

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer BARBARA J. DAUMILLER, JOHN C. MAGES & DAWN B. MAGES
Address P. O. Box 75, Kilauea, HI 96754

Project Name(*): NANI PUU PANE CONDOMINIUM
Address: Lot 14, Puu Pane Subdivision, Phase I
Kahili, Hanalei, Kauai, Hawaii

Registration No. 4463
Effective date: October 11, 2000
Expiration date: November 11, 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, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

PRELIMINARY: (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.

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

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

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

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report Not Required - Disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued by the developer.

Changes made are as follows:

SPECIAL ATTENTION

This is a CONDOMINIUM PROJECT, not a subdivision. There are County restrictions on the number of residential dwelling units, or other structures, which may be built on the property. Therefore, unless the Purchaser is buying an existing residential dwelling, there is no assurance that the Purchaser will be able to build a residential dwelling 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, or any other type of structure, on the property.

1. There are presently two agricultural sheds on this property, 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 area in the land comprising each limited common element are for illustrative purposes only and should not be construed to be the property lines of legally subdivided lots.

4. Facilities and improvements 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 on 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: Common Elements and Limited Common Elements | |
| EXHIBIT B: Encumbrances Against Title | |
| EXHIBIT C: Estimate of Initial Maintenance Fees and Estimate of Maintenance Fee Disbursements | |
| EXHIBIT D: Summary of Sales Contract | |
| EXHIBIT E: Summary of Escrow Agreement | |
| EXHIBIT F: Memo from the County of Kauai Planning Department | |

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

BARBARA J. DAUMILLER

JOHN C. MAGES

Developer:

DAWN B. MAGES

Phone: (808) 828-6646

Name*

(Business)

P. O. Box 75

Business Address

Kilauea HI 96754

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

N/A

Real Estate
Broker*:

Sale by owner; see page
20 for further information

Phone: _____

(Business)

Name

Business Address

Escrow:

FIRST AMERICIAN LONG & MELONE
TITLE COMPANY, LTD.

Phone: (808) 245-8877

Name

(Business)

4374 Kukui Grove Street #201

Business Address

Lihue HI 96766

General
Contractor*:

C. SCHMIDT CONSTRUCTION, INC.

Phone: (808) 828-1833

Name

(Business)

P. O. Box 48

Business Address

Kilauea HI 96754

Condominium
Managing
Agent*:

Self-managed by the Association
of Apartment Owners

Phone: _____

(Business)

Name

Business Address

Attorney for
Developer:

PATRICK J. CHILDS, ESQ.

Phone: (808) 245-2863

Name

(Business)

4365 Kūkui Grove Street #104

Business Address

Lihue HI 96766

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

II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

Proposed
 Recorded - Bureau of Conveyances: Document No. 2000-079323
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 Nani Puu Pane Condominium Declaration of Condominium Property Regime and Condominium Map No. 3115 recorded as Document No. 2000-123936

B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

Proposed
 Recorded - Bureau of Conveyances Condo Map No. 3115
 Filed - Land Court Condo Map No. _____

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

C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

Proposed
 Recorded - Bureau of Conveyances: Document No. 2000-079324
Book _____ Page _____
 Filed - Land Court: Document No. _____

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

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

The House Rules for this condominium are:

Proposed Adopted Developer does not plan to adopt House Rules

E. **Changes to Condominium Documents**

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

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

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

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

2. **Developer:**

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

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

The Developer has reserved the right to amend the Declaration and the Condominium Map for the purpose of adjusting the plan or description of any unit which may be improved, enlarged or altered, upon the condition that no such amendment shall in any way alter any apartment or common interest which has been conveyed by the Developer prior to the recording of such amendment in the Bureau of Conveyances, State of Hawaii.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- Leasehold or Sub-leasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

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

Exhibit _____ contains further 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

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 14, Puu Pane Sub- Tax Map Key (TMK): (4) 5-1-005-052
division, Phase I, Kahili, Hanalei, Kauai, Hawaii.
 Address TMK is expected to change because the owners may obtain street addresses
from the County of Kauai.

Land Area: 6.154 [] square feet [X] acre(s) Zoning: Agricultural

BARBARA J. DAUMILLER
JOHN C. MAGES

Fee Owner: DAWN B. MAGES

Name
P. O. Box 75
Address
Kilauea, HI 96754

Lessor: N/A

Name
Address

C. Buildings and Other Improvements:

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

2. Number of Buildings: 2 Floors Per Building 1
 Exhibit contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood
 Other: Metal and shade cloth

4. Uses Permitted by Zoning:

| | No. of Apts. | Use Permitted By Zoning | | No. of Apts. | Use Permitted By Zoning |
|---------------------------------------|--------------|--|---|--------------|---|
| <input type="checkbox"/> Residential | — | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Ohana | — | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Commercial | — | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Industrial | — | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Mix Res/Comm | — | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input checked="" type="checkbox"/> Agricultural | — | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Hotel | — | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Recreational | — | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Timeshare | — | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input checked="" type="checkbox"/> Other: <u>Sheds</u> | <u>2</u> | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?
 Yes No

NOTE: The subject property is within the State Land Use Agricultural District and is zoned Agricultural by the County of Kauai. "Farm Dwellings" and other structures appropriate to agricultural usage are permitted, subject to certain guidelines. See disclosures on Page 20 of this Final Public Report regarding dwellings which may be built within the project.

5. Special Use Restrictions:

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

- Pets: _____
- Number of Occupants: _____
- Other: Special Use Restrictions are as contained in the Restrictive Covenants and Declaration of Easements referenced in Exhibit "B" hereof.
- 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) |
|-----------|----------|---------|-----------------------|---------------------|------------|
| A | 1 | 0/0 | 0 | 16 | Shed |
| B | 1 | 0/0 | 0 | 16 | 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:

Each apartment shall be deemed to include the building comprising the apartment including all perimeter walls, floors, foundations and roof of such building and all pipes, wires, conduits or other utility and service lines in such building, if the same are not utilized by or serve more than one apartment.

Permitted Alterations to Apartments:

Additions, replacements and other improvements to the apartments are permitted in accordance with the Declaration and applicable law.

*There is ample area within the limited common element of each apartment for the parking of at least two vehicles.

7. Parking Stalls:

Total Parking Stalls: 0*

| | <u>Regular</u> | | <u>Compact</u> | | <u>Tandem</u> | | <u>TOTAL</u> |
|--------------------------|----------------|-------------|----------------|-------------|----------------|-------------|--------------|
| | <u>Covered</u> | <u>Open</u> | <u>Covered</u> | <u>Open</u> | <u>Covered</u> | <u>Open</u> | |
| Assigned (for each unit) | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Guest | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Unassigned | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Extra for Purchase | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Other: _____ | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Total Covered & Open: | <u>0</u> | | <u>0</u> | | <u>0</u> | | <u>0</u> |

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

Commercial parking garage permitted in condominium project.

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

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool Storage Area Recreation Area

Laundry Area Tennis Court Trash Chute/Enclosure(s)

Other: _____

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

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 N/A
(For conversions of residential apartments in existence for at least five years):

11. Conformance to Present Zoning Code

- a. No variances to zoning code have been granted.
 Variance(s) to zoning code was/were granted as follows:

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

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

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

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

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

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

D. Common Elements, Limited Common Elements, Common Interest:

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

described in Exhibit A .

as follows:

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

There are no limited common elements in this project.

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

described in Exhibit A .

as follows:

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

described in Exhibit _____.

as follows:

| | |
|---------------|------|
| Apartment A = | 50% |
| Apartment B = | 50% |
| | ---- |
| Total = | 100% |

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

Exhibit B describes the encumbrances against the title contained in the title report dated June 23, 2000 and issued by First American Long & Melone Title Company, Ltd.

Blanket Liens:

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

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

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

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

| <u>Type of Lien</u> | <u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u> |
|---------------------|--|
| Mortgage | The underlying mortgage is superior to and takes precedence over the sales contract. If the developer defaults, Buyer shall lose its option to purchase and Buyer's deposit shall be refunded, less any escrow cancellation fee. |

F. Construction Warranties:

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

1. Building and Other Improvements: None

2. Appliances: None

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

Apartments A and B received final building approval on March 31, 2000.

H. Project Phases:

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

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

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 affiliate 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
- 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 C 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:

- None
- Gas
- Water
- Other _____
- Electricity (_____ Common Elements only _____ Common Elements & Apartments)
- Sewer
- Television Cable

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

Notice to Owner Occupants

Specimen Sales Contract

Exhibit D contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated May 23, 2000

Exhibit E 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 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 issued an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners, as amended.
- D) House Rules, if any.
- E) Condominium Map, as amended.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other Restrictive Covenants and Declaration of Easements referenced in Exhibit "B" hereof.

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. 4463 filed with the Real Estate Commission on July 18, 2000.

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

YELLOW paper stock WHITE paper stock PINK paper stock

C. Additional Information Not Covered Above

Disclosure regarding required agricultural activity.

Purchasers should be aware that the Declaration of Condominium Property Regime provides in Paragraph 15, in part, as follows:

"It is understood that the County of Kauai does presently require each owner in the condominium project to engage in agricultural activities in order for a subsequent owner to gain a residential building permit. The actual level of agricultural activity is determined by the County of Kauai and may change from time to time. Nevertheless, agricultural activity within one owner's limited common element will have an impact upon another owner being able to obtain a building permit. All owners shall have an obligation to engage in both the present minimum agricultural activity requirement in order that every other owner may obtain a building permit and shall increase such activity if the County so requires. In this regard, each owner shall maintain a level of agricultural activity within his individual limited common element equal to that of every other owner in proportion to the amount of land reasonably available for agricultural usage. If the construction of a dwelling should cause a decline in agricultural activity and/or acreage within one unit, then it shall be the obligation of the other units to increase such activity or acreage if there be no more available land within the affected limited common element.

Cooperation, compliance and execution of the requisite zoning and building permits as required herein, shall include each owner engaging in agricultural activity as the same is defined by the County of Kauai and/or State of Hawaii."

Purchaser should be aware of the complete provisions of said Paragraph 15 of the Declaration, to which the Purchaser is referred.

This condominium project is situated on agriculturally zoned land and, as such, is subject to all restrictions associated therewith. This is not residentially-zoned property and the Developer does not warrant that any residence will be permitted by the County of Kauai within any specific limited common element. Agriculture properties are subject to density requirements that may change. Any such change will affect the number of allowable units that may be placed on the underlying land.

Disclosure regarding selection of Real Estate Broker.

In the event the Developer chooses to use a real estate broker for the sale of an apartment, prior to entering into a binding contract for such sale the Developer shall (1) submit to the Real Estate Commission a duly executed copy of a broker listing agreement with a Hawaii-licensed real estate broker, together with a duly executed disclosure abstract identifying the designated broker, and (2) provide a copy of the disclosure abstract to the Purchaser together with a copy of this public report.

See Exhibit "C" attached hereto for the projected annual maintenance fees. The Developer hereby certifies that the estimations have been based on generally accepted accounting principles. In this regard, the Developer has not conducted a reserve study in accordance with 514A-83.6 and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

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.


BARBARA J. DAUMILLER JOHN C. MAGES DAWN B. MAGES

distribution:

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

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

EXHIBIT "A"

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

1. Common Elements. The common elements of the Project consist only of the following:

(i) All the land in fee simple.

(ii) The limited common elements hereinafter described, subject to the provisions set forth in Paragraph 6.

(iii) All pipes, wires, conduits, or other utility or service lines, drainage ditches or appurtenant drainage structures retaining walls (if any) and yard fences, which are located outside the apartments and which are utilized for or serve more than one apartment.

2. Limited Common Elements. The limited common elements of the Project consist only of the following:

(i) That portion of the Land which is designated as Limited Common Element A, being 3.154 acres in area, on the Condominium Map, is reserved for the exclusive use of Apartment A for the support of the building and other improvements comprising Apartment A, or attendant thereto, and for parking, yard, driveway, agricultural and residential purposes.

(ii) That portion of the Land which is designated as Limited Common Element B, being 3.000 acres in area, on the Condominium Map, is reserved for the exclusive use of Apartment B for the support of the building and other improvements comprising Apartment B, or attendant thereto, and for parking, yard, driveway, agricultural and residential purposes. The owner of Apartment B shall be allowed to construct and use a guest house in accordance with all rules, regulations, ordinances and laws of the County of Kauai and the State of Hawaii.

NOTICE: This is not a subdivision. The Limited Common Elements that are reserved for the exclusive use of individual units are not subdivided parcels. As such, they do not fall within the ordinances of the County of Kauai as the same pertain to subdivision nor do they derive any benefits therefrom.

EXHIBIT "B"

ENCUMBRANCES AGAINST TITLE

1. For real property taxes that may be due and owing reference is made to the Director of Finance, County of Kauai.
2. The terms and provisions, including the failure to comply with, the covenants, conditions, restrictions and reservations contained in the Declaration of Covenants, Conditions and Restrictions of the Pu'u Pane Subdivision dated November 1, 1999, recorded in the Bureau of Conveyances of the State of Hawaii (the "Bureau") as Document No. 99-181819.
3. The terms and provisions, including the failure to comply with, the covenants, conditions, restrictions and reservations contained in Declaration of Grant and Reservation of Easements for the Pu'u Pane Subdivision dated November 1, 1999, recorded in the Bureau as Document No. 99-181820, and in the Correction to Declaration of Grant and Reservation of Easements for the Pu'u Pane Subdivision dated December 9, 1999, recorded in the Bureau as Document No. 99-197185.
4. The terms and provisions, including the failure to comply with, the covenants, conditions, restrictions and reservations contained in the Agreement to Incorporate Agricultural Restrictions into Instruments of Conveyance acknowledged November 1, 1999 and November 2, 1999, and recorded in said Bureau as Document No. 99-181822.
5. The right in favor of the Owners, their successors and assigns, to relocate and/or widen their vehicle access into and from Kauai Belt Road, provided that such relocation and/or widening shall be subject to the approval of the State of Hawaii.
6. Free flowage of Wailapa Stream as shown on tax map.
7. Morita Reservoir Agreement dated November 17, 1986, recorded in Liber 20573 at Page 20, made by and between the TRUSTEES UNDER THE WILL AND OF THE ESTATE OF MARY N. LUCAS, DECEASED, and EDWIN V. DOTY and JOYCE H. DOTY, husband and wife, and DAVID HASSENMILLER AND NANCY J. HASSENMILLER, husband and wife.
 - (a) MORITA RESERVOIR SUB-AGREEMENT dated July 10, 1987, recorded in Liber 21300 at Page 434, by and between EDWIN V. DOTY, JOYCE H. DOTY, DAVID HASSENMILLER and NANCY J. HASSENMILLER, "Grantor", and KERRY WALTON, "Grantee".

(b) ASSIGNMENT OF MORITA RESERVOIR AGREEMENT dated July 17, 1989, recorded in Liber 23420 at Page 778, by and between EDWIN V. DOTY and JOYCE H. DOTY, husband and wife, "Assignor", and JOYCE HALVERSON DOTY, as Trustee of the Joyce H. Doty Living Trust under unrecorded Trust Agreement dated June 6, 1989, "Assignee".

8. Grant to Citizens Utilities Company and GTE Hawaiian Telephone Company Incorporated dated December 14, 1987, recorded in Liber 21742 at Page 306, granting a perpetual right and easement to build, construct, reconstruct, rebuild, repair, maintain and operate pole and wire lines and/or underground lines, etc., for the transmission and distribution, etc.

9. The terms and provisions, including the failure to comply with any easements, covenants, conditions and reservations contained in the Agreement to Release Rights to Three-Phase Power Installation dated October 8, 1999, and recorded in said Bureau as Document No. 99-181824, and Correction to Agreement to Release Rights to Three-Phase Power Installation dated December 9, 1999, recorded in said Bureau as Document No. 99-197186.

10. The terms and conditions, including the failure to comply with, the easements, covenants, conditions, restrictions and reservations contained in that certain unrecorded Waiver, Release and Indemnity Agreement for Drainage Purposes (Department of Public Works) dated September 15, 1998.

11. Domestic water service will not be available until the required construction improvements for the Pu'u Pane Subdivision, Phase I, are completed and accepted by the Board of Water Supply of the County of Kauai and/or the Department of Water of the County of Kauai.

12. Flood lines and other restrictions as shown on the final subdivision map for the Pu'u Pane Subdivision Phase I dated September 17, 1999, revised October 15, 1999, prepared by Dennis M. Esaki, licensed professional land surveyor and approved by the Planning Commission of the County of Kauai on October 14, 1999 ("Final Subdivision Map"). No new structures are permitted within the floodway. All new structures must be set back from the floodway line. Obstructing the flow of drainage within the Building Setback and/or Drainageway line is prohibited.

13. The terms and provisions, including the failure to comply with any covenants, conditions and reservations contained in that certain Agreement to Subdivide and Develop Real Estate dated March 14, 1988, recorded as Document No. 90-107572, by and between Victor V. Pedone, "Party of the First Part", and James B. Hechim, "Party of the Second Part".

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

Declaration of Covenants, Conditions and Restrictions dated ---- (acknowledged October 3, 1996, and September 30, 1996) and recorded in said Bureau as Document No. 96-149955.

15. Existing Irrigation Easement W-1, as shown on the Final Subdivision Map prepared by Dennis M. Esaki, licensed professional land surveyor.

16. No direct vehicular access shall be permitted onto Kuhio Highway from any of the lots in Pu'u Pane Subdivision, Phase I. Such restrictions on vehicle access rights are shown on the Final Subdivision Map.

17. A one hundred (100) foot building setback line as shown on the Final Subdivision Map.

18. A portion of Existing Irrigation Easement W-1 as shown on the Final Subdivision Map.

19. The location of the boundary of the Wailapa Stream and the effect, if any, upon the area of the land described herein.

20. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

MORTGAGOR: BARBARA J. DAUMILLER, unmarried,
JOHN C. MAGES and DAWN B. MAGES,
husband and wife

MORTGAGEE: GE CAPITAL HAWAII, INC., a Hawaii
corporation

DATED : December 14, 1999
RECORDED : Document No. 99-198611
AMOUNT : \$100,000.00

21. WAIVER AND RELEASE

BY : BARBARA J. DAUMILLER and JOHN C.
MAGES

DATED : January 26, 2000
RECORDED : Document No. 2000-017196

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

INSTRUMENT: DECLARATION OF CONDOMINIUM PROPERTY
REGIME FOR NANI PUU PANE CONDOMINIUM

DATED : May 24, 2000
RECORDED : Document No. 2000-079323
MAP : 3115 and any amendments thereto

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

INSTRUMENT: BYLAWS OF THE ASSOCIATION OF
APARTMENT OWNERS OF NANI PUU PANE
CONDOMINIUM

DATED : May 24, 2000
RECORDED : Document No. 2000-079324

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

INSTRUMENT: WARRANTY DEED

DATED : December 14, 1999
RECORDED : Document No. 99-198610

EXHIBIT C

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

| <u>Apartment</u> | <u>Monthly Fee x 12 months = Yearly Total</u> | |
|------------------|---|----------|
| Apartment A | \$10.00 | \$120.00 |
| Apartment B | \$10.00 | \$120.00 |

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

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

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

Maintenance, Repairs and Supplies

| | | |
|----------|---------|----------|
| Building | | |
| Grounds | \$20.00 | \$240.00 |

Management

- Management Fee
- Payroll and Payroll Taxes
- Office Expenses

Insurance

Reserves(*)

Taxes and Government Assessments

Audit Fees

Other

| | | |
|-------|---------|----------|
| TOTAL | \$20.00 | \$240.00 |
|-------|---------|----------|


BARBARA J. DAUMILLER JOHN C. MAGES DAWN B. MAGES

(*) 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.

EXHIBIT "D"

SUMMARY OF SALES CONTRACT

The Seller intends to use the Hawaii Association of Realtors' form of Deposit Receipt, Offer and Acceptance ("DROA") as the sales contract for the sale of apartments in the Project. The sales contract contains the purchase price, description and location of the apartment and other terms and conditions under which a Buyer will agree to buy an apartment.

Among other things, the sales contract and addendum:

1. Provides a section for financing to be completed and agreed to by the parties which will set forth how Buyer will pay the purchase price.

2. Identifies the escrow agent and states that Buyer's deposit will be held in escrow until the sales contract is closed or cancelled.

3. Requires that Buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.

4. Provides the following remedies, in the event of default under the sales contract:

by Buyer:

- a. Seller may bring an action against Buyer for breach of contract;
- b. Seller may retain Buyer's initial deposit;
- c. Buyer shall be responsible for expenses incurred.

By Seller:

- a. Buyer may bring an action against Seller for breach of contract;
- b. Buyer may bring an action compelling Seller to perform under contract;
- c. Sellershall be responsible for expenses incurred.

Any awards to the prevailing party in any action are subordinate to escrow's expenses.

5. Allocation of payment of closing costs.

6. Provides that the property is sold "as is".

EXHIBIT "E"

SUMMARY OF ESCROW AGREEMENT

An Escrow Agreement allows the Condominium Buyers' money to be held by a neutral party, the Escrow Agent, until the Seller can deliver good and marketable title to the Condominium. The Escrow Agreement for this project provides for, among other things:

1. That First American Long & Melone Title Company, Ltd. is the Escrow Agent.

2. That, upon execution of a Sales Contract, the Developer shall deliver all money received over to the Escrow Agent.

3. That no money shall be released from escrow until the Real Estate Commission shall issue a final report.

4. That the Buyer shall receive all public documents relating to the project.

5. That a Buyer's money shall be returned to him if he exercises certain rights he may have to cancel his Sales Contract as provided by law, if that is his wish, or if the Seller is unable to provide title to the Condominium.

6. That, upon the Seller providing good title to the Condominium, the Buyer's money shall be turned over to the Seller.

7. That the Escrow Agent will record with the State of Hawaii all documents requiring such.

8. That, if the Buyer is unable to perform and has money on deposit in escrow, these monies will be turned over to the Seller.

EXHIBIT "F"

MEMORANDUM FROM THE COUNTY OF KAUAI PLANNING DEPARTMENT

PLANNING DEPARTMENT
COUNTY OF KAUAI
4444 Rice Street, Suite 473, Bldg. A,
Lihue, Hawaii 96766

COPY

DATE: July 20, 2000

To: Senior Condominium Specialist
Real Estate Commission
P&VLD/DCCA
250 South King Street, Suite 702
Honolulu, Hawaii 96813

From: Dee M. Crowell, Planning Director 

Subject: Certification of Inspection of Existing Buildings

PROJECT NAME: NANI PUU PANE CONDOMINIUM PROJECT
TAX MAP KEY: (4) 5-1-05:52

The developer of the above-mentioned condominium project has requested that this office, as an agency of the County of Kauai, review the project for compliance with all ordinances, codes, rules, regulations and other requirements of the County of Kauai, (Section 515A-40 (b), (1), Hawaii Revised statutes. Subject to the disclosures and waiver (item "e" below) specified herein, we certify the following:

- a. The developer has contracted engineer Wayne T. Wada to certify that the existing buildings on the proposed project referred to as Nani Puu Pane Condominium Unit A and Unit B are in compliance with all ordinances, codes, rules, regulations and other requirements in force at the time of its construction, and to that extent, and subject to the conditions of waiver herein, the Planning Department adopts that certification as it pertains to the rules and regulations administered solely by this department.
- b. There were no variances approved for the subject property.
- c. The parcel does not contain any outstanding nonconforming uses or structures as a result of the adoption or amendments of any ordinances or codes.
- d. There are no notices of violation of County Building or zoning codes outstanding according to our records.

Senior Condominium specialist

Page 2

July 20, 2000

e. **WAIVER**

The foregoing certification is not a warranty as to any compliance with all applicable County and State rules and regulations. The sole reason for the execution hereof is to comply with statutory requirements relating to the regulations of condominiums under Subsection 515A-40, (b), (1), Hawaii Revised Statutes.

If you have any questions, please contact Alvin Fukushima of my staff at 241-6697.

cc: Patrick J. Childs