

## CONDOMINIUM PUBLIC REPORT

Prepared & Issued by: Developer: MARTHA F. RYKER, M.D., Trustee of the Martha F. Ryker, M.D. Trust dated Oct. 1, 1996, as amended  
Business Address: P. O. Box 547, Kalaheo, Kauai, Hawaii 96741

Project Name(\*): MAI'A SPLIT ACRES CONDOMINIUM  
Address: 3755 Waha Road, Kalaheo, Kauai, Hawaii 96741

Registration No. 4543  
(Partial Conversion)

Effective date: May 23, 2007  
Expiration date: June 23, 2008

### Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, in any, of the project or of purchasing an apartment in the project.

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

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

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

### Type of Report:

- PRELIMINARY:**  
(yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A final Public Report will be issued by the developer when complete information is filed.
- FINAL:**  
(white) The developer has legally created a condominium and has filed complete information with the Commission.  
 No prior reports have been issued.  
 This report supersedes all prior public reports.  
 This report must be read together with \_\_\_\_\_
- THIRD SUPPLEMENTARY:**  
(pink) This report updates information contained in the:  
 Preliminary Public Report dated: \_\_\_\_\_  
 Final Public Report dated: February 1, 2001  
 Supplementary Public Report dated: December 12, 2003 and February 15, 2005  
**(Non-expiring status)**
- 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

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104/0107

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

- Required and attached to this report (attached as Exhibit G)                       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:

This Third Supplementary Public Report replaces and supercedes all previously issued public reports for this Project.

Numerous changes have been made to the information contained in prior reports. The changes are too numerous to be listed so purchasers are advised to review all portions of this Third Supplementary Public Report.

Amended Map No. 3187, dated August 17, 2005, accurately reflects the location and division of the apartment units and the dimensions of the limited common elements (See Exhibit A).

The Restated Declaration of Condominium Property Regime of Mai'a Split Acres Condominium (recorded at the Bureau of Conveyances of the State of Hawaii as Document No. 2007-000999) includes Coverage and Building Location Restrictions (See Restated Declaration Section 9.3 and page 20 of this report). See Exhibit L.

**SPECIAL NOTICE:**

This is a condominium project, not a subdivision. There are County restrictions on the number of dwelling units, or other structures, which may be built upon the property. Therefore, unless the purchaser is purchasing an existing dwelling, there is no assurance that the purchaser will be able to build a dwelling unit on the property. There also is no assurance that the purchaser will be able to convert an existing non-residential structure to residential use. The purchaser should consult with the appropriate County agencies to determine whether the purchaser may build a dwelling unit, or any other type of structure.

1. There is presently one (1) residential structure on Unit 1 and one (1) shade shed on Unit 2 of the project.
2. Issuance of an effective date for this Public Report does not constitute an approval of the project by the Real Estate Commission, or any other governmental agency, nor does it imply that all County codes, ordinances and subdivision requirements have been complied with.
3. This project does not involve the sale of individual subdivided lots. The land area beneath and immediately adjacent to each unit, as shown on the Condominium Map, is designated as a limited common element for that unit and does not represent a legally subdivided lot. The dotted or dash lines on the Condominium Map generally represent the location of the limited common element or easements assigned to each unit.
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 owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for and services such as County street maintenance and trash collection will not be available for interior roads and driveways.

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

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## **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: MARTHA F. RYKER, M.D., Trustee of the Martha F. Ryker, M.D. Trust dated Oct. 1, 1996, as amended Name\* Phone: (808) 332-9054  
P. O. Box 547 (Business)  
Business Address  
Kalaheo, Hawaii 96741

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 Brokers\*: Jodi Elizabeth Matsumoto Name Phone: (808) 245-6205  
P.O. Box 925 (Business)  
Business Address  
Lihue, Hawaii 96766

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

General Contractor\*: Robert D. Mikkelsen Name Phone: (808) 332-0315  
3614 Ala Loke (Business)  
Business Address  
Kalaheo, Hawaii 96741

Condominium Managing Agent\*: Self-Managed by the Association of Name Phone: \_\_\_\_\_  
Apartment Owners (Business)  
Business Address

Attorney for Developer: Glen T. Hale Name Phone: 808-245-4100  
Hale & Goldberg LLP (Business)  
2970 Kele Street Suite 210  
Business Address  
Lihue, Hawaii 96766-1803

\*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.

**(Restated)**

The Declaration for this condominium is:

Proposed

Recorded - Bureau of Conveyances:

Document No. 2007-000999

Book \_\_\_\_\_ Page \_\_\_\_\_

Filed - Land Court:

Document No. \_\_\_\_\_

**The foregoing Restated Declaration restates the original Declaration dated July 20, 2000, recorded as Document No. 2000-163251, and any amendments thereto.**

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]: First Amendment to Restated Declaration of Condominium Property Regime of Mai'a Split Acres Condominium dated March 1, 2007, recorded as Document No. 2007-059982.

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 Amended Condominium Map No. 3187

Filed - Land Court Condo Map No. \_\_\_\_\_

The Amended Condominium Map 3187 dated August 17, 2005 replaced the original Condominium Map 3187.

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.

**(Restated)**

The Bylaws for this condominium are:

Proposed

Recorded - Bureau of Conveyances:

Document No. 2007-001000

Book \_\_\_\_\_ Page \_\_\_\_\_

Filed - Land Court:

Document No. \_\_\_\_\_

**The foregoing Restated Bylaws restates the original Bylaws dated July 20, 2000, recorded as Document No. 2000-163252, and any amendments thereto.**

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  
 (See Exhibit I) \*Pursuant to Section 5.4 of the Restated Bylaws the Association's Board of Directors, with notice, may adopt, amend or repeal House Rules and/or other regulations governing the operation and use of the common elements.

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

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

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>75%</u>
Bylaws	65%	<u>75%</u>
House Rules (if adopted)	----	<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 Restated Declaration, Condominium Map or Restated Bylaws:

- A. Execute and/or record any easement required by any State or County agency or as may be required by a private or public utility company;
- B. Execute and/or record any document required by any State or County agency to complete the development of the Project and/or to obtain approval of the Project's Public Report.
- C. Execute and/or record any document, including easements required by any State or County agency or any private or public utility company necessary to provide for utilities to the project or any other matters necessary to the project.

See Restated Declaration Article 20.

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

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

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

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

Lease Term Expires: \_\_\_\_\_ Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable:             Monthly                     Quarterly  
    Semi-Annually             Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per  Month  Year

For Sub-leaseholds:

- Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:  
 Canceled                     Foreclosed
- As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

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

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

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

Lease Term Expires: \_\_\_\_\_ Rent Renegotiation Date(s): \_\_\_\_\_

Lease Rent Payable:             Monthly                     Quarterly  
    Semi-Annually             Annually

Exhibit \_\_\_\_\_ contains a schedule of the lease rent for each apartment per:  Month  Year

[ ] Other:

**IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS**

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

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

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

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

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

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

**B. Underlying Land:**

Address: 3755 Waha Road Tax Map Key: (TMK): (4) 2-3-018:002  
Kalaheo, Hawaii 96741

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

Land Area: 8.21 [ ] square feet [ x ] acre(s) Zoning: Ag/Open

Fee Owner: MARTHA F. RYKER, M.D., Trustee as aforesaid

Lessor: n/a  
Name \_\_\_\_\_  
Business 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: two (2) Floors Per Building one (1)  
 Exhibit \_\_\_\_\_ contains further explanations.
3. Principal Construction Material:  
 Concrete       Hollow Tile       Wood  
 Other 4 metal posts – shade cloth
4. Uses Permitted by Zoning:

	No. of Apts.	<u>Use Permitted by Zoning</u>	
<input type="checkbox"/> Residential	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Industrial	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Agricultural	<u>2</u> (1 shade shed)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Other:	_____	<input 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/Open by the County of Kauai. "Farm Dwellings" and other structures appropriate to agricultural usage are permitted, subject to certain guidelines. See Page 20 (Residential Dwellings within State Land Use Agricultural District) of this Public Report.

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:

- Household pets may be kept consistent with any applicable law or restrictive covenants
- Pets: applicable to the project so long as they do not become a nuisance to the other owners.
- Number of Occupants: \_\_\_\_\_
- Other: A dwelling may only be constructed within a certain area (building envelope) of Unit 2. The building envelope is the area formed by a line extending north from the western end of Easement U-2 (as shown on the Amended Condominium Map) to the north boundary of Unit 2 and adjacent Lot 143-A-1-G and a line extending west from the western end of Easement U-2 to the western boundary of Unit 2 and adjacent Lot 145-A. See Section 9.3 of the Restated Declaration.

Farm Dwellings: Purchasers should be aware that Chapter 205, Hawaii Revised Statutes (HRS), 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".

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

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

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
<u>1</u>	<u>1</u>	<u>2/2.5</u>	<u>2,261</u>	<u>415</u>	<u>Lanai</u>
				<u>653</u>	<u>Carport/Storage</u>
<u>2</u>	<u>1</u>	<u>-0-</u>	<u>-0-</u>	<u>20</u>	<u>Shed</u>

Total number of Apartments: two (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:** Per the Restated Declaration of Condominium Property Regime, the boundaries of each apartment shall be the outer surface of the entire building. Wires or conduits, pipes or any utility lines running over, under or through any apartment which are utilized for or serve more than one unit shall not be deemed a part of the apartment, the same being deemed common elements.

**Permitted Alterations to Apartments:** Permitted alterations to apartments are as allowed by County of Kauai zoning ordinances and recorded restrictions on the project, if any. Upon construction of each permanent improvement, an amendment to the Restated Declaration of Condominium Property Regime will be required to disclose actual improvements as a matter of public record. Where structure(s) other than a farm dwelling currently serve as apartment(s), for any unit(s) otherwise allowed to construct a farm dwelling, it is anticipated that a farm dwelling will either replace the existing improvement(s) or be added thereto. The owner of any altered unit shall have the right and duty and shall be required to amend the Restated Declaration and the Condominium Map to reflect any such alterations. As long as all legal requirements are met as required herein, all other unit owners, by acquiring an interest in any other unit, shall be deemed to have been granted a power-of-attorney from all other unit owners to execute an amendment to the Restated Declaration solely for the purpose of describing the alterations to his respective unit.

(Continued on Page 11a)

**Apartments Designated for Owner-Occupants Only:**

Fifty percent (50%) of **residential** apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by Section 514A-102, HRS; or include the information here in this public report and in the announcement (see attachment 11a). Developer has n/a elected to provide the information in a published announcement or advertisement.

7. Parking Stalls:

Total Parking Stalls: 2

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		TOTAL
	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	
Assigned (for each unit)	<u>1</u>	<u>1*</u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>2</u>
Guest	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Unassigned	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
Extra for Purchase	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>	<u>      </u>
*Although not identified on the CPR map.							
Other: <u>Units 1 and 2 have ample space for at least one parking stall within their limited common element land areas.</u>							
Total Covered & Open:	<u>2</u>	<u>      </u>	<u>-0-</u>	<u>      </u>	<u>-0-</u>	<u>      </u>	<u>2</u>

Each apartment will have the exclusive use of at least 1 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  
(For conversions of residential apartments in existence for at least five years):

Based on the Architect's Condition Report prepared by Avery H. Youn, Registered Professional Architect, No. 3576, the Developer states that the structural components, mechanical and electrical installations of Unit 1 appears to be in satisfactory condition for the stated age thereof (15 years) and appears to be in satisfactory condition for its age. The structure and related systems and components have an expected useful life in excess of approximately 35 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 lawfully at one time but which does not now conform to present zoning requirements:

	Conforming	Non-Conforming	Illegal
Uses	<u>    x    </u>	<u>          </u>	<u>          </u>
Structures	<u>    x    </u>	<u>          </u>	<u>          </u>
Lot	<u>    x    </u>	<u>          </u>	<u>          </u>

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

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

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

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

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

- described in Exhibit     E    .  
 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 Restated Declaration, are:

described in Exhibit E.

as follows:

3. Common Interests: Each apartment will have an undivided fractional interest 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 C.

as follows:

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

Exhibit F describes the encumbrances against the title contained in the title report dated April 4, 2007 (revised April 20, 2007) 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.

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 <b>Prior to Conveyance</b></u>
Mortgage	A lender has priority over a Buyer's rights under a Sales Contract and has a right to terminate a sales contract upon foreclosure of its mortgage before an apartment sale is closed. If foreclosed, Buyer's deposit shall be refunded (less any escrow cancellation fees) and the sales contract between Seller and Buyer shall be cancelled.

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:**

Unit 1 was completed in 1991.

Unit 2 was completed July 14, 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):

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  the Developer or the Developer's affiliate.  
 self-managed by the Association of Apartment Owners  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   H   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  Electricity ( \_\_\_\_\_ Common Elements only \_\_\_\_\_ Common Elements & Apartments)  
 Gas ( \_\_\_\_\_ Common Elements only \_\_\_\_\_ Common Elements & Apartments)  
 Water  Sewer  Television Cable  
 Other \_\_\_\_\_

Note: Developer discloses that no reserve study was done in accordance with Chapter 514A-83.6 and replacement reserve rules, Subchapter 6, Title 16, Chapter 197, Hawaii Administrative Rules, as amended.

## 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  C  contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated  March 8, 2007 .  
Exhibit  D  contains a summary of the pertinent provisions of the escrow agreement.
- Other \_\_\_\_\_

### B. Buyer's Right to Cancel Sales Contract:

#### 1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:

- A) The developer delivers to the buyer a copy of:
  - 1) Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission; **AND**
  - 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
- B) The buyer is given an opportunity to read the report(s); **AND**
- C) One of the following has occurred:
  - 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
  - 2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
  - 3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; **AND**
- B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all the documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
  - B) Restated Declaration of Condominium Property Regime, as amended.
  - C) Restated Bylaws of the Association of Apartment Owners, as amended.
  - D) House Rules, if any.
  - E) Condominium Map, as amended.
  - F) Escrow Agreement.
  - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
  - H) Other Farm Dwelling Agreement; Waiver and Release; Grants (3); Amendment to Grant of Utility Easement; Notice of Dedication; and Mortgage

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following:

Website to access official copy of laws: [www.capitol.hawaii.gov](http://www.capitol.hawaii.gov)  
 Website to access unofficial copy of laws: [www.hawaii.gov/dcca/hrs](http://www.hawaii.gov/dcca/hrs)  
 Website to access rules: [www.hawaii.gov/dcca/har](http://www.hawaii.gov/dcca/har)

This Public Report is a part of Registration No. 4543 filed with the Real Estate Commission on December 26, 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:**

This is a condominium project, not a subdivision. Units purchased are not on subdivided lots. To determine whether your expectations can be realized, you should carefully review the contents of this Report. You should also conduct your own investigations and ascertain the validity of information provided.

A residential improvement is located on Unit 1. The structure on Unit 2 is a shade shed, which may be defined as an "apartment" under the Condominium Property Act. These can be replaced by or remodeled as allowed by law and project documents. The prospective purchaser shall have the right to undertake such work at purchaser's expense. The purchaser shall also, in such event, file the "as-built" certificate within thirty days of completion of the residence in conformance with Section 514A-12, Hawaii Revised Statutes, and record an amendment of the Restated Declaration of Condominium Property Regime to describe the residence. The County of Kauai Planning Department, in order to process the necessary permits for the construction of any other structure, requires authorization from at least 75% of the legal and equitable ownership of the entire project, consistent with the Restated Declaration and the Restated Bylaws ("condominium documents").

Except as limited specifically by the condominium documents and subdivision restrictive covenants, all uses permitted in the residential zone are permitted. Uses in one zone are not the same as in the other, and the prospective purchaser should consult the appropriate county agency for information on uses and construction in the respective zones.

A buyer should understand that all development and use of the property shall be in compliance with County codes and ordinances, that owners in this condominium project will not necessarily receive the same County benefits as owners of approved subdivided lots, and that owners who develop their limited common element later than others may find that land use and zoning changes or insufficient utility capacities may thwart their expectations.

Purchasers should be aware that Chapter 205, Hawaii Revised Statutes (HRS), 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 Chapter 205-4.5(a)(4), HRS, 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 Chapter 205-4.5, HRS, 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 ("farm dwelling"), the County of Kauai will require the purchaser to sign a Farm Dwelling Agreement in the form attached hereto as Exhibit "K".

Amended Map No. 3187 (dated August 17, 2005) accurately reflects the location and division of the apartment units and the dimensions of the limited common elements (See Exhibit A).

The Restated Declaration of Condominium Property Regime of Mai'a Split Acres Condominium (dated Oct. 17, 2006) includes Building Location Restrictions (See Restated Declaration Section 9.3). The restriction allows construction ONLY within a certain area (building envelope) of Unit 2. The building envelope is the area formed by a line extending north from the western end of Easement U-2 (as shown on the Amended Condominium Map) to the north boundary of Unit 2 and adjacent Lot 143-A-1-G and a line extending west from the western end of Easement U-2 to the western boundary of Unit 2 and adjacent Lot 145-A.

Easements. See Page 20a.

### Easements in Favor of the Project

The Project includes an easement for general roadway and utility purposes being a portion of Lot 142 of the "Kalaheo Homesteads, Second Series" as more particularly described in Exhibit "A." The area of this easement is located west of the western most point of Easement A-2 as shown on the Amended Map and is set aside for the exclusive use of Unit 2 and Unit 2 shall have appurtenant thereto exclusive easements for the use of such unit.

### Easements Affecting the Project

1. Easement A-1, containing an area of 1,101 square feet, as shown on the Amended Map, is a non-exclusive access easement affecting Unit 1 and in favor of Unit 2 and an adjacent parcel of property identified as Kauai County TMK No. (4) 2-3-018-029. A copy of the description of Easement A-1, prepared by Roger M. Caires licensed professional land surveyor dated October 15, 2003, was previously filed with the First Amendment to Declaration of Condominium Property Regime of Mai'a Split Acres Condominium and is incorporated herein by this reference. A Grant of Easement A-1 was recorded separately and prior to the recordation of said First Amendment.

2. Easement A-2, containing an area of 613 square feet, as shown on the Amended Map for this Project, is a non-exclusive easement for access purposes in favor of the owners of Units 1 and 2. The affected parcel is identified as Kauai County TMK No. (4) 2-3-018-029 (hereinafter referred to as "Parcel 29"). A copy of the description of Easement A-2, prepared by Roger M. Caires licensed professional land surveyor dated October 15, 2003, was previously filed with said First Amendment and is incorporated herein by this reference. A Grant of Easement A-2 from the owner of Parcel 29 was recorded separately and prior to the recordation of said First Amendment.

3. Easements U-1 and U-2, containing an area of 1,662 square feet and 4,181 square feet respectfully, as shown on the Amended Map for this Project, are utility easements in favor of Kauai Island Utility Cooperative and Verizon Hawai'i Inc. pursuant to a Grant of Utility Easements previously recorded at the Bureau of Conveyances, State of Hawai'i, as amended by Amendment of Grant of Utility Easement recorded in the Bureau of Conveyances as Document No. 2007-059981. Unit 1 is subject to Easement U-1 and Unit 2 is subject to Easement U-2.

4. Easement U-1 shall be in favor of Unit 2 for utility purposes and the owner of Unit 2 shall bear all costs and damages incurred in the use, maintenance and repair of Easement U-1 except those costs related to any utility improvement used exclusively for Unit 1.

5. Unit 1 is subject to a utility easement in favor of Kauai Island Utility Cooperative and Verizon Hawai'i, Inc. including the perpetual right and easement to build and maintain overhead and underground utility lines and a right of entry upon the premises. Said utility easement is identified as the "KIUC O/H Easement" on Amended Map No. 3187.

### Guest House Requirements

A summary of the County of Kauai guest house requirements is attached hereto as Exhibit I and incorporated herein by this reference.

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

MARTHA F. RYKER, M.D., Trustee of the  
Martha F. Ryker, M.D. Trust dated Oct. 1, 1996, as amended  
Name of Developer

By:   
Duly Authorized Signatory\*

February 1, 2007  
Date

MARTHA F. RYKER, M.D., Trustee of the  
Martha F. Ryker, M.D. Trust dated Oct. 1, 1996, as amended  
Printed Name & Title of Person Signing Above

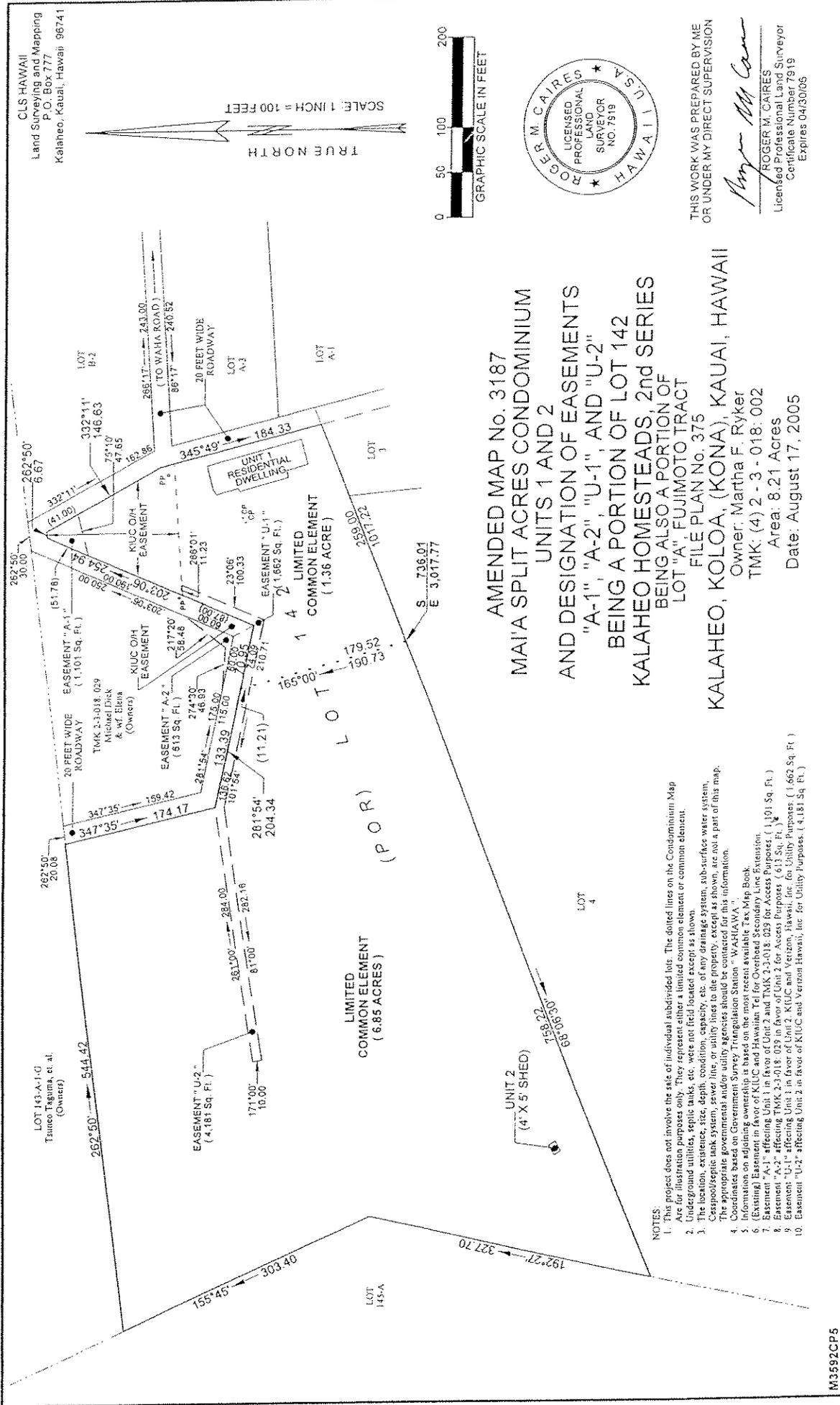
Distribution:

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

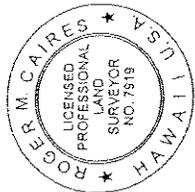
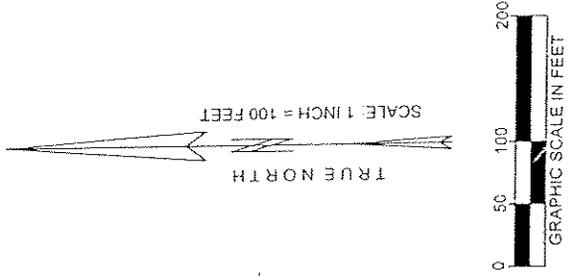
**\*Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner, Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.**

EXHIBIT A

CONDOMINIUM MAP, LIMITED COMMON ELEMENT LOCATIONS, FLOOR PLANS AND ELEVATIONS



CLS HAWAII  
Land Surveying and Mapping  
P.O. Box 777  
Kalaheo, Kauai, Hawaii 96741



THIS WORK WAS PREPARED BY ME  
OR UNDER MY DIRECT SUPERVISION  
*Roger M. Cairns*  
ROGER M. CAIRNS  
Licensed Professional Land Surveyor  
Certificate Number 7919  
Expires 04/30/06

AMENDED MAP No. 3187  
MAI'A SPLIT ACRES CONDOMINIUM  
UNITS 1 AND 2  
AND DESIGNATION OF EASEMENTS  
"A-1", "A-2", "U-1", AND "U-2"  
BEING A PORTION OF LOT 142  
KALAHEO HOMESTEADS, 2nd SERIES  
LOT "A", FUJIMOTO TRACT  
FILE PLAN No. 375  
KALAHEO, KOLOA, (KONA), KAUAI, HAWAII  
Owner: Martha F. Ryker  
TMK: (4) 2 - 3 - 018 : 002  
Area: 8.21 Acres  
Date: August 17, 2005

- NOTES:
- This project does not involve the sale of individual subdivided lots. The dotted lines on the Condominium Map are for illustration purposes only. They represent either a limited common element or common element.
  - Underground utilities, septic tanks, etc. wells not field located except as shown.
  - The location, extent, size, depth, condition, capacity, etc. of any drainage system, sub-surface water system, septic system, sewer line, or utility lines to the property, except as shown, are not a part of this map. The applicant has provided utility agencies should be contacted for this information.
  - Overhead power lines, telephone lines, and other overhead facilities are shown as they appear on the most recent available TMK Map Book.
  - Information on adjoining ownership is based on the most recent available TMK Map Book.
  - (Existing) Easement in favor of KIUC and Hawaiian Tel for Overhead Secondary Line Elevation.
  - Easement "A-1" affecting Unit 1 in favor of Unit 2 and TMK 2-3-018-039 for Access Purposes (1,191 Sq. Ft.)
  - Easement "A-2" affecting TMK 2-3-018-039 in favor of Unit 2 for Access Purposes (613 Sq. Ft.)
  - Easement "U-1" affecting Unit 1 in favor of Unit 2, KIUC and Verizon, Hawaii, Inc. for Utility Purposes (1,662 Sq. Ft.)
  - Easement "U-2" affecting Unit 2 in favor of KIUC and Verizon Hawaii, Inc. for Utility Purposes (4,181 Sq. Ft.)

"MAI'A SPLIT ACRES CONDOMINIUM"  
Amended Condominium Map, Floor Plans and Elevations

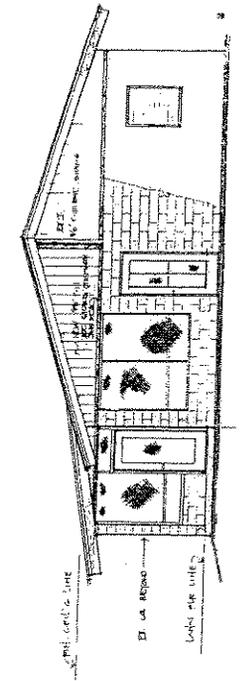
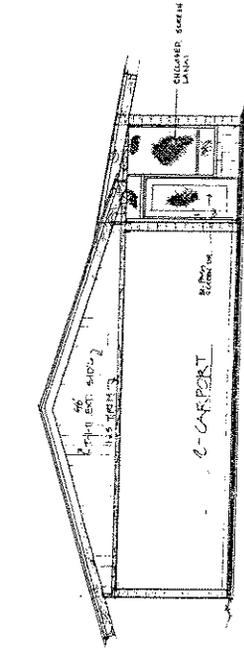
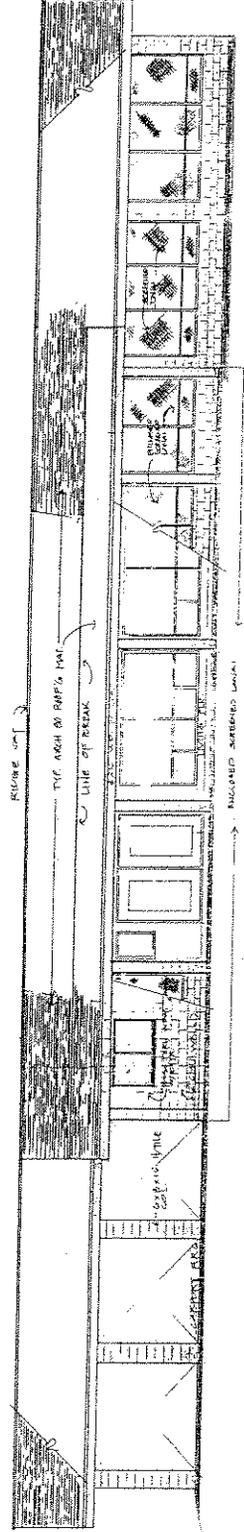
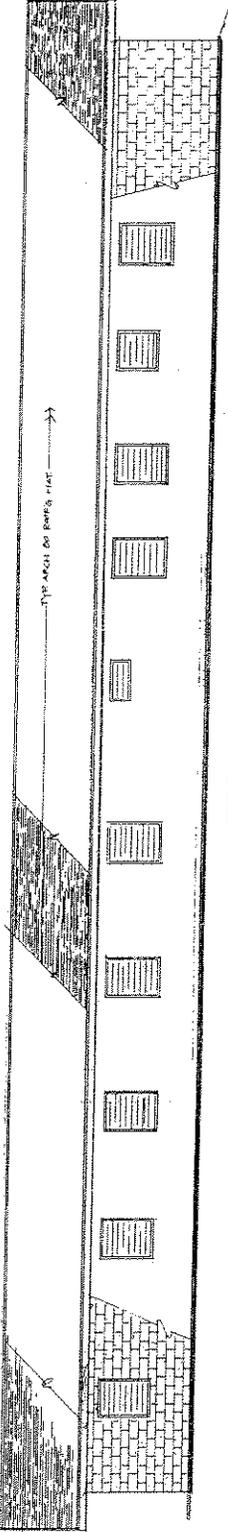
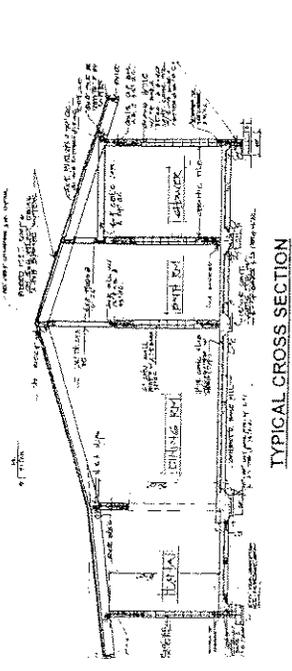
M3592CP5



This work was prepared by me or under my supervision and approval of this project will be under my supervision.

MAMA SPLIT ACRES CONDOMINIUM - UNIT 1 DWELLING  
 OWNER: MARTHA F. RYKER  
 T.M.K.: (4) 2-3-018: 02  
 KAIHAHO HOMESTEADS, KAUAI, HAWAII

2

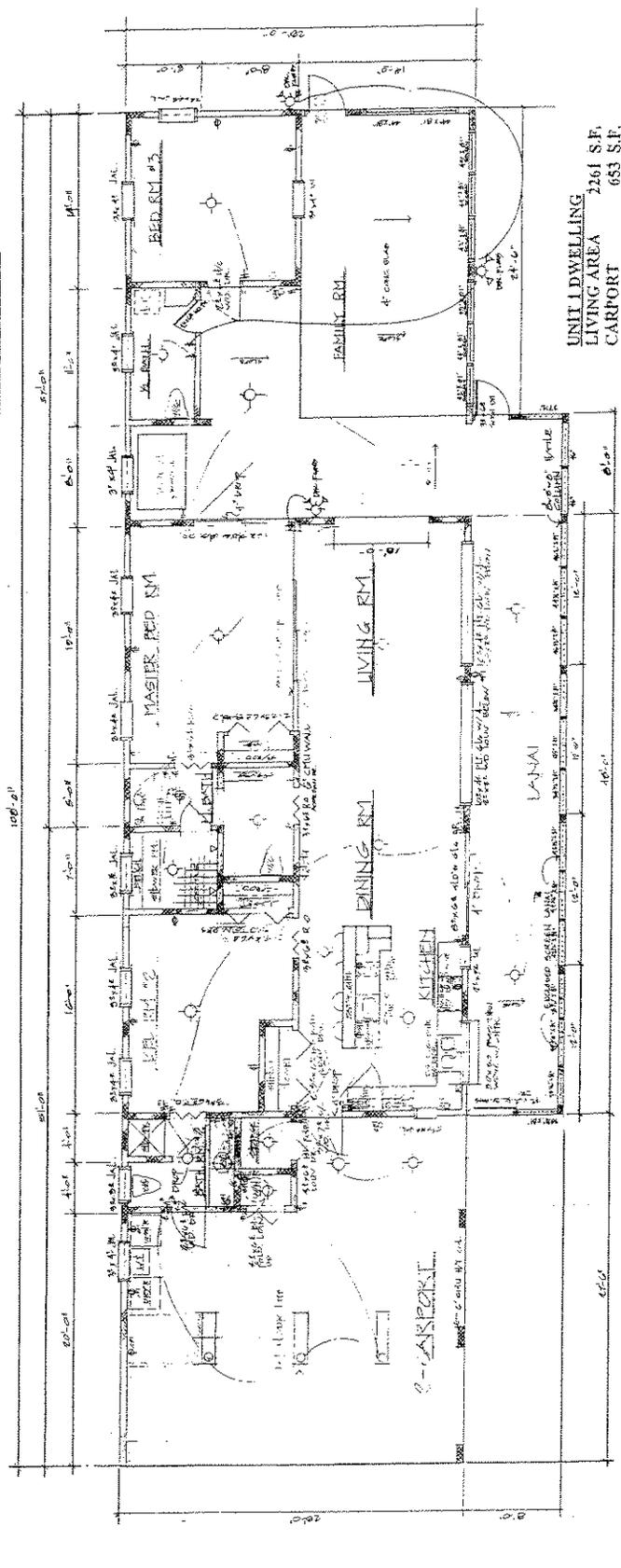
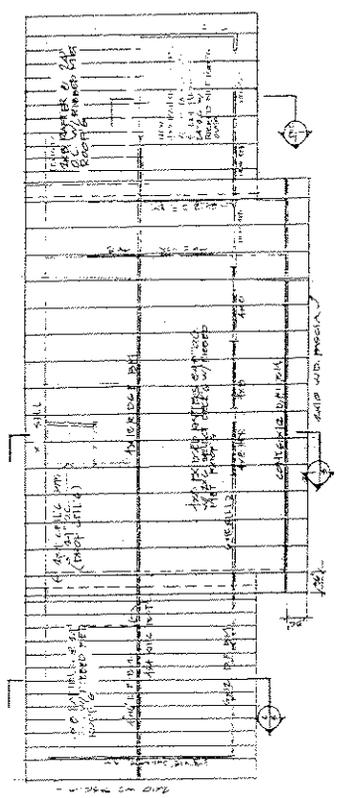
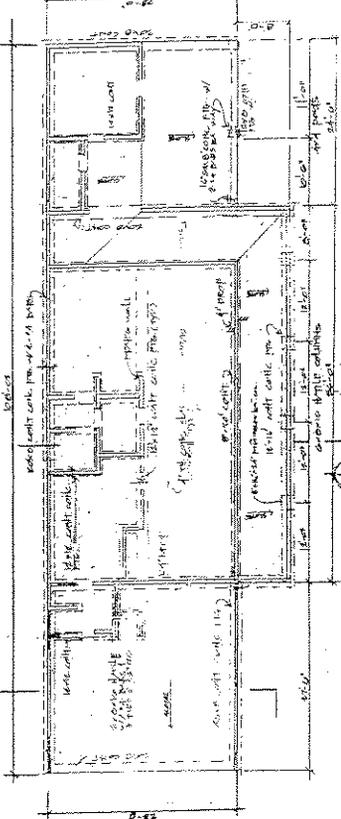




of under my supervision and  
 control of this project  
 will be provided by  
 ARCHITECT  
 No. 3876  
 HAWAII, U.S.A.

MAI'A SPLIT ACRES CONDOMINIUM - UNIT 1 DWELLING  
 OWNER: MARTHA F. RYKER  
 T.M.K.: (4) 2-3-018: 02  
 KALAEHO HOMESTEADS, KAAI, HAWAII

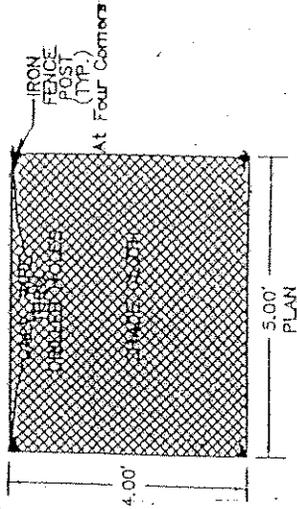
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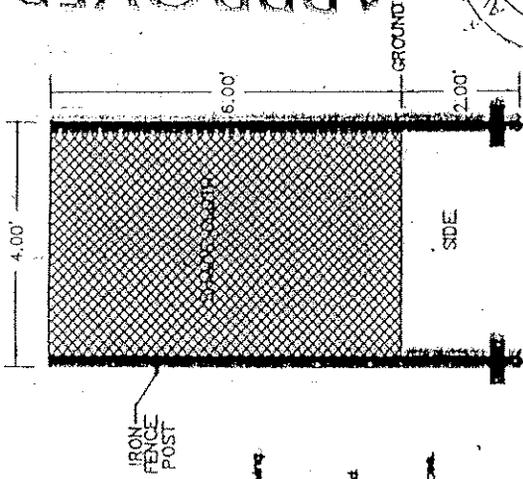
UNIT 1 DWELLING  
 LIVING AREA 2261 S.F.  
 CARPORT 653 S.F.  
 LANAI 415 S.F.  
 TOTAL AREA 3329 S.F.

"MAI'A SPLIT ACRES CONDOMINIUM"  
 Amended Condominium Map, Floor Plans and Elevations

**UNIT 2 SHED**  
**TOTAL AREA 20 S.F.**



**APPROVED**  
**JOB SITE COPY**  
 M.L.G. DIV. P/W. COUNTY OF KAUAI



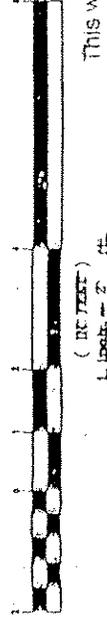
**NOTICE TO OWNER/CONTRACTOR**

Approval of this plan is given subject to the following conditions:

1. All construction shall be in accordance to the approved plan, (i.e., setbacks, height, area, lot coverage, marking, use of structure, etc.)
2. If any changes are made to this plan, a revised plan shall be submitted for approval.
3. Use of structure(s) and lot and all minimum requirements shall conform to all State and County rules, regulations, codes and ordinances. Planning Department, County of Kauai

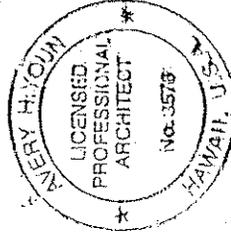
MAR 0 2 2000

GRAPHIC SCALE



This work was prepared by me or under my supervision and construction of this project will be under my observation.

*[Signature]*  
 Signature



## EXHIBIT B

### SUMMARY OF SALES CONTRACT

The MAI'A SPLIT ACRES CONDOMINIUM Sales Contract and Receipt (the "contract"), contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

1. The method of payment of the purchase price to the escrow agent, subject to other terms.
2. The closing date for the purchase.
3. Whether, at the time of execution of the contract, an effective date for a supplementary public report has been issued.
4. The terms and conditions of the sale which include, among other provisions, the following:
  - (a) That Purchaser will receive a copy of the Third Supplementary Public Report for the project.
  - (b) Purchaser agrees that all payments made will be placed on deposit with escrow pursuant to the terms of the Escrow Agreement, and Purchaser is subject to all of the terms of the Escrow Agreement.
  - (c) Seller has a right to extend the closing date by 31 days or by 31 days after the Third Supplementary Public Report effective date is issued, whichever is later.
  - (d) Thirty days after receipt of the Third Supplementary Public Report or Buyer's waiver of its right to cancel under Hawaii Revised Statutes Section 514A-62, Purchaser shall not have the right to rescind the contract.
  - (e) Purchaser has received a copy of the Escrow Agreement.
  - (f) If Purchaser defaults, Seller may cancel the contract or bring legal action against Purchaser to force sale, obtain money damages, or retain Purchaser's deposit money held in escrow.
  - (g) The unit the Purchaser is purchasing is shown on the condominium map attached as Exhibit A to the Sales Contract and Receipt; Purchaser will have the right to cancel if the Unit is different from that shown on said Exhibit A.

- (h) That a deed conveying clear title will be given at closing, subject to certain obligations.
- (i) The Purchaser agrees to give future easements if reasonably required for the project.
- (j) Except for unexpired builder's statutory warranties and assignable appliance warranties, the Purchaser will accept the Unit "AS-IS". Purchaser assumes all risks regarding any potential hazardous materials on the condo property or property adjoining or in the vicinity, including liability for suits by third parties. Seller is, however, unaware of any such conditions on the property.
- (k) The payment of commissions, if any, is set out in the contract.
- (l) Time is of the essence of the obligations of Purchaser under the contract.

**SPECIAL NOTICE:**

THE FOREGOING SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE CONTRACT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE PURCHASER'S RIGHTS AND OBLIGATIONS, THE PURCHASER MUST REFER TO THE PURCHASER'S CONTRACT TO DETERMINE THE BUYER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONTRACT, THE CONTRACT WILL CONTROL NOT THIS SUMMARY.

**END OF EXHIBIT B**

## EXHIBIT C

### SCHEDULE OF APARTMENTS AND COMMON INTERESTS

Quantity	Unit No.	Area of Unit* (Acres)	No. of Br./Bath	Appx. Net Living Area (Sq. Ft.)	Appx. Other Area (Sq. Ft.)	% of Common Interest
1	Unit 1	1.36	2/2.5	2,261	Carport (653) Lanai (415)	50%
1	Unit 2	6.85	-0-	-0-	Shade Shed (20)	50%

The units are described as follows:

Unit 1 includes a single family detached dwelling unit of hollow block concrete walls, Architect 80 roof (that may be changed to Gerand Roofing) with a concrete floor consisting of a living room, dining room, kitchen, family room with a Jacuzzi, master bedroom with closet and master bathroom, one additional bedroom with closet and bathroom, one office with closet with a one-half bathroom, a screened lanai, attached carport with laundry area and storage area. The total net living area of the apartment is 2,261 square feet, the lanai is 415 square feet and the carport including the laundry, bathroom and storage area of 653 square feet. The building is located on the eastern side of a 1.36 acre limited common element.

Unit 2 includes a one-room, one-story, 20 square foot shade shed, constructed of shade cloth and iron fence posts, which is located in the southwestern portion of a 6.85 acre limited common element.

Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which the common interest has been computed. There are two (2) units, each of which will burden the common elements equally. Therefore, the assessment of undivided interest both for common expense and for voting is 50% for each unit.

The common interest appurtenant to each unit shall be permanent. Subject to the zoning requirements and amendments of the Condominium Map and the Declaration of Condominium Property Regime, each unit owner may use the unit, alter or add to it in any manner deemed desirable, so long as it is permitted by law and the Declaration of Protective Covenants and House Rules, if any. If adjoining unit owners desire to alter and/or transfer portions of their respective units, they can do so by the filing of an amendment to the Condominium Map and the Declaration of Condominium Property Regime together with their respective signatures.

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

**END OF EXHIBIT C**

## EXHIBIT D

### SUMMARY OF PORTIONS OF ESCROW AGREEMENT

The Escrow Agreement ("Agreement") dated March 8, 2007 between TITLE GUARANTY ESCROW SERVICES, INC., a Hawaii corporation ("Escrow"), and MARTHA F. RYKER, M.D., Trustee of the unrecorded MARTHA F. RYKER, M.D. Trust dated October 1, 1996, as amended, with full power and authority to buy, sell, mortgage, or lease the property herein described and other powers more fully set forth therein, IN TRUST ("Seller"), contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

1. Whenever Seller enters into a sales contract for the sale of an apartment, Seller will require that payments due under the sales contract be made to Escrow and will deliver an executed copy of the sales contract to Escrow.
2. Escrow will receive payments under the sales contract and sums received from any other source with respect to the project. Funds held under the Agreement will initially be deposited in an account for the project. Interest on all funds will be paid as set forth in the sales contract.
3. Escrow will release from the trust fund and disburse Buyer's funds at closing, unless: (a) Buyer has elected to cancel the sales contract and receive a refund of all funds paid, without deduction; or (b) the Real Estate Commission has not issued a Final Supplementary Public Report on the project or the requirements of the sales contract have not been met; or (c) Seller has not satisfied Escrow that all other requirements of Hawaii Revised Statutes have been met.
4. Escrow will return deposited sums to the Buyer if Seller and Buyer give Escrow written notice to return the funds to Buyer, if there is a right to cancellation and refund of monies under the sales contract, or otherwise. If there is a cancellation, no fees will be charged Buyer. Thereafter, in the event of a cancellation as a matter of agreement or right, Buyer's funds shall be returned to Buyer less Escrow's cancellation fee, if any, and all other costs incurred in connection with the Escrow, not more than \$250.00.
5. Escrow will arrange for and supervise the signing of all documents which are to be signed subsequent to and contemplated by the sales contract.
6. As Escrow's compensation for its performance under this Agreement, Escrow will receive its schedule rate for each apartment for which an apartment deed of the project is handled by Escrow and recorded in the Bureau of Conveyances of the State of Hawaii. Escrow will record all applicable documents. The cost of title insurance will be an additional amount, based upon schedule rate.

7. If Seller subsequently certifies in writing to Escrow that Seller has terminated the sales contract in accordance with the terms thereof, Escrow shall thereafter treat all funds of the purchaser paid on account of such purchaser's sales contract as funds of Seller and not as funds of the purchaser. Thereafter, such funds shall be free of the escrow established by this Agreement and shall be held by Escrow for the account of Seller.

**SPECIAL NOTICE:**

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE AGREEMENT. WHILE ONE CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE AGREEMENT, ONE MUST REFER TO THE ACTUAL AGREEMENT TO DETERMINE THE RIGHTS AND OBLIGATIONS OF THE PARTIES. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE AGREEMENT, THE AGREEMENT WILL CONTROL AND NOT THIS SUMMARY.

**END OF EXHIBIT D**

**EXHIBIT E**

**COMMON ELEMENTS OF THE PROJECT**

The common elements of the project are:

- A. any commonly used land in fee simple;
- B. a perpetual common element easement for general roadway and utility purposes in common with other property owners abutting the property, in common with other property over, under, along across and upon that certain parcel of land situate at Kalaheo, being a portion of Lot 142 of the "Kalaheo Homesteads, Second Series."
- C. all commonly used present or future ducts, vents, shafts, sewer lines, sewage treatment equipment and facilities (if any), electrical equipment, telephone equipment, pipes, wiring, and other central and appurtenant installations over, under and across the Project which serve more than one Unit for services such as power, light, water, gas (if any), cablevision (if any), sewage, refuse, telephone, radio and television signal distribution, and irrigation; and
- D. any and all other future elements and facilities in common use or for the benefit of unit owners or necessary to the existence, maintenance and safety of the Project.

The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof, except as provided in the Condominium Property Act. Any such partition or division shall be subject to the prior consent thereto by the holder(s) of all mortgage(s) of any condominium unit(s) which are filed of record.

**LIMITED COMMON ELEMENTS OF THE PROJECT**

Certain parts of the common elements, referred to as the "limited common elements," may have been designated and set aside for the exclusive use of one or more units, and such unit(s) have appurtenant exclusive easements for the use of such limited common elements. The limited common elements, if any, so set aside, reserved and deemed a limited common element appurtenant to and for the exclusive use of each respective unit is that certain land area upon and around which Unit 1 and Unit 2 are located, shown and designated on the Condominium Map and the table below.

<u>Unit Number</u>	<u>Area of Limited Common Element</u>
1	1.36 acres
2	6.85 acres

Except for liability created by negligence or intentional acts, all costs of every kind pertaining to the aforesaid limited common elements, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne solely by the

owner of the unit to which said limited common elements are appurtenant. Utilities will be connected at the expense of individual unit owners.

\*Note: Land areas referenced herein are not legally subdivided lots. Also, See Note at bottom of Exhibit C.

**END OF EXHIBIT E**

## EXHIBIT F

### ENCUMBRANCES AGAINST TITLE

1. Real Property Taxes. Check with the County of Kauai, Department of Finance, Real Property Tax Division, for detailed information.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT: FARM DWELLING AGREEMENT

DATED: May 24, 1989

RECORDED: Liber 23277 Page 197

PARTIES: WILLIAM G. MUSTARD and MARTHA F. RYKER,  
M.D.; and COUNTY OF KAUAI PLANNING  
DEPARTMENT

#### 4. GRANT

TO: CITIZENS UTILITIES COMPANY, a Delaware corporation and GTE HAWAIIAN COMPANY INCORPORATED, a Hawaii corporation, now known as VERIZON HAWAII INC.

DATED: January 3, 1990

RECORDED: Document No. 90-059684

GRANTING: a perpetual non-exclusive utility easement over Easement "E-1"

#### 5. WAIVER AND RELEASE

DATED: February 1, 2000

RECORDED: Document No. 2000-022810

BY: MARTHA F. RYKER

WITH: COUNTY OF KAUAI, BUILDING DIVISION OF THE  
DEPARTMENT OF PUBLIC WORKS

RE: water services

6. GRANT

TO: KAUAI ISLAND UTILITY COOPERATIVE, a cooperative association and VERIZON HAWAII, INC., now known as HAWAIIAN TELCOM, INC.

DATED: December 10, 2003

RECORDED: Document No. 2003-274748

GRANTING: a perpetual right and easement, Easements U-1 and U-2, for utility purposes

Said above Grant was amended by instrument dated March 26, 2007, recorded as Document No. 2007-059981. re: Grantor and Grantee desire to amend Exhibits A and B to make corrections to the descriptions of Easements U-1 and U-2, as fully described in this amendment.

7. GRANT

TO: MICHAEL JAMES DICK and MARIA ELENA MOREL-DICK, husband and wife

DATED: November 7, 2003

RECORDED: Document No. 2003-274749

GRANTING: a perpetual non-exclusive roadway easement, Easement A-1, for pedestrian and motor vehicle access purposes, shown on the Map attached thereto.

8. The terms and provisions contained in the following:

INSTRUMENT: RESTATED DECLARATION OF CONDOMINIUM PROPERTY REGIME OF "MAI'A SPLIT ACRES CONDOMINIUM" CONDOMINIUM PROJECT

DATED: December 28, 2006

RECORDED: Document No. 2007-000999

MAP: 3187 and any amendments thereto

The foregoing Restated Declaration restates the original Declaration dated July 20, 2000, recorded as Document No. 2000-163251, and any amendments thereto.

First Amendment to the Restated Declaration of Condominium Property Regime of Mai'a Split Acres Condominium dated March 1, 2007, recorded as Document No. 2007-059982.

9. The terms and provisions contained in the following:

INSTRUMENT:        RESTATED BY-LAWS OF THE ASSOCIATION OF  
                          APARTMENT OWNERS

DATED:                December 28, 2006  
RECORDED:            Document No. 2007-001000

The foregoing Restated By-Laws restates the original By-Laws dated July 20, 2000, recorded as Document No. 2000-163252, and any amendments thereto.

10. -AS TO UNIT 1:-

MORTGAGE

MORTGAGOR:         MARTHA F. RYKER, M.D., unmarried

MORTGAGEE:         MORTGAGE ELECTRONIC REGISTRATION  
                          SYSTEMS, INC., as nominee for COUNTRYWIDE  
                          HOME LOANS, INC., a New York corporation

DATED:                February 23, 2006  
RECORDED:            Document No. 2006-039458

11. -AS TO UNIT 2:-

NOTICE OF DEDICATION

DATED:                December 6, 2005  
RECORDED:            Document No. 2005-251429  
BY:                    MARTHA F. RYKER, M.D., Trustee of the Martha F.  
                          Ryker, M.D. Trust  
RE:                    dedication of land for agricultural purposes  
PERIOD:               10-years

**END OF EXHIBIT F**

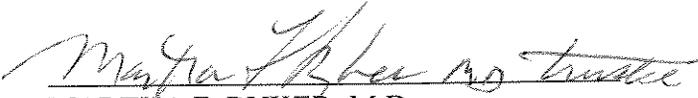
## EXHIBIT G

### DISCLOSURE ABSTRACT FOR MAI'A SPLIT ACRES CONDOMINIUM

Pursuant to Hawaii Revised Statutes, Section 514(A)-61, the Developer of MAI'A SPLIT ACRES CONDOMINIUM makes the following disclosures:

1. The Developer of the project is MARTHA F. RYKER, M.D., Trustee of the unrecorded MARTHA F. RYKER, M.D. Trust dated October 1, 1996, as amended, with full power and authority to buy, sell, mortgage, or lease the property herein described and other powers more fully set forth therein, IN TRUST, whose mailing address is P.O. Box 547, Kalaheo, Hawaii 96741.
2. See Exhibit H to the Final Public Report for the projected annual maintenance fees. The Developers hereby certify that the estimations have been based on generally accepted accounting principles.
3. There are no warranties against defects of material and workmanship in individual apartments, common elements or exclusive use areas, and the purchaser buys his/her unit in an "as is" condition.
4. All of the apartments of the project are to be used for agricultural and permitted residential purposes in the agricultural zone only. No units shall be used for hotel or timeshare purposes. There will be no commercial use except those activities permitted by County Ordinance.
5. The real estate broker for the Project is: Jodi Elizabeth Matsumoto, whose mailing address is P.O. Box 925, Lihue, Hawaii 96766, and whose telephone is (808) 245-6205.
6. The Developer has not conducted a reserve study in accordance with 514A-83.6, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. There are no depreciable common elements in the Project.
7. This project includes existing structures being converted to condominium ownership.

In witness whereof, the Developer has executed this Disclosure Abstract this 1st day of February, 2007.

  
MARTHA F. RYKER, M.D.  
as Trustee aforesaid

---

**RECEIPT**

The undersigned has received a copy of the foregoing Disclosure Abstract with Exhibit H this \_\_\_ day of \_\_\_\_\_, 200\_\_.

Purchaser(s):

---

**END OF EXHIBIT G**

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

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> x 12 months = <u>Yearly Total</u>
UNIT 1	\$75.00                      \$900.00
UNIT 2	\$75.00                      \$900.00

NOTE:

1. Pursuant to **Section 6.3** of the project Bylaws, each Unit owner is responsible to insure the dwellings and/or other structures located within the Unit's Limited Common Element. The estimated insurance premium set forth on page 2 of this Exhibit applies only to common improvements, if any, on the project.
2. Estimated ground maintenance costs are provided in the event the Unit Owners decide, pursuant to the Association Bylaws, to jointly maintain any portion of the project.
3. There are no estimated reserve costs because the project does not have common improvements that require periodic maintenance. If the Association determines there is a portion of the project that requires joint maintenance, the necessary funds may be assessed through a special assessment.

*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:**

	<u>Monthly Fee</u> x 12 months = <u>Yearly Total</u>	
Utilities and Services	\$	\$
Air Conditioning		
Electricity		
<input type="checkbox"/> common elements only		
<input type="checkbox"/> common elements and apartments		
Elevator		
Gas		
<input type="checkbox"/> common elements only		
<input type="checkbox"/> common elements and apartments		
Refuse Collection		
Telephone		
Water and Sewer		
Maintenance, Repairs and Supplies		
Building		
Grounds	\$100.00	\$1,200.00
Management		
Management Fee		
Payroll and Payroll Taxes		
Office Expenses		
Insurance	\$50.00	\$600.00
Reserves(*)		
Taxes and Government Assessments		
Audit Fees		
Other	_____	_____
TOTAL:	\$150.00	\$1,800.00

I, MARTHA F. FYKER, M.D., Trustee of the Martha F. Ryker, M.D. Trust dated October 1, 1996, as amended, as Developer, for the "MAI'A SPLIT ACRES CONDOMINIUM" 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.

*Martha F. Ryker, M.D. trustee*  
Signature

February 1, 2007  
Date

(\*) Mandatory reserves assessment and collection in effect beginning 1994 budget year. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves", the Developer has conducted a reserve study in accordance with Section 514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

Pursuant to Section 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 H**

## **EXHIBIT I**

### **PROPOSED HOUSE RULES OF THE MAI'A SPLIT ACRES CONDOMINIUM PROJECT**

1. Each unit shall at all times be occupied and used for rental and/or residential purposes in accordance with applicable laws and the Project Documents, and for no other purposes. The Unit, together with any improvements located thereon, shall be occupied and used in accordance with applicable laws and the Project Documents, and for no other purposes.

2. The owners of the respective units shall have the absolute right to sell, lease, rent or otherwise transfer such units subject to all provisions of the Act and the Project Documents. Any lease or rental agreement of a unit shall provide that it shall be subject in all respects to the provisions of all applicable laws and the Project Documents and that the failure of the lessee or tenant to comply with the terms of these documents shall be default under the lease or rental agreement.

3. In-home businesses or occupations not involving the servicing of customers or employees shall be allowed in any Condominium House, provided such activities are conducted solely within the Condominium House and do not create or result in any nuisance or any unreasonable, unwarranted, or unlawful use or interference with rights of the other unit owners or of the public, including, but not limited to, unreasonable or unwarranted use or interference with the other unit owners or of the public, including, but not limited to, unreasonable or unwarranted use or interference with the common elements or any access or utility easements, excessive traffic or parking requirements, or in any other offensive or noxious activities.

4. No unit shall be improved except with one dwelling structure and other structures necessary or incidental to residential use. No dwelling structure(s) shall be used for living purposes by more persons than the dwelling structure(s) were designed to accommodate. No mobile home, trailer home, portable building, shed, Quonset hut, tent, or similar structure shall be used as a permanent residence or for permanent living purposes on any unit.

5. Each unit, and any and all improvements from time to time located thereon, shall be maintained by the unit owner in good and clean condition and repair and in such manner as not to create a fire, safety or health hazard to the Project or any part thereof, all at such owner's sole cost and expense. No unsightliness shall be permitted on any unit. Without limiting the generality of the foregoing: (a) all unsightly structures, facilities, equipment, objects and conditions shall be enclosed or appropriately screened from view so as not to be visible from one or more neighboring units; and (b) pipes for water, gas, sewer, drainage or other purposes, and utility meters or other utility facilities and gas, oil, water or other tanks, and sewage and disposal systems or devices shall be kept and maintained within an enclosed structure or below the surface of the ground.

6. No exterior speakers, horns whistles, bells or other sound devices, except security devices used exclusively to protect the security of the unit, and

improvements thereon, shall be placed or used upon any unit. No sound shall be allowed to be emitted on any unit that is unreasonably loud or annoying.

7. In the event of any excavation on any unit, the owner of such unit shall provide such artificial support as is necessary to support adjacent units.

8. No light shall be emitted from any unit that is unreasonably bright or that causes unreasonable glare.

9. Neither beehives nor fighting cocks shall be kept or maintained on any unit. Dogs, cats and other typical household pets may be kept in reasonable numbers and under reasonable conditions. All animals kept or maintained on a unit shall be kept and maintained only in a density compatible with neighboring residential use and shall be cared for in conformance with practices of good animal husbandry, including but not limited to: (a) prompt removal of excess amounts of manure and other waste; (b) control of flies, insects, worms and other pests; (c) adequate fencing and animal housing facilities adequate to restrict such animals to the unit where maintained; (d) control of noise and noxious odors to levels that are customary under practices of good animal husbandry and that are compatible with neighboring residential use.

10. No house trailer, mobile home, tent, or similar facility or structure shall be kept, placed or maintained upon any unit at any time, provided, however, that the provisions of this paragraph shall not apply to temporary construction shelters or facilities maintained for a period not to exceed one (1) year during and used exclusively in connection with the construction or improvement of any authorized improvement on the unit.

11. No truck of more than one (1) ton capacity shall be kept, placed or maintained upon any unit in such a manner that such truck is visible from the neighboring units, provided, however, that the provisions of this paragraph shall not apply to construction equipment maintained for a period not to exceed one (1) year during and used exclusively in connection with the construction of any authorized improvement on the unit.

12. No trailer, vehicle or boat shall be constructed, reconstructed or repaired upon any unit in such a manner that such construction, reconstruction or repair is visible from neighboring units, nor shall any vehicle not in good operating condition be maintained upon any unit so as to be visible from any adjoining unit, provided that nothing in this paragraph shall prevent an owner from performing minor maintenance work and minor repairs on his or her own trailer, vehicle or boat in his or her garage.

13. No garbage or trash shall be permitted on any unit except in closed receptacles screened from view from any neighboring unit; and no accumulated waste plant materials will be permitted on any unit, except as part of an established compost pile maintained in such a manner as not to be visible from neighboring units.

14. No open storage of trailers, boats, vehicles, furniture, fixtures, appliances and other similar goods will be permitted. These items may only be stored in an enclosed garage or other appropriate enclosed storage structure.

15. No unit owner shall violate or permit the violation on the owner's unit of any applicable law or ordinance pertaining to the zoning, buildings, fires, signs or other matter relating to the use and development of the unit.

16. No garage shall be used for other than the parking of vehicles and boats, unless the same is enclosed so as not to be visible from neighboring units by a partition, wall, door, or screen normally kept closed. Specifically, and without limiting the generality of the foregoing, no garage not so enclosed shall be used for storage purposes.

17. No noxious or offensive activity shall be carried on upon any common element or any unit, nor shall anything be done or placed thereon which is, may be or may become a nuisance or cause embarrassment, disturbance or annoyance to the neighborhood. Any plantings or vegetation that cannot be effectively limited from infesting neighboring units shall be deemed a noxious activity, and each owner shall take positive steps to eliminate such plantings or vegetation from his or her unit. Noxious activities shall also include the failure to properly care for animals raised or kept on a unit, and each owner shall take positive steps to eliminate or cure any such improper care of animals or use of herbicides or pesticides.

18. No activities shall be conducted on any unit and no improvements constructed on any unit that are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any unit, and no open fires shall be lighted or permitted on any unit except: (a) in a contained barbecue unit while attended and in use for cooking purposes; or (b) within a safe and well-designed interior fireplace. Whenever any flammable or combustible materials of any type are stored upon any unit, the owner thereof shall keep and maintain in working order adequate fire extinguishments equipment.

19. No mining or quarrying for or removing minerals, rocks, stones, gravel or earth shall take place on any unit.

20. The clearing and grading of any unit shall not alter or impede existing drainage patterns. All areas cleared shall be left clear of rubbish and litter. All grading operations shall exercise prudent dust control measures.

21. No owner shall construct or permit to be constructed on his or her unit any improvement which will create a problem of flooding, erosion or interference with natural water flow or original runoff pattern damaging to his or her unit or adjacent units, nor shall any owner fail to act so as to minimize runoff damage or interference with the natural flow of storm waters. Each owner shall keep all drainage facilities and culverts installed on his or her unit, free and unobstructed and in good repair.

22. No overhead power lines or wind generators shall be erected on any unit. A satellite dish may be installed on any unit, provided that if the satellite dish is greater than 18 inches in diameter the dish shall be blocked or screened from view from the other unit.

23. No "For Sale" signs larger than five square feet and no advertising sign or billboard may be erected, placed, or permitted to be placed on any unit. A unit owner may place one reasonably sized "For Sale" sign along one edge of a Unit boundary. No sign shall be directly illuminated or shall be higher than six feet above the ground elevation. All signs erected or maintained on any unit shall comply with all applicable County and State laws, ordinances and regulations.

24. No unit shall be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license, "travel club membership" or "time-interval ownership" arrangement. The term "time-sharing" as used herein shall be deemed to include, but is not limited to, any plan, program or arrangement under which the right to use, occupy, own or possess any unit or any interest therein rotates among various persons on a periodically recurring basis according to a fixed or floating interval or period of time, whether by way of deed, lease, association or club membership, license, rental or use agreement, co-tenancy agreement, partnership or otherwise. This paragraph 24 shall not apply to the Declarant as long as the Declarant owns at least one unit.

25. No building or structure (but not including roads, walkways, fences, walls or underground utilities) may be located within the Yard Area appurtenant to each unit which is closer than twenty (20) feet (measured from any portion of such building structure) to the interior boundary lines separating and defining the respective Yard Area appurtenant to the respective units.

**END OF EXHIBIT I**

EXHIBIT J

#4543

MEMORANDUM FROM THE COUNTY OF KAUAI PLANNING DEPARTMENT

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

RECEIVED  
PVL  
REAL ESTATE DIVISION

01 JAN -8 10:15

DATE: January 2, 2001

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

RECEIVED  
CONSUMER  
STATE OF HI

From: Dee M. Crowell  Planning Director

Subject: Certification of Inspection of Existing Buildings

PROJECT NAME: MAI'A SPLIT ACRES CONDOMINIUM PROJECT  
TAX MAP KEY: (4) 2-3-18:02

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 waivers (item "f" below) specified herein, we certify the following:

- a. The developer has contracted architect Avery H. Youn to certify that the existing buildings on the proposed project referred to as Mai'a Split Acres Condominium Unit 1 and Unit 2 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 the 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.
- e. This parcel is situated in the agriculture and open districts.

Senior Condominium Specialist  
Page 2  
January 2, 2001

RECEIVED  
POL  
REAL ESTATE BRANCH

'01 JAN -8 PM 1:15

f. WAIVER

The foregoing certification is not a warranty to any compliance with 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: Hiroshi Sakai

**END OF EXHIBIT J**

**EXHIBIT "K"**

**\*\*FOR ILLUSTRATION ONLY\*\***

**LAND COURT**

**REGULAR SYSTEM**

**AFTER RECORDATION, RETURN BY MAIL TO:**

COUNTY OF KAUAI  
Planning Department  
Building A, Suite 473  
4444 Rice Street  
Lihue HI 96766

Document contains \_\_ pages

**FARM DWELLING AGREEMENT**

THIS AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between MARTHA F. RYKER, M.D., Trustee of the unrecorded MARTHA F. RYKER, M.D. Trust dated October 1, 1996, as amended, with full power and authority to buy, sell, mortgage, or lease the property herein described and other powers more fully set forth therein, IN TRUST, whose mailing address is P.O. Box 547, Kalaheo, Hawaii 96741, hereinafter called the "APPLICANT", and the COUNTY OF KAUAI, Planning Department, its business and mailing address being Building A, Suite 473, 4444 Rice Street, Lihue, Hawaii 96766, hereinafter called the "DEPARTMENT",

**WITNESSETH:**

WHEREAS, the APPLICANT warrants and represents that she is the fee simple owner of that certain parcel of land, Tax Map Key No. (4) 2-3-018-002, more particularly described in Exhibit "A", attached hereto and made a part hereof; and

WHEREAS, this document pertains only to Unit(s) \_\_\_\_ as shown in Exhibit "B" and made a 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. (4) \_\_\_\_\_, is entitled to \_\_\_\_\_ ( ) residential units; and

WHEREAS, this Agreement is evidenced that MARTHA F. RYKER, M.D., Trustee 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 those certain parcels 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 parcels 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 parcels; 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 principal place of business and mailing address is Building A, Suite 473, 4444 Rice Street, Lihue, Hawaii 96766, Lihue, Hawaii 96766, from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of the DEPARTMENT's execution of said Farm Dwelling Agreement; and

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

11. This Agreement shall be a covenant running with the portion of land described in Exhibit A, and shall be binding on APPLICANT(S) and all present and future owners and occupants of said portion of land and any one claiming under APPLICANT(S), their successors, and assigns, as owners or occupants thereof. The APPLICANT(S) further agree(s) to expressly set forth the provisions of this waiver and indemnify 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 \_\_\_\_\_, 20\_\_.

APPROVED:

APPLICANT

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

\_\_\_\_\_  
MARTHA F. RYKER, M.D.,  
as Trustee aforesaid

APPROVED AS TO FORM  
AND LEGALITY:

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

STATE OF HAWAII        )  
                                  ) SS:  
COUNTY OF KAUAI     )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally appeared MARTHA F. RYKER, M.D., Trustee of the unrecorded MARTHA F. RYKER, M.D. TRUST dated October 1, 1996, as amended, to me known to be the person described in (or proved to me on the basis of satisfactory evidence) and who executed the foregoing instrument, and acknowledged that she executed the same as her free act and deed as said Trustee.

\_\_\_\_\_  
Notary Public, State of Hawaii  
Print Name:\_\_\_\_\_

My commission expires:\_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) SS:  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me personally appeared \_\_\_\_\_, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that \_\_\_\_\_ executed the same as \_\_\_\_\_ free act and deed.

\_\_\_\_\_  
Notary Public, in and for said  
County and State.

Print Name: \_\_\_\_\_

My commission expires: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) SS:  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me personally appeared \_\_\_\_\_, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that \_\_\_\_\_ executed the same as \_\_\_\_\_ free act and deed.

\_\_\_\_\_  
Notary Public, in and for said  
County and State.

Print Name: \_\_\_\_\_

My commission expires: \_\_\_\_\_

**END OF EXHIBIT "K"**

## EXHIBIT L

### COVERAGE AND BUILDING LOCATION RESTRICTIONS

Section 9.2 of the Restated Declaration includes coverage restrictions pursuant to the requirements of the County of Kauai Comprehensive Zoning Ordinance. Section 9.3 of the Restated Declaration includes building location restrictions. Those restrictions are set forth below:

#### **Section 9.2 Coverage Restrictions**

- A. A portion of the Project is located within the Open District under the County of Kauai Comprehensive Zoning Ordinance ("CZO"), as shown on the Amended Condominium Map, and is therefore subject to certain land coverage restrictions as more fully detailed in the CZO. Under CZO provisions in effect at the time of recordation of this Restated Declaration, land coverage within the Open District area for any parcel of record existing prior to or on September 1, 1972 is at least 3,000 square feet. "Land coverage" is defined under the CZO as

. . . a man-made structure, improvement or covering that prevents normal precipitation from directly reaching the surface of the land underlying the structure, improvement or covering. Structures, improvements and covering include roofs, surfaces that are paved with asphalt, stone, or the like such as roads, streets, sidewalks, driveways, parking lots, tennis courts, patios, and lands so used that the soil will be compacted so as to prevent substantial infiltration, such as parking of cars and heavy and repeated pedestrian traffic.

- B. A maximum of ten percent (10%) of the open zone area of each Lot within the Project can be covered by improvements such as buildings and pavement. Each unit owner shall be responsible to determine whether any residential improvements may be constructed in the open zone area. All improvements in the open zone will be governed by applicable zoning codes. In computing the maximum area that may be covered with improvements, each unit shall be charged with one-half (1/2) of the area of any common improvements located in the open zone, such as the roadway. All construction shall be limited to ten percent (10%) of the area of the unit which is in the open zone less the percentage of the open zone portion of the improved common elements attributed to each unit, if any.
- C. A maximum of fifty percent (50%) of the agricultural zone area of each unit within the Project can be covered by improvements such as buildings and pavement. Each unit owner shall be responsible to determine whether any residential improvements may be constructed in the agricultural zone area. All improvements in the agricultural zone will be governed by applicable zoning codes. In computing the maximum area that may be

covered with improvements, each unit shall be charged with one-half (1/2) of the area of any common improvements located in the agricultural zone, such as the roadway. All construction shall be limited to fifty percent (50%) of the area of the unit that is in the agricultural zone less the percentage of the agricultural zone portion of the improved common elements attributed to each unit, if any.

### **Section 9.3 Building Location Restriction**

Any dwelling constructed by the owner of Unit 2 is subject to all State laws, Kauai County zoning ordinances, and building codes. In addition, a dwelling may only be constructed within a certain area (building envelope) of Unit 2. The building envelope is the area formed by a line extending north from the western end of Easement U-2 (as shown on the Amended Condominium Map) to the north boundary of Unit 2 and adjacent Lot 143-A-1-G and a line extending west from the western end of Easement U-2 to the western boundary of Unit 2 and adjacent Lot 145-A.

**END OF EXHIBIT L**

## **EXHIBIT M**

### **INDIVIDUAL UNIT ALTERATIONS**

Article 17 of the Restated Declaration sets forth Unit Owner's rights to alter their units. Article 17 of the Restated Declaration is set forth below exactly as contained in the Restated Declaration. Article 8 and Article 12 may also affect the Unit Owner's rights to alter their respective Units. A summary of those provisions is set forth below.

#### **Section 17.1**

Provided that the Unit Owner satisfies the applicable terms and conditions of the Project Documents and obtains all of the necessary governmental permits, each individual 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 construct, reconstruct, repair, maintain, improve, renovate, remodel, make additions to, enlarge, remove, replace, alter or restore the improvements to or in his unit, or portions thereof or other limited common elements or easements appurtenant to his unit (collectively, the foregoing are referred to as "alterations") and may remodel, expand or otherwise alter their unit, provided that all such alterations are permitted by and done in complete accordance with all applicable ordinances, codes, rules, regulations or other requirements in force at the time of said construction. Such construction shall be further subject to the requirement that it does not violate this Restated Declaration, the Bylaws or any House Rules of record for the Project. Except as provided to the contrary elsewhere herein, said alterations shall not require the consent or permission of other unit owners or the Association. However, any newly constructed improvements (excluding boundary improvements) shall maintain a minimum setback of the greater of the distance required by subdivision or Project Protective Covenants, or five (5) feet from all property lines (including all individual limited common element and Unit land area perimeter boundaries); and provided, further, that boundary improvements such as walls or fences shall maintain a minimum setback of one (1) foot from all property lines (including all individual limited common element and Unit land area perimeter boundaries); and provided, further, that said newly constructed improvements shall not alter the essential nature and character of the Project, and shall not unreasonably interfere with any other unit owner's enjoyment of their unit. All alterations shall be made at the expense of the unit owner making said alterations, and shall be expeditiously made and in a manner that will not unreasonably interfere with the other unit owner's use of his land area. Any alterations of a unit subject to a mortgage or

agreement of sale may require the consent of the lender and/or fee owner, as their interests may appear.

### **Section 17.2 Owner to Amend Declaration**

The owner of any altered unit shall have the right and duty, and shall be required to amend this Restated Declaration and the Amended Condominium Map to reflect any such alterations. Thirty (30) days after completion of such alterations, the owner of the altered unit shall record an amendment to this Restated Declaration in the Bureau of Conveyances, State of Hawaii, together with a complete set of floor plans and elevations of the portions of the Project altered, certified as-built by a registered architect or professional engineer. As long as all legal requirements are met as required herein, all owners of any altered unit, by acquiring an interest in the altered unit, shall be deemed to have been granted a power-of-attorney from all other unit owners to execute an amendment to this Restated Declaration solely for the purpose of describing the alterations to the altered unit. This power-of-attorney shall be deemed coupled with each owner's interest in his unit and shall be irrevocable. If, despite the provisions of this paragraph, any governmental agency shall require some or all of the other owners of units in the Project 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 (including authorizations allowing the altering Owner to sign such governmental permits on behalf of such other owners) as may be necessary to allow the Owner to obtain all such governmental permit necessary to make the alterations authorized by this paragraph. Any such unit owner who wrongfully refuses to sign such permits or provide the Owner with the necessary authorizations: shall be liable to the Owner for all such damages (including costs and attorneys' fees) incurred by the Owner as a result of such refusal; and shall be subject to such other legal and/or equitable remedies as may be available to the Owner.

### **Section 17.3 Alteration Requirements**

Any alteration of a unit pursuant to Article 17 shall be subject to the following conditions, which supersede and control over any contrary or inconsistent provisions in this Restated Declaration:

- 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 structure outside of the limits of the 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.

- D. The owner of the altered unit, at such owner's sole expense, shall have the right to utilize, relocate, construct, reconstruct, 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.

Article 8 of the Restated Declaration prevents alterations of the common interests and easements appurtenant to each condominium unit without the consent of all Unit Owners. A limited power of attorney is given to any Unit Owner who desires to change his/her unit only with respect to the size, location and/or configuration of any unit, limited common element or easement appurtenant only to such unit.

Article 12 of the Restated Declaration provides a limited power of attorney to all Unit Owners who desire to apply for and obtain building permits and other permits from Kauai County. Such improvements must comply with applicable Kauai County Zoning ordinances and building codes.

**SPECIAL NOTICE:**

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE RESTATED DECLARATION. WHILE ONE CAN USE THIS SUMMARY AS A VERY GENERAL SUMMARY, ONE MUST REFER TO THE ACTUAL DOCUMENTS TO DETERMINE THE RESTRICTIONS, RIGHTS AND OBLIGATIONS OF THE PARTIES. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE DOCUMENTS, THE ACTUAL DOCUMENTS WILL CONTROL AND NOT THIS SUMMARY.

**END OF EXHIBIT M**