CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer RACHEL MAE BENTLEY
Address 3391 Unahe Street, Lihue, Hawaii 96766

Project Name (*): 3391 UNAHE STREET CONDOMINIUM
Address: 3391 Unahe Street, Lihue, Hawaii 96766

Registration No. 4621
(Partial Conversion)

Effective date: May 21, 2001
Expiration date: June 21, 2002

Preparation of this Report:

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

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

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

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

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

Type of Report:

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

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

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

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

(*) Exactly as named in the Declaration

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2644 to submit your request.

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

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

Summary of Changes from Earlier Public Reports:

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

[X] No prior reports have been issued by the developer.

[ ] Changes made are as follows:

SPECIAL ATTENTION

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

1. There are presently one residence and one shed on this property, each of which may be defined as an "apartment" under the Condominium Property Act.

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

3. The land area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and is not a legally subdivided lot. The dotted lines on the condominium map bounding the designated area in the land comprising each limited common element are for illustrative purposes only and should not be construed to be the property lines of legally subdivided lots.

4. Facilities and improvements associated with County-approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owners and emergency traffic, drainage facilities, etc., may not be provided, and services such as County street maintenance and trash collection may not be available for interior roads and driveways.

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

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EXHIBIT A: COMMON ELEMENTS AND LIMITED COMMON ELEMENTS
EXHIBIT B: ENCUMBRANCES AGAINST TITLE
EXHIBIT C: SUMMARY OF SALES CONTRACT
EXHIBIT D: SUMMARY OF ESCROW AGREEMENT
EXHIBIT E: DECLARATION OF RESTRICTIVE COVENANTS
EXHIBIT F: MEMORANDUM FROM THE COUNTY OF KAUAI PLANNING DEPARTMENT

General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: RACHEL MAE BENTLEY
Name*
3391 Unahe Street
Business Address
Lihue, Hawaii 96766

Phone: (808) 651-7011
(Business)

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

Real Estate Broker*: VISION PROPERTIES, INC.
Name
1070 Kuhio Highway
Business Address
Kapaa, Hawaii 96746

Phone: (808) 822-1141
(Business)

Escrow: SECURITY TITLE CORPORATION
Name
4370 Kukui Grove Street, #207
Business Address
Lihue, Hawaii 96766

Phone: (808) 245-6975
(Business)

General Contractor*: US GUYS BUILDERS, LLC.
Name
4-1070 Kuhio Highway
Business Address
Kapaa, Hawaii 96746

Phone: (808) 639-1288
(Business)

Condominium Managing Agent*: Self-managed by the Assocciation of Apartment Owners
Name

Business Address

Phone: N/A
(Business)

Attorney for Developer: PATRICK J. CHILDS, ESQ.
Name
4365 Kukui Grove Street, #104
Business Address
Lihue, Hawaii 96766

Phone: (808) 245-2863
(Business)

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

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:

[ ] Proposed
[X] Recorded - Bureau of Conveyances: Document No. 2001-044971
Book _____ Page _____
[ ] Filed - Land Court: Document No. _____

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

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

The Condominium Map for this condominium project is:

[ ] Proposed
[X] Recorded - Bureau of Conveyances Condo Map No. 3236
[ ] Filed - Land Court Condo Map No. _____

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

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

The Bylaws for this condominium are:

[ ] Proposed
[X] Recorded - Bureau of Conveyances: Document No. 2001-044972
Book _____ Page _____
[ ] Filed - Land Court: Document No. _____

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

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

The House Rules for this condominium are:

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

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

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

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

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

2. Developer:

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

[X] Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules: Developer has reserved the right to amend the Declaration and Condominium Map for the purpose of adjusting the plan or description of any apartment which may be improved, enlarged or altered, upon the condition that no such amendment shall in any way alter any apartment or common interest which has been conveyed by the Developer prior to the filing of such amendment at the Bureau of Conveyances, State of Hawaii.

III. THE CONDOMINIUM PROJECT

A. **Interest to be Conveyed to Buyer:**

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

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

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

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

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

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

Exhibit _____ contains a schedule of the lease rent for each apartment per: [ ] Month [ ] Year

For Sub-leaseholds:

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

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

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

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

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

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

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

Exhibit _____ contains a schedule of the lease rent for each apartment per: [ ] Month [ ] Year

[ ] Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

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

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

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

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

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

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

B. **Underlying Land:**

Address: 3391 Unahe Street
Lihue, Hawaii 96766

Tax Map Key (TMK): (4) 3-6-017-028

[X] Address [ ] TMK is expected to change because Apartment B will receive its own street address from the County of Kauai.

Land Area: 13,364 [X] square feet [ ] acre(s) Zoning: Residential

Fee Owner: RACHEL MAE BENTLEY
Name
3391 Unahe Street
Address
Lihue, Hawaii 96766

Lessor: N/A
Name

Address

C. **Buildings and Other Improvements:**

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

2. Number of Buildings: 2 Floors Per Building: 1

[ ] Exhibit _____ contains further explanations.

3. Principal Construction Material:

[ ] Concrete [ ] Hollow Tile [X] Wood

[X] Other metal posts and shade cloth

4. Uses Permitted by Zoning:

		No. of Apts.	Use Permitted By Zoning	
[X]	Residential	1	[X] Yes	[ ] No
[ ]	Commercial		[ ] Yes	[ ] No
[ ]	Mix Res/Comm		[ ] Yes	[ ] No
[ ]	Hotel		[ ] Yes	[ ] No
[ ]	Timeshare		[ ] Yes	[ ] No
[ ]	Ohana		[ ] Yes	[ ] No
[ ]	Industrial		[ ] Yes	[ ] No
[ ]	Agricultural		[ ] Yes	[ ] No
[ ]	Recreational		[ ] Yes	[ ] No
[X]	Other: Shed	1	[X] Yes	[ ] No

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

5. Special Use Restrictions:

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

[X] Pets: Restrictions on pets and other animals are contained on Page 28 of the Bylaws for this Project. See also item 9, Exhibit "E".

[ ] Number of Occupants: _____

[X] Other: A copy of the subdivision restrictive covenants is attached to this Report as Exhibit "E".

[ ] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 0 Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
A	1	3/2½	1,553	165	Lanai
				552	Garage
B	1	0/0	0	20	Shed

Total Number of Apartments: 2

*** Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.**

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment: Perimeter wall to perimeter wall, floor to exterior of roof.

Permitted Alterations to Apartments: Any alterations permitted by law.

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 presently*

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

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

[ ] Commercial parking garage permitted in condominium project.

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

8. Recreational and Other Common Facilities:

[X] 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

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

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

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

11. Conformance to Present Zoning Code

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

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

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

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

	Conforming	Non-Conforming	Illegal
Uses	X		
Structures	X		
Lot	X		

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

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

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

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

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

[X] described in Exhibit A.

[ ] as follows:

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

[ ] There are no limited common elements in this project.

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

[X] described in Exhibit A.

[ ] as follows:

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

[ ] described in Exhibit _____.

[X] as follows:

Apartment A - 50% Apartment B - 50%	There are two apartments, 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 apartment.

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

Exhibit B describes the encumbrances against the title contained in the title report dated March 29, 2001 and issued by Old Republic National Title Co. through Security Title Corporation.

Blanket Liens:

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

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

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

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

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

F. **Construction Warranties:**

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

1. Building and Other Improvements: None.

2. Appliances: None.

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

Construction is complete. Apartment A was built in 1998 and Apartment B was built in 2001.

H. **Project Phases:**

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

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

IV. CONDOMINIUM MANAGEMENT

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

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

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

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

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

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

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

Exhibit _____ contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

There are no maintenance fees for this Project. See Page 20 of this Report.

C. **Utility Charges for Apartments:**

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

[X] None [ ] Electricity (___ Common Elements only ___ Common Elements & Apartments)

[ ] Gas (___ Common Elements only ___ Common Elements & Apartments)

[ ] Water [ ] Sewer [ ] Television Cable

[ ] Other _____

V. MISCELLANEOUS

A. **Sales Documents Filed With the Real Estate Commission:**

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

[ ] Notice to Owner Occupants

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

[X] Escrow Agreement dated April 5, 2001
Exhibit D contains a summary of the pertinent provisions of the escrow agreement.

[X] Other Specimen Apartment Deed

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

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

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

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

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

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

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

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

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

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

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

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 4621 filed with the Real Estate Commission on April 27, 2001.

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

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

C. Additional Information Not Covered Above

This is a condominium project, not a subdivision. Therefore, units purchased are not subdivided lots. If a residence is not already built, you will be required to comply with zoning codes to be allowed to construct a residence on your limited common element. To determine whether your expectations can be realized, you should carefully review the contents of this Report, expecially Exhibit "E", a copy of the Declaration of Restrictive Covenants for the Molokoa Subdivision Unit III.

Maintenance fees for the project have not been established at this time. In the event maintenance fees are established prior to the sale of a condominium unit, prior to entering into a binding contract for such sale Developer shall submit to the Real Estate Commission a duly executed Disclosure Abstract identifying such maintenance fees and shall provide a copy of the Disclosure Abstract to the purchaser together with a copy of this Public Report.

Developer discloses that no reserve study was done in accordance with Chapter 514A-83.6, HRS, and replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

Developer further discloses that she is a licensed real estate agent affiliated with Vision Properties, Inc., the designated broker for the project. Developer is married to the owner of US Guys Builders, LLC, the designated contractor for the project.

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-] (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.

RACHEL MAE BENTLEY Rachel Mae Bentley

Printed Name of Developer

By: _____ April 10, 2001

Duly Authorized Signatory* Date

RACHEL MAE BENTLEY, Developer

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"

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

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

(i) all of the land, in fee simple, subject to the division of the same as limited common elements pursuant to Paragraph 6 of the Declaration of Condominium Property Regime; and

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

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

(i) that portion of the Land which is designated as Limited Common Element A, consisting of 6,936 square feet, on the Condominium Map, is reserved for the exclusive use of Apartment A for the support of the building and other improvements comprising Apartment A and for residential, yard, driveway and parking purposes; and

(ii) that portion of the Land which is designated as Limited Common Element B, consisting of 6,428 square feet, on the Condominium Map, is reserved for the exclusive use of Apartment B for the support of the building and other improvements comprising Apartment B and for residential, yard, driveway and parking purposes.

****

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

****

Point to Point Area
Boundary: UNITA
Start

	106	PL	4950.73799	4965.71511	0.00
IN	SAz 13°22'00"		43.2643		
	110	CPR	4908.64574	4955.71320	0.00
IN	SAz 103°17'36"		97.0730		
	111		4930.96644	4861.24125	0.00
IN	SAz 189°20'00"		68.5600		
	103	PL	4998.61881	4872.36016	0.00
IN	SAz 279°20'00"		69.9500		
	104	PL	4987.27447	4941.38413	0.00
IC To Cntr. Pt.	SAz 9°19'03"				
	105	RP	4957.67027	4936.52704	0.00
	Arc	49.2408	Central Angle	94°02'35"	
	Chord	43.8966	Chord Bearing	SAz 326°20'20"	
	Radius	30.0000	Bng from Cntr Pt	SAz 283°21'38"	
	Tangent	32.1953	Elevation Change	0.00	
	106	PL	4950.73799	4965.71511	0.00

Area = 6936.5958 Sq. Feet or 0.1592 Acres

Point to Point Area
Boundary: UNITB
Start

	110	CPR	4908.64574	4955.71320	0.00
IN	SAz 13°22'00"		67.9557		
	101	PL	4842.53088	4940.00306	0.00
IN	SAz 103°22'00"		92.2900		
	102	PL	4863.86666	4850.21315	0.00
IN	SAz 189°20'00"		68.0000		
	111		4930.96644	4861.24125	0.00
IN	SAz 283°17'36"		97.0730		
	110	CPR	4908.64574	4955.71320	0.00

Area = 6428.4193 Sq. Feet or 0.1476 Acres

EXHIBIT "B"

ENCUMBRANCES AGAINST TITLE

1. For real property taxes that may be due and owing reference is made to the Director of Finance, County of Kauai.

2. Title to all mineral and metallic mines reserved to the State of Hawaii.

3. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Deed, dated September 13, 1966, recorded January 4, 1967, in the Bureau of Conveyances of the State of Hawaii in Book 5551. Page 386.

4. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the unrecorded Declaration of Development Covenants, Conditions and Restrictions, dated December 16, 1992.

A Memorandum of said Declaration is dated and recorded December 16, 1992, in the Bureau of Conveyances, State of Hawaii, as Document No. 92-204411, as amended by an instrument dated June 10, 1996, recorded July 10, 1996, in said Bureau of Conveyances as Document No. 96-098048.

5. Terms, conditions and restrictions of that certain Notice of Dedication dated August 19, 1992, recorded September 3, 1992, in said Bureau of Conveyances, as Document No. 92-145124.

6. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Deed, dated and recorded December 16, 1992, in said Bureau of Conveyances, as Document No. 92-204412.

7. Right-of-Entry for utility purposes, in favor of Citizens Utilities Company, a Delaware corporation, dated May 16, 1994, recorded September 5, 1995, in said Bureau of Conveyances, as Document No. 95-114230.

8. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Molokoa Subdivisions, Phase III Declaration of Restrictive Covenants, dated October 11, 1995, recorded June 19, 1997 in said Bureau of Conveyances, as Document No. 97-080978. See Exhibit "E".

9. MORTGAGE

Mortgagor:	Emeteria A. Nerpio, wife of Antero Nerpio
Mortgagee:	Safety Loan Company, Ltd., a Hawaii corporation
Dated:	_____, 1998
Recorded:	July 17, 1998
Document No.:	98-104244
To Secure:	$172,000.00 and any additional advances and other amounts secured thereby, all according to the terms of that certain Promissory Note of said mortgagor(s) therein referred to

10. PROMISSORY NOTE

Borrower:	RACHEL MAE BENTLEY
Lender:	EMETERIA A. NERPIO, wife of Antero Nerpio
Dated:	June 17, 1999
Recorded:	September 15, 2000
Document No.:	2000-129509
To Secure:	$42,500.00 and any additional advances and other amounts secured thereby, all according to the terms of that certain Promissory Note of said mortgagor(s) therein referred to

11. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in that certain Waiver and Release Agreement dated December 20, 2000, made by and between Rachel M. Bentley and County of Kauai, recorded in said Bureau of Conveyances, as Document No. 2000-184928.

12. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in that certain Waiver and Release Agreement dated January 23, 2001, made by and between Rachel M. Bentley and County of Kauai, recorded in said Bureau of Conveyances, as Document No. 2001-011170.

13. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in that certain Declaration of Condominium Property Regime of 3391 Unahe Street Condominium dated March 21, 2001, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2001-044971 and Condominium Map No. 3236.

14. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in that certain Bylaws of the Association of Apartment Owners of 3391 Unahe Street Condominium dated March 21, 2001, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2001-044972.

NOTE: Items 13 and 14 were recorded immediately after the March 29, 2001 Title Report.

EXHIBIT "C"

SUMMARY OF SALES CONTRACT

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

Among other things, the sales contract and addendum:

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

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

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

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

By Buyer:

a. Seller may bring an action against Buyer for breach of contract;

b. Seller may retain Buyer's initial deposit;

c. Buyer shall be responsible for expenses incurred.

By Seller:

a. Buyer may bring an action against Seller for breach of contract;

b. Buyer may bring an action compelling Seller to perform under contract;

c. Seller shall be responsible for expenses incurred.

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

5. Allocation of payment of closing costs.

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

EXHIBIT "D"

SUMMARY OF ESCROW AGREEMENT

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

1. That Security Title Corporation is the Escrow Agent.

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

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

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

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

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

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

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

EXHIBIT "E"

DECLARATION OF RESTRICTIVE COVENANTS

STATE OF HAWAII
BUREAU OF CONVEYANCES
RECORDED

JUN 19, 1997 08:02 AM

Doc No(s) 97-080978

/s/CARL T. WATANABE
ACTING
REGISTRAR OF CONVEYANCES

LAND COURT SYSTEM | REGULAR SYSTEM

Return by: Mail (X) Pickup ( ) To:

WALTON D. Y. HONG
Attorney at Law
3135-A Akahi Street
LIHUE, HAWAII 96766

TITLE OF DOCUMENT:

DECLARATION OF RESTRICTIVE COVENANTS

PARTIES TO DOCUMENT:

OKADA TRUCKING CO., LTD., Declarant
2065 South King Street, Suite 105
Honolulu, HI 96826

PROPERTY DESCRIPTION	LIBER/PAGE
MOLOKOA, UNIT III, Lihue, Kauai, Hawaii	DOCUMENT NO.: TRANSFER CERTIFICATE OF TITLE NO(S):

MOLOKOA SUBDIVISION, PHASE III
DECLARATION OF RESTRICTIVE COVENANTS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, OKADA TRUCKING CO., LTD., a Hawaii corporation, is the owner in fee simple of that certain land situated in Lihue, Island and County of Kauai, State of Hawaii, being Lots 1 through 131, inclusive, of the subdivision known as "Molokoa, Unit III", as shown on File Plan No. _____, filed in the Bureau of Conveyances of the State of Hawaii; and

WHEREAS, the said OKADA TRUCKING CO., LTD., desires to impose restrictive covenants on said Lots 1 through 131, inclusive, for the purposes of establishing and insuring a sound and proper subdivision of said land for residential purposes,

NOW, THEREFORE, the said OKADA TRUCKING CO., LTD., does hereby declare that said Lots 1 through 131, inclusive, and each and every one of them shall be subject to the following restrictive covenants and conditions:

1. SETBACK. No building shall be erected within the building setback line as shown on said File Plan.

2. LAND USE AND BUILDING TYPE. Except as set forth in the next paragraph, each of the said lots shall be used for private residence purposes only, and no apartment house, multi-family dwellings, or any building other than a private dwelling and garage for the use and occupancy of a single family shall be constructed or placed upon any of said lots.

3. ADDITIONAL DWELLING UNIT. One additional dwelling unit may be constructed on any lot as a second single family residence where the same is permitted under applicable zoning laws, under the following conditions:

(a) In addition to the setback requirements set forth in paragraph 1 above, the front yard setbacks for all buildings on any lot containing an additional dwelling unit shall be fifteen (15) feet from the property line; and

(b) While the additional dwelling unit may be attached or detached from the main dwelling unit, the additional dwelling unit must be of the same architectural style and color of the main dwelling unit.

4. SIZE AND HEIGHT. No main residential dwelling unit or additional dwelling unit erected on any of said lots shall exceed two stories in height. Any and all main residential dwellings erected on any of the said lots shall contain a minimum of 1,200 square feet interior floor area, exclusive of servants' quarters, garage, and workshop. In addition, if the main residential dwelling is a two story structure, the ground floor thereof shall contain a minimum of 900 square feet interior floor area, exclusive of servants' quarters, garage and workshop. If the additional dwelling unit is a two story structure, the ground floor thereof shall contain a minimum of sixty percent (60%) of the interior floor area, exclusive of servants' quarters, garage and workshop. No garage or outbuildings shall exceed one story in height. No one story structure shall exceed 15 feet and no two story structure shall exceed 25 feet in height, as measured from grade.

5. QUALITY. All buildings shall be built entirely of new materials, and no old and/or "quonset" type of building shall be erected, moved onto, placed or maintained on any of the said lots.

6. ROOFING. No flat roofs shall be permitted, and all roofs shall be of redwood or cedar shakes, composition or plastic shakes, "kawara" tiles, Monier tiles, Architect 80 shingles, or other equal or better quality roofing materials. No asphalt felt rolled, pitch and gravel, corrugated iron, or any metal roofing shall be permitted.

7. TEMPORARY STRUCTURES. No structure of a temporary character, trailer, quonset hut, tent, shack, garage, barn or other outbuilding shall be used on any of the said lots at any time as a residence either temporarily or permanently.

8. NUISANCE. No noxious or offensive activity shall be carried on upon any of the said lots, nor shall anything be done thereon which may be or may become a nuisance or cause unreasonable disturbance or annoyance to other occupants of other properties in the subdivision.

9. ANIMALS. No animals or fowls of any kind shall be raised, bred or kept on any lot, except that a reasonable number of dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purposes nor create a nuisance or unreasonable disturbance to the surrounding lots in the subdivision.

10. SIGNS. No signs of any kind shall be displayed to the public view on any of the said lots, except one professional sign of not more than one square foot, one sign of not more than five square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

11. GARBAGE AND REFUSE DISPOSAL. None of the said lots shall be used or maintained as a dumping ground for rubbish. Trash, garbage and other waste shall not be kept, except in sanitary containers. No burning of trash shall be permitted.

12. SIGHT DISTANCE AT INTERSECTIONS. There shall not be erected on any corner lot fences, walls, hedges, trees or shrub plantings which obstruct auto drivers' sight distance lines at the intersection of the streets or which otherwise violate the applicable County code regarding sight distance lines.

13. DRAINAGE AND WATER RUNOFF. No part of any lot shall be filled, excavated or otherwise altered as to grade in such a manner as to adversely affect the drainage of any adjoining lot.

14. NEIGHBORING AGRICULTURAL ACTIVITIES. The lots in the subdivision may periodically be affected by noise, dust, smoke, soot, ash, odor, or other adverse environmental conditions of any other kind created by agricultural activities conducted on the lands surrounding the subdivision, including specifically but not limited to cane burning, harvesting, tending, and processing. All lot

owners in the subdivision assume the risks associated with such agricultural activities, and waive any and all claims related thereto against the Declarant and the owner of the agricultural properties.

15. AIRPORT NOISE AND FUMES. The lots in the subdivision may be affected by noise and fumes from the operations of the Lihue Airport. All lot owners in the subdivision assume the risks associated with the Lihue Airport's proximity to the subdivision, and waive any and all claims related thereto against the Declarant.

16. NEIGHBORING DEVELOPMENT. The lots in the subdivision may be affected by noise, dust, odor, vibration, and other nuisances and disturbances which may result from the development, construction and sales activities of the properties surrounding the subdivision. All lot owners in the subdivision acknowledge the risks associated with such development, construction and sales activities, and waive any and all claims related thereto against the Declarant and, to the extent permitted by law, the owner of the surrounding properties being developed.

17. LIMITED ACCESS TO AHUKINI ROAD. No direct access onto Ahukini Road from any of the lots in the subdivision shall be permitted.

18. INCORPORATION INTO CONVEYANCE DOCUMENTS. No deed, mortgage, lease or other document of conveyance affecting any lot shall be made or delivered unless such deed, mortgage, lease or document of conveyance shall contain expressly or by reference to this document the same covenants set forth herein and unless the same shall be made expressly subject thereto.

19. TERM. These covenants are to run with the land and shall be binding on all parties for a period of thirty (30) years from the date hereof, after which time said covenants shall be automatically extended for successive periods of 10 years, unless an instrument signed by the owners of a majority of the lots has been recorded, agreeing to change said covenants in whole or in part.

20. ENFORCEMENT. That for any violation or threatened violation of any of the covenants, any owner or owners of any of the said lots shown on the said File Plan

shall have a remedy against the offending party by action for damages, suit for injunction, mandatory or restraining, or any other remedy, at law or in equity, without prejudice to the right of any other owner or owners to adopt or pursue the same or any other remedy thereafter for the same breach or failure or for any subsequent breach or failure. In any such action, the prevailing party shall be entitled to collect from the losing party all reasonable fees and costs, including attorney's fees, incurred by the prevailing party.

21. SEVERABILITY. Invalidation of any of these covenants by judgment or court order shall in no wise affect any of the other provisions, which shall remain in full force and effect.

IN WITNESS WHEREOF, the said OKADA TRUCKING CO., LTD., has hereunto set forth its hands as of this 11th day of October, 1995.

OKADA TRUCKING CO., LTD.

By _____
Sonny Okada
Its President

STATE OF HAWAII)
) SS:
CITY & COUNTY OF HONOLULU)

On this 11th day of October, 1995, before me appeared SONNY OKADA, to me personally known, who, being by me duly sworn, did say that he is the President of OKADA TRUCKING CO., LTD., a Hawaii corporation, and that the seal affixed to the instrument is the corporate seal of the corporation and that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and SONNY OKADA acknowledged the instrument to be the free act and deed of the corporation.

Notary Public, First Judicial
Circuit, State of Hawaii

My Commission expires: Oct 5, 19

d:\moloccr6\040795

EXHIBIT "F"

MEMORANDUM FROM THE COUNTY OF KAUAI PLANNING DEPARTMENT

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

COPY

DATE: April 30, 2001

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

From: Dee M. Crowell, Planning Director

Subject: Certification of Inspection of Existing Buildings

PROJECT NAME: 3391 UNAHE STREET CONDOMINIUM PROJECT
TAX MAP KEY: (4) 3-6-17:28

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 "e " 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 3391 Unahe Street Condominium Unit A and Unit B are in compliance with all ordinances, codes, rules, regulations and other requirements in force at the time of its construction, and to that extent, and subject to the conditions of waiver herein, the Planning Department adopts that certification as it pertains to the rules and regulations administered solely by 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. **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: Patrick J. Childs