LAND SURVEYOR
No. 4383
HAWAII, U.S.A.

Lihue, Hawaii
March 1991

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Dennis M. Esaki
Registered Professional Surveyor
Certificate Number 4383

EXHIBIT G

EASEMENT "F"
(15-FEET WIDE FOR LANDSCAPE PURPOSES)

LAND SITUATED AT KALAHEO, KOLOA, KAUAI, HAWAII

Being a Portion of Lot 2

Being Also a Portion of Grant 6322
Kalaheo Homesteads, First Series

Beginning at the West corner of this parcel of land on the East side of Kuli Road Widening Lot 11, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LAAUKAHI" being 4,410.02 feet South and 18,359.24 feet West, thence running by azimuths measured clockwise from true South:

1.	174° 56' 30"	16.85	feet along the East side of Kuli Road Widening Lot 11;
2.	292° 01' 30"	140.17	feet along the remainder of Grant 6322 (Lot 9);
3.	312° 40'	42.55	feet along the remainder of Grant 6322 (Lot 2);
4.	112° 01' 30"	172.32	feet along the remainder of Grant 6322 (Lot 7), to the point of beginning and containing an area of 0.054 acre.

DENNIS M. ESAKI
REGISTERED PROFESSIONAL LAND SURVEYOR
No. 4383
HAWAII, U.S.A.

Lihue, Hawaii
March 1991

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Dennis M. Esaki
Registered Professional Surveyor
Certificate Number 4383

EXHIBIT H

EASEMENT "G"

LAND SITUATED AT KALAHEO, KOLOA, KAUAI, HAWAII

Being a Portion of Lot 9

Being Also a Portion of Grant 6322
Kalaheo Homesteads, First Series

Beginning at the West corner of this parcel of land on the East side of Kuli Road Widening Lot 11, the coordinates of said point of beginning referred to Government Survey Triangulation Station "LAAUKAHI" being 4,376.45 feet South and 18,362.21 feet West, thence running by azimuths measured clockwise from true South:

1.	292° 01' 30"	111.97	feet along the remainder of Grant 6322 (Lot 8);
2.	324° 40'	6.70	feet along the remainder of Grant 6322 (Lot 9);
3.	312° 40'	32.30	feet along the remainder of Grant 6322 (Lot 9);
4.	112° 01' 30"	140.17	feet along the remainder of Grant 6322 (Lot 2);
5.	174° 56' 30"	16.85	feet along the East side of Kuli Road Widening Lot 11, to the point of beginning and containing an area of 0.043 acre.

DENNIS M. ESAKI
REGISTERED PROFESSIONAL LAND SURVEYOR
No. 4383
HAWAII, U.S.A.

Lihue, Hawaii
March 1991

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Dennis M. Esaki
Registered Professional Surveyor
Certificate Number 4383

EXHIBIT I