

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer Harry and Darlene Waahila
Address P.O. Box 392, Kalaheo, Hawaii 96741

Project Name (\*): RITA AGRICULTURAL Condominium
Address: Portion of Lot 45, Kalaheo Homesteads, 1st Series, Also Being Portion of Grant 9970, to Maria M. Fernandes, 2971 Wawae Road, Kalaheo, Kauai, Hawaii
Registration No. 4697
Effective date: October 12, 2001
Expiration date: November 12, 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.
FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
SUPPLEMENTARY: (pink) This report updates information contained in the:
And [ ] Supersedes all prior public reports.

(\* ) 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.

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

Summary of Changes from Earlier Public Reports:

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

No prior reports have been issued by the developer.

Changes made are as follows:

SPECIAL ATTENTION

This is a CONDOMINIUM PROJECT, not a subdivision. There are County restrictions on the number of residential dwelling units, or other structures, which may be built on the property. Therefore, unless the Purchaser is buying an existing residential dwelling, THERE IS NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO BUILD A RESIDENTIAL DWELLING UNIT ON THE PROPERTY. THERE IS ALSO NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO CONVERT AN EXISTING NON-RESIDENTIAL STRUCTURE TO A RESIDENTIAL USE. The Purchaser should consult with the appropriate County agencies to determine whether the Purchaser may build a residential dwelling unit, or any other type of structure on the property.

1. There are presently TWO RESIDENTIAL STRUCTURES 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 government agency, nor does it warrant that all applicable County codes, ordinances, and subdivision requirements have necessarily been complied with.
3. The land area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and is not a legally subdivided lot. The dotted lines on the Condominium Map bounding the designated number of square feet in each limited common element land area are for illustrative purposes only and should not be construed to be the property lines of legally subdivided lots.

SPECIAL ATTENTION (CONCLUDED):

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

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

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EXHIBIT A: ESTIMATE OF INITIAL MAINTENANCE FEES AND DISBURSEMENTS  
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EXHIBIT H: 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: Harry and Darlene Waahila Phone: (808) 332-5004  
Name\*  
P.O. Box 392 (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 Broker\*: None selected. See Page 20 Phone: \_\_\_\_\_  
Name (Business)  
Business Address

Escrow: Security Title Corporation Phone: (808) 245-6975  
Name (Business)  
4370 Kukui Grove Street, Suite 203  
Business Address  
Lihue, Hawaii 96766

General Contractor\*: N/A Phone: \_\_\_\_\_  
Name (Business)  
Business Address

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

Attorney for Developer: Patrick J. Childs Phone: (808) 245-2863  
Name (Business)  
4365 Kukui Grove Street, Suite 104  
Business Address  
Lihue, Hawaii 96766

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

**II. CREATION OF THE CONDOMINIUM;  
CONDOMINIUM DOCUMENTS**

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

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

The Declaration for this condominium is:

Proposed  
 Recorded - Bureau of Conveyances: Document No. 2001-101068  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. \_\_\_\_\_

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

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

The Condominium Map for this condominium project is:

Proposed  
 Recorded - Bureau of Conveyances Condo Map No. 3294  
 Filed - Land Court Condo Map No. \_\_\_\_\_

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

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

The Bylaws for this condominium are:

Proposed  
 Recorded - Bureau of Conveyances: Document No. 2001-101069  
Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court: Document No. \_\_\_\_\_

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

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

The House Rules for this condominium are:

Proposed       Adopted       Developer does not plan to adopt House Rules

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

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

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

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

2. **Developer:**

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

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

The Developer may amend the Declaration (and, when applicable, any exhibits to the Declaration and the Condominium Map) (a) as may be provided in the Declaration and (b) to file the "as built" statement required by Section 514A-12 of the Act (i) so long as such verified statement is a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed or being filed simultaneously with such amendment, fully and accurately depict the layout, location, apartment numbers and the dimensions of the apartments as built, or (ii) so long as the plans filed therewith involve only minor changes to the layout, location or dimensions on the apartments, as built, or any change in any apartment number.



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: Portion of Lot 45 Kalaheo Homesteads, 1st Series, Also being Portion of Grant 9970 to Maria M. Fernandes, 2971 Wawae Road, Kalaheo, Kauai, Hawaii Tax Map Key (TMK): (4) 2-4-05:108  
 Address  TMK is expected to change because \_\_\_\_\_

Land Area: 1.34  square feet  acre(s) Zoning: Agricultural

Fee Owner: Harry and Darlene Waahila  
 Name  
P.O. Box 392  
 Address  
Kalaheo, Hawaii 96741

Lessor: N/A  
 Name  
 Address

**C. Buildings and Other Improvements:**

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

2. Number of Buildings: 3 Floors Per Building: 1

Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

Concrete  Hollow Tile  Wood

Other \_\_\_\_\_

4. Uses Permitted by Zoning:

	<u>No. of Apts.</u>	<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>	<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

5. Special Use Restrictions:

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

Pets: \_\_\_\_\_

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

Other: See Article V, Section 3

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

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

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify stairs, porch, laundry weight & breakroom shed, storage)
Unit 1	1	2/1	838	90	porch, laundry
Unit 2	1	2/2	844	897	weight & breakroom
_____	_____	_____	_____	804	shed, storage
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

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 not elected to provide the information in a published announcement or advertisement.

7. Parking Stalls:

Total Parking Stalls:	<u>4</u>			
	<u>Regular</u> <u>Covered Open</u>	<u>Compact</u> <u>Covered Open</u>	<u>Tandem</u> <u>Covered Open</u>	TOTAL
Assigned (for each unit)	<u>2</u>	-----	-----	<u>4</u>
Guest	-----	-----	-----	-----
Unassigned	-----	-----	-----	-----
Extra for Purchase	-----	-----	-----	-----
Other: _____	-----	-----	-----	-----
Total Covered & Open:	<u>4</u>	<u>0</u>	<u>0</u>	<u>4</u>

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

- 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):

**APARTMENT 1, FARM DWELLING WAS COMPLETED IN 1989.**  
**APARTMENT 2, FARM DWELLING WAS COMPLETED IN 1991 AND FARM SHED WAS COMPLETED IN 1985.**

THE INSPECTION INCLUDED THE EXTERIOR ROOF, FOUNDATION, AND VISIBLE STRUCTURAL, ELECTRICAL, AND PLUMBING, WHICH APPEAR TO BE IN SATISFACTORY CONDITION FOR THE STATED AGE THEREOF AND APPEAR TO BE IN SOUND CONDITION. THE STRUCTURES AND RELATED SYSTEMS AND COMPONENTS HAVE AN ESTIMATED EXPECTED USEFUL LIFE IN EXCESS OF APPROXIMATELY THIRTY (30) YEARS.

11. Conformance to Present Zoning Code

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

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

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

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

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

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

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

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

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

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

[ X ] described in Exhibit   C  .

[ ] as follows:

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

There are no limited common elements in this project.

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

described in Exhibit C.

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 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 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 July 9, 2001 and issued by Old Republic National Title Insurance Company

Blanket Liens:

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

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

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

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

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

The underlying mortgage is superior to and takes precedence over the sales contract. If the Developer defaults buyer shall lose his option to consummate his purchase of the property and Buyer's money shall be refunded, less cancellation fees.

F. Construction Warranties:

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

1. Building and Other Improvements:

None.

2. Appliances:

None.

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

APARTMENT 1, FARM DWELLING WAS COMPLETED IN 1989.

APARTMENT 2, FARM DWELLING WAS COMPLETED IN 1991 AND FARM SHED WAS COMPLETED IN 1985.

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):



V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

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

- Notice to Owner Occupants
- Specimen Sales Contract  
Exhibit  D  contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated  June 21, 2001   
Exhibit  E  contains a summary of the pertinent provisions of the escrow agreement.
- Other \_\_\_\_\_

B. Buyer's Right to Cancel Sales Contract:

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

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

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

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

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

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

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

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

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

- A) Condominium Public Reports issued by the developer which have been issued an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners, as amended.
- D) House Rules, if any.
- E) Condominium Map, as amended.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other First Amendment to the Bylaws recorded at the Bureau of Conveyances as Document No. 01-141578.

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. 4697 filed with the Real Estate Commission on July 25, 2001.

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

YELLOW paper stock

WHITE paper stock

PINK paper stock

C. Additional Information Not Covered Above

1. This project is subject to the future road widening reserve agreement dated October 24, 1990, made by and between Manuel Rita and Helen F. Rita, husband and wife and County of Kauai Planning Department recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 90-177204.
2. The condominium interest created hereby is on agriculturally zoned land and, as such, is subject to all restrictions associated therewith. This is not residentially zoned property and the Developer does not warrant that any residence will be permitted by the County of Kauai within any specific limited common element. Agricultural properties are subject to density requirements that may change. Any such change will effect the number of allowable units that may be placed on the underlying land.
3. The existing County of Kauai ordinances, rules and regulations permit a maximum of two (2) dwellings on this project per the conditions of the County of Kauai's Additional Dwelling Unit Ordinance. - See Section 9 (vi) of the Declaration of Condominium Property Regime for Rita Agricultural Condominium.
4. Apartment 2 is subject to a 3859 square foot access and utility easement in favor of Apartment 1 as shown on the condominium map as AU-1, which easement shall serve for access, egress and utility purposes for both Apartment 1 and Apartment 2 as well as the limited common element appurtenant to Apartment 1.
5. Maintenance fees. All costs of every kind pertaining to each apartment and its respective limited common element, including but not limited to, cost of landscaping, maintenance, repair, replacement and improvement shall be borne entirely by the respective owner. Section 514A-86, Hawaii Revised Statutes, requires the Association of Apartment Owners purchase fire insurance to cover the improvements of the Project, and that premiums be common expenses. Developer anticipates that the Association will elect to permit individual apartment owners to obtain and maintain separate policies of fire insurance and name the Association as an additional insured. In such case, fire insurance premiums will be the responsibility of individual apartment owners and not common expenses. Developer estimates such annual premium expense to be about \$600.00 per year each unit. This estimate was prepared in accordance with generally accepted accounting principles.
6. This project abuts two County roads but access is limited by the County to Wawae road only.

7. Disclosure Regarding Selection of Real Estate Broker:

The Developer does not presently intend to use a real estate Broker for the sale of apartments in this project.

In the event the Developer chooses to use a real estate broker for the sale of an apartment. Prior to entering into a binding contract for such sale the Developer shall (1) Submit to the Real Estate Commission a duly executed copy of a Broker Listing Agreement with a Hawaii-Licensed Real Estate Broker, together with a duly executed disclosure abstract identifying the designated Broker, and (2) Provide a copy of the Disclosure abstract to the Purchaser together with a copy of this Public Report.

- 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.

Harry Waahila  
Printed Name of Developer

Darlene Waahila  
Printed Name of Developer

By: Harry waahila 7-17-01  
Duly Authorized Signatory\*      Date

Darlene Waahila 7-17-01  
Duly Authorized Signatory\*      Date

Harry Waahila, developer  
Printed Name & title of Person Signing Above

Darlene Waahila, 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

ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
1	\$50.00	\$600.00
2	\$50.00	\$600.00

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

**Estimate of Maintenance Fee Disbursements:**

Monthly Fee x 12 months = Yearly Total

Utilities and Services

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

Maintenance, Repairs and Supplies

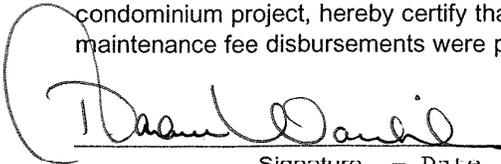
- Building
- Grounds

Management

- Management Fee
- Payroll and Payroll Taxes
- Office Expenses

Insurance	\$100.00	\$1200.00
Reserves(*)		
Taxes and Government Assessments		
Audit Fees		
Other		
<b>TOTAL</b>	<b>\$100.00</b>	<b>\$1200.00</b>

I, Harry and Darlene Waahila as agent for/and/or employed by N/A the condominium managing agent/developer for the Rita Agricultural 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.

 7-17-01  
Signature - Date

Harry Waahila 7-17-01  
Date - Signature

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

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

Developer discloses 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.

**Exhibit "B"**  
**Encumbrances Against Title**

1. For real property taxes that may be due and owing, reference is made to County of Kauai Department of Finance for more information.
2. Reservation in favor on the State of Hawaii of all mineral and metallic mines.
3. The property described herein is subject to possible rollback taxes; verification should be made with the Kauai County, Real Property Tax Office.

4. MORTGAGE

Mortgagor: Manuel Rita and Helen F. Rita, husband and wife  
Mortgagor: Mcbryde Federal Credit Union, a Credit Union chartered by the Farm Credit Administration of the United State of America, (Charter No. 2713)

Dated: May 26, 1961

Recorded: June 29, 1961

Book: 4081

Page: 435

To Secure: \$4,731.65

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

5. The right of entry and temporary easement for construction and maintenance of power and communication lines in favor of Hawaiian Telephone Company, a Hawaii corporation, and Citizens Utilities Company, a Delaware corporation, duly authorized to do business in the State of Hawaii, dated August 1, 1975, recorded in the Bureau of Conveyances of the State of Hawaii in Book 11162 at Page 331.
6. The terms and provisions, including the failure to comply with any covenants, conditions, restrictions, reservations or obligations of that certain Road Widening Reserve Agreement dated October 24, 1990, made by and between Manuel Rita and Helen F. Rita, husband and wife and County of Kauai Planning Department, recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 90-177204, to which reference is hereby made.
7. Terms and Conditions of that Certain of that certain:

NOTICE OF DEDICATION TO AGRICULTURE

Owner(s): Manuel Rita  
Dated: January 20, 2000  
Effective Date: January 1, 2000

Document No. 2000-011466  
Term: 10 years  
Purpose: Agriculture

8. MORTGAGE

Mortgagor: Henry Waahila and Darlene Waahila, husband and wife, as  
Tenants by the Entirety  
Mortgagee: Ameritrust Mortgage Company, which is organized and  
existing under the laws of the State of Delaware  
Dated: September 25, 2000  
Recorded: October 5, 2000  
Document No. 2000-140571  
To Secure: \$210,000.00  
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

9. The covenants, agreements, obligations, conditions, easements and other provisions as contained in the following:

DECLARATION OF CONDOMINIUM PROPERTY REGIME OF "RITA AGRICULTURAL"

Dated: April 30, 2001  
Document No. 2001-101068

Condominium Map No. 3294, as amended, to which reference is hereby made.

10. BY-LAWS OF THE ASSOCIATION OF APARTMENT OWNERS OF "RITA AGRICULTURAL"

Dated: April 30, 2001  
Document No. 2001-101069

**Exhibit "C"**  
**Common Elements and Limited Common Elements**

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

(i) All the land in fee simple.

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

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

6. 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 1, being 18,215 square feet and an additional 6,050 square feet in area, on the Condominium Map, is reserved for the exclusive use of Apartment 1 for the support of the building and other improvements comprising Apartment 1, or attendant thereto, and for parking, yard, driveway, agricultural and residential purposes.

(ii) That portion of the Land which is designated as Limited Common Element 2, being 34,039 square feet in area, on the Condominium Map, is reserved for the exclusive use of Apartment 2 for the support of the building and other improvements comprising Apartment 2, or attendant thereto, and for parking, yard, driveway, agricultural and residential purposes.

\*\*\*\*\*  
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 there from.  
\*\*\*\*\*

EXHIBIT "D"

SUMMARY OF SALES CONTRACT:

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

Among other things, the sales contract and addendum:

1. Provides a section for financing to be completed and agreed to by the parties which will set forth how Buyer will pay the purchase price.
2. Identifies the escrow agent and states that Buyer's deposit will be held in escrow until the sales contract is closed or cancelled.
3. Requires that Buyer must close the purchase at a certain date and pay closing costs, in addition to the purchase price.
4. Provides the following remedies, in the event of default under the sales contract:

by Buyer:

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

By Seller:

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

## EXHIBIT "E"

### SUMMARY OF ESCROW AGREEMENT:

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

1. That 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 there shall be no disbursement of the purchaser's deposit until: [a] Escrow receives a copy of "Receipt for Public Report(s) and Notice of Right to Cancel", in the form specified by Section 514A-62 of the Condominium Act for the Final and any Supplementary Public Reports, executed by the purchaser; [b] Escrow has received a certification that the requirements of Section 514A-39 and 514A-63 have been met and [c] until the purchaser's apartment deed is filed in the Bureau of Conveyances of the State of Hawaii.
4. That the Buyer shall receive all public documents relating to the project.
5. That a Buyer's money shall be returned to him under the following conditions: [a] Escrow receives a written request from the Developer and purchaser for the return of purchaser's funds or [b] Developer and purchaser notify Escrow of a rescission or [c] Developer and purchaser notify Escrow that the conditions for a refund under Sections 514A-62 and 514A-63 of the Condominium Act have been met.
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.

**Architect's Condition Report**

The undersigned, being a licensed architect within the State of Hawaii, bearing Registration Number Arch. 6423 has inspected Unit 1 and Unit 2 of the condominium project known as "Rita Agricultural Condominium". Unit 1 has a twelve (12) year old structure which may be occupied as a Farm Dwelling for residential use and Unit 2 has a ten (10) year old structure which may be occupied as a Farm Dwelling for residential use, and a sixteen (16) year old Farm Shed. All structures within the property are in compliance with County codes. Structures are located at 2971 Wawae Road, Kalaheo, Hawaii, 96746, identified as Tax Map Key No. 4-2-4-05-108.

The inspection included the exterior roof, foundation, and visible structural, electrical, and plumbing, which appear to be in satisfactory condition for the stated age thereof and appear to be in sound condition. The structures and related systems and components have an estimated expected useful life in excess of approximately thirty (30) years.



IAN K. COSTA  
Registered Architect No. 6423

12/28/00  
DATE

STATE OF HAWAII )  
 ) SS.  
\_\_\_\_\_ COUNTY OF KAUAI )

On this 28th day of December 2000 before me appeared IAN K. COSTA

----- to me personally known, who being by me duly sworn or affirmed, did say that such person(s) executed the foregoing instrument as the free act and deed of such person(s), and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

14



Notary Public, State of Hawaii [ \_\_\_\_\_ Judicial Circuit]

My Commission expires: 01/24/2002

EXHIBIT "G"

RITA AGRICULTURAL CONDOMINIUM  
UNIT 1

-FIRST-

All of that certain parcel of land being the Limited Common Element for condominium Unit "1", Rita Agricultural Condominium, situate at Kalaheo, Kona, Kauai, Hawaii.

Being a portion of Lot 45 of Kalaheo Homesteads, First Series, Land Patent Grant 9970 to Maria M. Fernandes.

Beginning at the West corner of this parcel of land and on the East side of Wawae Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PAPAPAHOLAHOLA", being 3,216.02 feet South and 2,320.41 feet East, thence running by azimuths measured clockwise from true South:

- |    |          |        |  |
|----|----------|--------|--|
| 1. | 237° 56' | 127.09 | feet along Lot 45-D;   |
| 2. | 331° 41' | 135.48 | feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 2);   |
| 3. | 57° 25'  | 14.43  | feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 2);   |
| 4. | 317° 55' | 6.50   | feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 2);   |
| 5. | 59° 17'  | 108.05 | feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 2);   |
| 6. | 121° 40' | 26.93  | feet along the North side of Wawae Road;   |
| 7. | 155° 22' | 116.00 | feet along the East side of Wawae Road to the point of beginning and containing an area of 18,215 square feet. |

- SECOND -

All of that certain parcel of land being the Limited Common Element for condominium Unit "1", Rita Agricultural Condominium, situate at Kalaheo, Kona, Kauai, Hawaii.

Being a portion of Lot 45 of Kalaheo Homesteads, First Series, Land Patent Grant 9970 to Maria M. Fernandes.

Beginning at the East corner of this parcel of land and on the West side of Kikala Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PAPAPAHOLAHOLA", being 3,330.68 feet South and 2,318.77 feet East, thence running by azimuths measured clockwise from true South:

- |    |          |       |  |
|----|----------|-------|--|
| 1. | 57° 56'  | 89.17 | feet along Parcel 107, TMK 4/2-4-005;  |
| 2. | 154° 15' | 43.13 | feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 2);   |
| 3. | 237° 56' | 32.00 | feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 2);   |
| 4. | 147° 56' | 18.00 | feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 2);   |
| 5. | 237° 56' | 97.99 | feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 2);   |
| 6. | 4° 45'   | 76.03 | feet along the West side of Kikala Road to the point of beginning and containing an area of 6,050 square feet. |

AS TO THE FIRST AND SECOND LIMITED COMMON ELEMENTS FOR UNIT 1, TOGETHER WITH, Easement AU-1 as shown on Rita Agricultural Condominium map dated September 20, 2000, for access and utility purposes containing an area of 3,859 square feet, affecting Unit 2 in favor of Unit 1.



Kalaheo, Hawaii 96741  
July 12, 2001

DESCRIPTION PREPARED BY  
CAIRES LAND SURVEYING:

A handwritten signature in cursive script that reads "Roger M. Cairés".

\_\_\_\_\_  
ROGER M. CAIRES  
Licensed Professional Land Surveyor  
Certificate Number 7919

RITA AGRICULTURAL CONDOMINIUM  
UNIT 2

All of that certain parcel of land being the Limited Common Element containing condominium Unit "2", Rita Agricultural Condominium, situate at Kalaheo, Kona, Kauai, Hawaii.

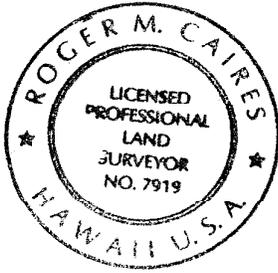
Being a portion of Lot 45 of Kalaheo Homesteads, First Series, Land Patent Grant 9970 to Maria M. Fernandes.

Beginning at the North corner of this parcel of land and on the West side of Kikala Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PAPAPAHOLAHOLA", being 3,435.61 feet South and 1,969.90 feet East, thence running by azimuths measured clockwise from true South:

1.	4° 45'	105.65	feet along the West side of Kikala Road;
2.	57° 56'	97.99	feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 1);
3.	327° 56'	18.00	feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 1);
4.	57° 56'	32.00	feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 1);
5.	334° 15'	43.13	feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 1);
6.	57° 56'	210.83	feet along Parcel 107 TMK: 4/2-4-005;
7.	121° 40'	20.07	feet along the North side of Wawae Road;
8.	239° 17'	108.05	feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 1);
9.	137° 55'	6.50	feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 1);
10.	237° 25'	14.43	feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 1);
11.	151° 41'	135.48	feet along the remainder of Parcel 108, TMK: 4/2-4-005 (Unit 1);

12. 237° 56' 286.53 feet along Lot 45-D and Parcel 180, TMK: 4/2-4-005;
13. 322° 51' 11.77 feet along the West side of Kikala Road to the point of beginning and containing an area of 34,039 square feet.

SUBJECT, HOWEVER, to Easement AU-1 as shown on Rita Agricultural Condominium map dated September 20, 2000, for access and utility purposes containing an area of 3,859 square feet, affecting Unit 2 in favor of Unit 1.



Kalaheo, Hawaii 96741  
July 12, 2001

DESCRIPTION PREPARED BY  
CAIRES LAND SURVEYING:

A handwritten signature in cursive script that reads "Roger M. Cairés".

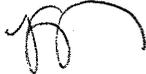
ROGER M. CAIRES  
Licensed Professional Land Surveyor  
Certificate Number 7919

EXHIBIT "H"

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

DATE: July 19, 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:** RITA AGRICULTURAL CONDOMINIUM PROJECT  
**TAX MAP KEY:** (4) 2-4-05:108

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 Ian K. Costa to certify that the existing buildings on the proposed project referred to as Rita Agricultural 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.

Senior Condominium Specialist

Page 2

July 19, 2001

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