

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer HUNA KAI PLANTATION, LLC
Address P.O. BOX 1139
KILAUEA, KAUAI, HAWAII 96754
Project Name (\*): HUNA KAI PLANTATION (UNIT A)
Address: 2520 KAUAPEA ROAD
KILAUEA, KAUAI, HAWAII
Registration No. 4760
Effective date: January 17, 2002
Expiration date: February 17, 2003

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.  
As Exhibit "G"

**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 NOTICE:**

This is a CONDOMINIUM PROJECT, not a subdivision. THERE ARE COUNTY RESTRICTIONS ON THE NUMBER OF DWELLING UNITS, OR OTHER STRUCTURES, WHICH MAY BE BUILT UPON THE PROPERTY. UNLESS THE PURCHASER COMPLIES WITH APPLICABLE ORDINANCES, THERE IS NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO BUILD A DWELLING UNIT ON THE PROPERTY. THE PURCHASER SHOULD CONSULT WITH THE APPROPRIATE COUNTY AGENCIES TO DETERMINE WHETHER THE PURCHASER MAY BUILD A DWELLING UNIT, OR ANY OTHER TYPE OF STRUCTURE, UPON THE PROPERTY.

1. There are presently NO RESIDENTIAL STRUCTURES on the Project. Unit A is the only Unit covered by this Report. Units B and C will be improved at a later date and a supplementary report issued to allow sale of those units. The pavilion structure on Unit A qualifies as an "apartment" under the condominium law.
2. Issuance of an effective date for this Public Report does not constitute an approval of the project by the Real Estate Commission or any other governmental agency, nor does it imply that all County ordinances have been complied with.
3. This project does not involve the sale of individual subdivided lots. The land area beneath and immediately adjacent to each unit, as shown on the Condominium Map, is designated as a limited common element for that unit and does not represent a legally subdivided lot. The dotted lines on the Condominium Map merely represent the location of the limited common element assigned to each unit.
4. Facilities and improvements normally associated with County approved subdivisions, such as improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for and County trash collection will not be available for Units A and B except at Kauapea Road.

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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## **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: HUNA KAI PLANTATION, LLC Phone: (808) 828-1913  
Name\* (Business)  
P.O. BOX 1139  
Business Address  
KILAUEA, HAWAII 96754

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

BENJAMIN F. GARFINKLE, MEMBER  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Broker\*: NOT FOR SALE Phone: \_\_\_\_\_  
Name (Business)  
(See Page 20 and Exhibit "G")  
Business Address  
\_\_\_\_\_

Escrow: FIRST HAWAII TITLE CORPORATION Phone: (808) 826-6812  
Name (Business)  
5-4280 KUHIO HWY., B-201  
Business Address  
P.O. BOX 507  
HANAIEI, HI 96714

General Contractor\*: SELF-BUILDER Phone: \_\_\_\_\_  
Name (Business)  
\_\_\_\_\_  
Business Address  
\_\_\_\_\_

Condominium Managing Agent\*: SELF-MANAGED BY THE ASSOCIATION Phone: \_\_\_\_\_  
Name (Business)  
OF APARTMENT OWNERS  
Business Address  
\_\_\_\_\_

Attorney for Developer: STEVEN R. LEE, ESQ. Phone: (808) 246-1101  
Name (Business)  
4473 PAHE'E STREET, SUITE L  
Business Address  
LIHUE, HI 96766

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

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

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

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

The Declaration for this condominium is:

Proposed  
 Recorded - Bureau of Conveyances: Document No. 2001-142193  
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. 3334  
 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. 2001-142194  
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>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	—	<u>N/A</u>

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

2. **Developer:**

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

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

Developer and Fee Owner have reserved in the Declaration the right to eliminate any easement or right of entry in favor of any unit at any time prior to sale of the burdened or benefited unit.



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: 2520 KAUAPEA ROAD Tax Map Key (TMK): (4) 5-2-4: 065  
KILAUEA, KAUAI, HAWAII

Address  TMK is expected to change because Each unit is entitled  
to its own street address and TMK#

Land Area: 7.050  square feet  acre(s) Zoning: Agriculture

Fee Owner: HUNA KAI PLANTATION, LLC  
 Name  
P.O. BOX 1139  
 Address  
KILAUEA, KAUAI, HI 96754

Lessor: N/A  
 Name  
 Address

**C. Buildings and Other Improvements:**

1.  New Building(s)  
 Conversion of Existing Building(s)  
 Both New Building(s) and Conversion
2. Number of Buildings: 1-Unit A Only Floors Per Building: 1  
 Exhibit "C" 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>3 See Note</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

NOTE: The subject property is within the State Land Use Agricultural District and is zoned Agricultural by the County of Kauai. "Farm Dwellings" and other structures appropriate to agricultural usage are permitted, subject to certain guidelines. See the disclosures on Page 2 (Special Attention) and Page 20 of this Final Public Report.

5. Special Use Restrictions:

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

Pets: See Bylaws Article V, Section 5.3(9)

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

Other: \_\_\_\_\_

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

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

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
<u>A</u>	<u>1</u>	<u>-0-</u>	<u>-0-</u>	<u>86</u>	<u>Pavilion</u>
<u>B</u>	<u>1</u>	<u>-0-</u>	<u>-0-</u>	<u>20</u>	<u>Shade Structure</u>
<u>C</u>	<u>1</u>	<u>-0-</u>	<u>-0-</u>	<u>20</u>	<u>Shade Structure</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Total Number of Apartments: 3

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

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

**Boundaries of Each Apartment:**

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

**Permitted Alterations to Apartments:** Permitted alterations to apartments are as allowed by County of Kauai zoning ordinances and recorded restrictions on the project, if any. Upon construction of each permanent improvement, an amendment to the Declaration of Condominium Property Regime will be required to disclose actual improvements as a matter of public record.

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

\*There is ample room for parking of two or more vehicles on each unit's limited common element.

Each apartment will have the exclusive use of at least 1\* parking stall(s).  
Buyers are encouraged to find out which stall(s) will be available for their use.

Commercial parking garage permitted in condominium project.

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

8. Recreational and Other Common Facilities:

There are no recreational or common facilities.

Swimming pool                       Storage Area                       Recreation Area

Laundry Area                       Tennis Court                       Trash Chute/Enclosure(s)

Other: \_\_\_\_\_

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

There are no violations.                       Violations will not be cured.

Violations and cost to cure are listed below:     Violations will be cured by \_\_\_\_\_  
(Date)

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

N/A

11. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

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

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

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

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

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

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

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

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

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

described in Exhibit "E".

as follows:

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

There are no limited common elements in this project.

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

described in Exhibit "F".

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 "F" describes the encumbrances against the title contained in the title report dated October 15, 2001 and issued by TITLE GUARANTY OF HAWAII, INC.

Blanket Liens:

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

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

[ 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 <b>Prior to Conveyance</b></u>
Mortgage	Lender has priority over Buyer's rights under a sales contract, and has a right to terminate sales contracts upon foreclosure of its mortgage before an apartment sale is closed. Buyer shall be entitled to a refund of all deposits, less escrow 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:

Unit A's shed was constructed in August 2000. Unit A is the only unit covered by this report. Units B and C will be built at a later date and an amendment to the Declaration will be recorded and a supplementary report issued to cover these units.

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):

See Section G above.



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 Addendum  
Exhibit "B" contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated July 30, 2001  
Exhibit "D" contains a summary of the pertinent provisions of the escrow agreement.
- 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 See Page 19a

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. 4760 filed with the Real Estate Commission on October 26, 2001.

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

YELLOW paper stock

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2. H)

Other Documents Encumbering Title: (a) Grant between Kilauea Sugar Plantation Company/Kauai Electric Company, Limited/Mutual Telephone Company; (b) Deed; (c) Agreement to Incorporate Agricultural Restrictions Into Instruments of Conveyance; (d) Agreement of Sale/Satisfaction Warranty Deed; (e) Waiver and Release; (f) Grant of Easement between Huna Kai Plantation, LLC and Citizens Utilities Company; (g) Right of Entry; (h) Amendment to Right of Entry; (i) Farm Dwelling Agreement; and (j) Mortgage

C. Additional Information Not Covered Above

This is a condominium project, not a subdivision. Units purchased are not subdivided lots. To determine whether your expectations can be realized, you should carefully review the contents of this Report, especially the Exhibit to this report which is a summary of the recorded restrictive covenants for the subdivision within which this project is located. Among other things, the restrictive covenants govern land use, building type and materials, possession of animals, and cultivation of crops. You should also conduct your own investigations and ascertain the validity of information provided.

As to all units, it is anticipated that the initial improvements on each unit will be replaced by or supplemented with a farm dwelling. The prospective purchaser shall have the right to build such farm dwelling at purchaser's expense. The purchaser shall also, in such event, file the "as-built" certificate within thirty days of completion of the farm dwelling in conformance with Section 514A-12, Hawaii Revised Statutes, and record an amendment of the Declaration of Condominium Property Regime ("Declaration") to describe the farm dwelling. The County of Kauai Planning Department requires, in order to process the necessary permits for the construction of a farm dwelling and the processing of a farm dwelling agreement, authorization from at least 75% of the legal and equitable ownership of the entire project, consistent with the Declaration and the Bylaws ("condominium documents"). In most cases a farm dwelling may not be constructed unless a unit owner demonstrates to the County his ability to derive income from his property, established and verified prior to any building permit approval.

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

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

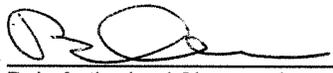
This project is entitled to one guest house. The right to construct the guest house is retained by the Developer for future designation.

The Developer has not selected a real estate broker for the sale of said condominium apartments in the project at this time.

In the event the Developer chooses to use a real estate broker for the sale of a condominium 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 broker, together with a duly executed Disclosure Abstract; 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.

HUNA KAI PLANTATION, LLC  
Name of Developer

By:   
Duly Authorized Signatory\*

8/16/01  
Date

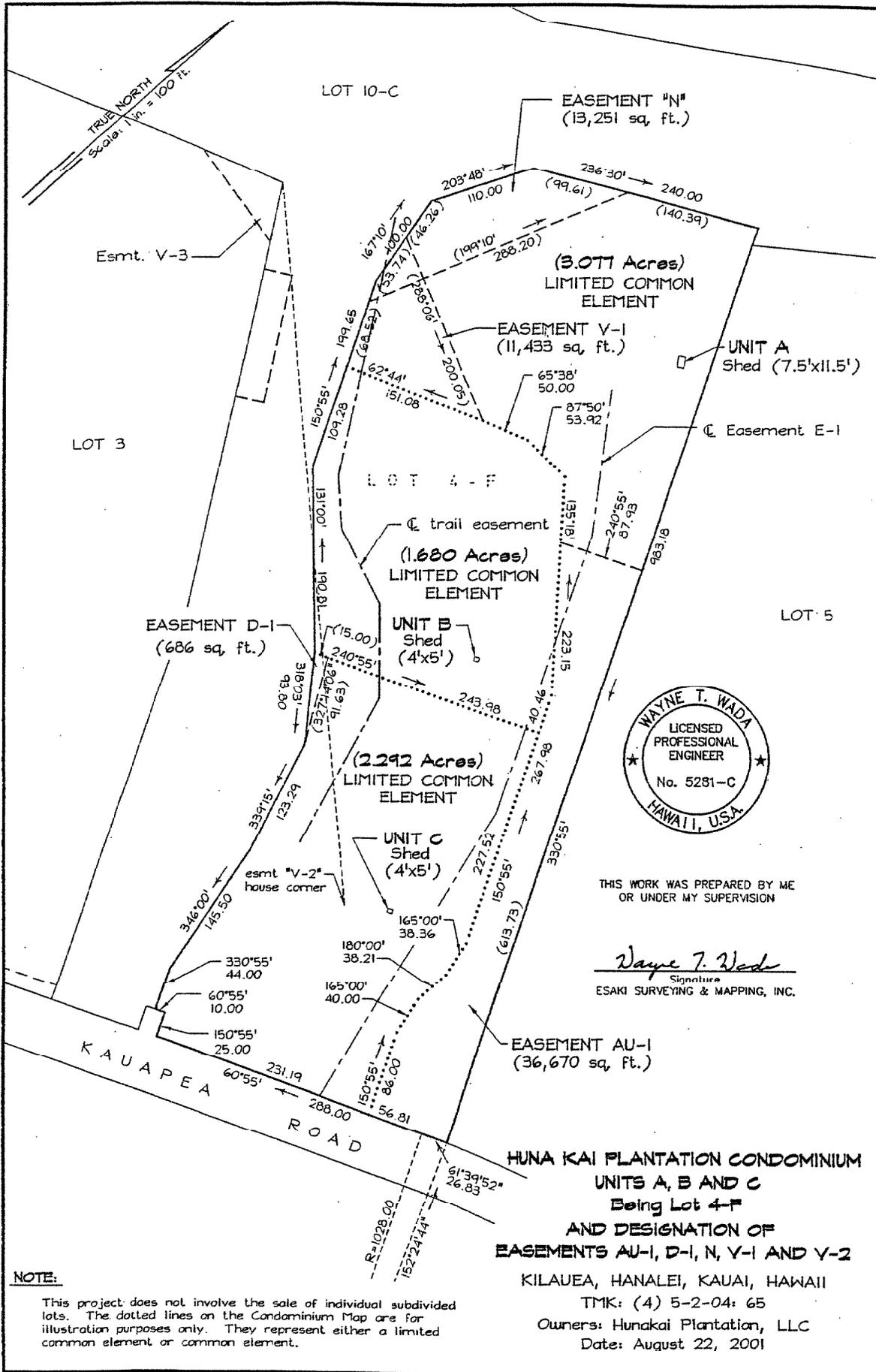
BENJAMIN F. GARFINKLE, MEMBER  
Printed Name & Title of Person Signing Above

**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"



**NOTE:**

This project does not involve the sale of individual subdivided lots. The dotted lines on the Condominium Map are for illustration purposes only. They represent either a limited common element or common element.

EXHIBIT B

SUMMARY OF SALES CONTRACT

This Project utilized a Condominium Addendum to Sales Contract (the "Addendum") to be used in conjunction with a standard printed form contract provided by the Hawaii Association of Realtors. The Addendum protects the rights of the Purchasers and the handling of funds under the Condominium Property Act (the "Act"), as well as insuring compliance with the Act by all parties. Relevant portions of the Addendum are summarized as follows:

1. The fact that the Act controls over any provision of a contract to sell a condominium unit.

2. That an effective date for a final or supplementary public report must be in place and a receipt for same signed by the buyer to have an effective sale.

3. That all purchaser funds must be held in escrow until the law allows closing and disbursement of the funds.

4. The conditions precedent to release of funds are enumerated, including, in part:

(a) That Purchaser will receive a copy of the final public report for the project.

(b) Purchaser agrees that all payments made will be placed on deposit with escrow pursuant to the terms of the Escrow Agreement, and Purchaser is subject to all of the terms of the Escrow Agreement.

(c) If there is dual agency by a single broker, it will be disclosed in the contract.

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

EXHIBIT "C"

SCHEDULE OF APARTMENTS AND COMMON INTERESTS

<u>Qty.</u>	<u>Unit No.</u>	<u>Area of Limited Common Element* (Acres)</u>	<u>No. of Br./Bath</u>	<u>Appx. Net Living Area (Sq. Ft.)</u>	<u>Appx. Other Area (Sq. Ft.)</u>	<u>% of Common Int.</u>
1	A	3.077	0	0	86 pavilion	33-1/3%
1	B	1.680	0	0	20	33-1/3%
1	C	2.292	0	0	20	33-1/3%

Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which common interest has been computed. Units A, B and C will each burden the common elements as shown above. Therefore, the assessment of undivided interest both for common expense and for voting is 33-1/3% - Unit A; 33-1/3% - Unit B; and 33-1/3% for Unit C.

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

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

END OF EXHIBIT "C"

**EXHIBIT "D"**  
**SUMMARY OF PORTIONS OF ESCROW AGREEMENT**

The Escrow Agreement ("Agreement") between FIRST HAWAII TITLE CORPORATION (the "Escrow"), and BENJAMIN F. GARFINKLE (the "Seller"), contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

1. Whenever Seller enters into a sales contract for the sale of an apartment, Seller will require that payments due under the sales contract be made to Escrow and will deliver an executed copy of the sales contract to Escrow.

2. Escrow will receive payments under the sales contract and sums received from any other source with respect to the project. Funds held under the Agreement will initially be deposited in an account for the project. Interest on funds will be paid to Seller.

3. Escrow will release from the trust fund and disburse Buyer's funds at closing, unless: (a) Buyer has elected to cancel the contract as provided by HRS Sec. 514-A: 62 or 63 and receive all funds paid, with an Escrow cancellation fee of \$25.00 to \$250.00; or (b) the Real Estate Commission has not issued an effective date for a Final Public Report on the project or the Seller's requirements of the sales contract have not been met; or (c) Seller has not satisfied Escrow that all other requirements of Hawaii Revised Statutes have been met, in which case there shall be no escrow cancellation fee. Provisions of Hawaii's Owner-Occupant law do not apply to this project.

4. Escrow will return deposited sums to the Buyer without interest if Seller and Buyer give Escrow written notice to return the funds to Buyer, if there is a right to cancellation and refund of monies under the sales contract or otherwise. If there is a cancellation under the statutory 30-day right, no fees will be charged Buyer. Thereafter, in the event of a cancellation as a matter of agreement or right, Buyer's funds shall be returned to Buyer less Escrow's cancellation fee, if any, and all other costs incurred in connection with the Escrow, not less than \$25.00 nor more than \$250.00. **If Buyer defaults for more than ten days in performing the purchase contract, Buyer will forfeit all deposits as liquidated damages.**

5. Escrow will arrange for and supervise the signing of all documents which are to be signed subsequent to and contemplated by the sales contract.

6. As Escrow's compensation for its performance under this Agreement, Escrow will receive its schedule rate for each apartment for which an apartment deed of the project is handled by Escrow and recorded in the Bureau of Conveyances of the State of Hawaii. Escrow will record all applicable documents. The cost of title insurance will be an additional amount, based upon schedule rate.

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

**END OF EXHIBIT "D"**

**EXHIBIT "E"**  
**COMMON ELEMENTS OF THE PROJECT**

The common elements of the project are:

- (a) the land in fee simple;
- (b) all commonly used present or future ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, sewage, irrigation and telephone; and
- (c) any and all other future elements and facilities in common use or necessary to the Project.

**LIMITED COMMON ELEMENTS OF THE PROJECT**

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

<b>Unit Number</b>	<b>Area of Limited Common Element*</b>
A	3.077 acres
B	1.680 acre
C	2.292 acres

Easement V-1 is a view easement over Unit A in favor of Unit B. Easement V-2 is an ocean viewplane protection easement over Units A and B in favor of Unit C. Easement V-3 is a view easement in favor of Unit B over Unit A.

Units A and B share the existing concrete driveway as a limited common element, subject to temporary use by Unit C.

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

**END OF EXHIBIT "E"**

## **EXHIBIT "F"**

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. UNRECORDED AGREEMENT  
  
DATED: January 3, 1935  
BY: KILAUEA SUGAR PLANTATION COMPANY and U. S. LIGHTHOUSE SERVICE  
RE: 2 inch water pipe line, as contained in DEED dated August 15, 1988, recorded in Liber 23018 at Page 223
3. AGREEMENT dated April 30, 1962, by and between KILAUEA SUGAR COMPANY, LIMITED, and the UNITED STATES OF AMERICA, acting through the Fourteenth Coast Guard District allowing the Coast Guard to maintain existing two inch water pipeline and take surplus water from the end of the eight inch water main at KILAUEA SUGAR COMPANY, LIMITED'S MILL, as contained in WARRANTY DEED dated August 15, 1988, recorded in Liber 23018 at Page 223.
4. Unrecorded LETTER AGREEMENT dated June 18, 1971 between AMERICAN-HAWAIIANA DEVELOPMENT COMPANY, HAWAIIAN INVESTMENT CO., INC. and ADMINISTRATION, INC., doing business as "KILAUEA PLANTATIONS", a Hawaii partnership, and KILAUEA SUGAR COMPANY, LIMITED, a Hawaii corporation, relating to the granting of an easement for a disposal of storm waters to the County of Kauai, in the vicinity of Niu Stream, as contained in WARRANTY DEED dated August 15, 1988, recorded in Liber 23018 at Page 223.
5. Unrecorded RENTAL AGREEMENT, effective as of December 15, 1971 with G. N. WILCOX MEMORIAL HOSPITAL, as contained in WARRANTY DEED dated August 15, 1988, recorded in Liber 23018 at Page 223.
6. AGREEMENT TO INCORPORATE AGRICULTURAL RESTRICTIONS INTO INSTRUMENTS OF CONVEYANCE dated February 13, 1978, recorded in Liber 12852 at Page 348, by KILAUEA GARDENS INVESTMENT HUI, a registered Hawaii general partnership, and JO DEVELOPERS, INC., a Hawaii corporation, and with the COUNTY OF KAUAI PLANNING DEPARTMENT.

7. CONVEYANCE OF WATER FACILITY dated February 10, 1982, recorded in Liber 16200 at Page 38, by MARTHA J. CUNNINGHAM (formerly known as MARTHA C. CHUN), wife of Daniel Cunningham, WINTON W. N. TONG and GLADYS S. H. TONG, husband and wife, PATRICK EDWARD CHUN, unmarried, RICHARD BERGMAN and LINDA MEILYN CHUN BERGMAN, husband and wife, LUP QUON PANG, husband of Tita Pang, TITA PANG, wife of Lup Quon Pang, BARBARA YOUNG YEE, wife of Clifford H. N. Yee, DANIEL BOW TAN LAU, husband of Evelyn Yee Quil Lau, EVELYN YEE QUIL LAU, wife of Daniel Bow Tan Lau, PATRICK KWOCK POON FONG and PEARL LAU FONG, husband and wife, LEONARD KWOCK KIN FONG and ELLEN LEE FONG, husband and wife, HIRAM LEONG FONG, JR., husband of Janet Nishino Fong, RODNEY LEONG FONG, husband of Patsy Leiko Nakano Fong, MERIE-ELLEN FONG MITCHELL, wife of William Mitchell, MARVIN-ALLAN FONG, husband of Sandra Au Fong, JEROLD Y. K. CHUN and PAULINE L. CHUN, husband and wife, JOURN TING YEE, husband of Kam Lin Yee, KAM LIN YEE, wife of Journ Ting Yee, BUZZY T. OKAZAKI, husband of May H. Okazaki, and JO DEVELOPERS, INC., a Hawaii corporation, "Owners", to COUNTY OF KAUAI, through its Department of Water, "County", assigning all of their right, title, and interest in and to the water facilities installed along Kilauea Lighthouse Road rights of way.

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

INSTRUMENT: WARRANTY DEED

DATED: August 15, 1988

RECORDED: Liber 23018, Page 223

9. RIGHT-OF-ENTRY

TO: NEW VISTA HOLDINGS, LLC, a Delaware limited liability company

DATED: August 12, 1997

RECORDED: Document No. 97-159965

GRANTING : a perpetual, non-exclusive right-of-entry for accessing the Landscaping Area etc.

Amendment to Right of Entry, dated June 28, 1999, recorded as Document No. 99-111015.  
Re: terms and provisions.

10. WAIVER AND RELEASE

DATED: July 17, 1999  
RECORDED: Document No. 99-121750  
BY: ALFRED RECHBERGER  
WITH: BUILDING DIVISION OF THE DEPARTMENT OF PUBLIC  
WORKS OF THE COUNTY OF KAUAI  
RE: no county-supplied water service

11. SETBACK

PURPOSE: building  
SHOWN: on consolidation map dated August 4, 1999, prepared by Wayne T.  
Wada, Licensed Professional Land Surveyor

12. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT  
LOAN/ACCOUNT NO. 24597

MORTGAGOR: HUNA KAI PLANTATION, LLC, a Hawaii limited liability company  
MORTGAGEE: GE CAPITAL HAWAII, INC., a Hawaii corporation  
DATED: November 18, 1999  
RECORDED: Document No. 99-187216  
AMOUNT: \$750,000.00

13. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT  
LOAN/ACCOUNT NO. 24664

MORTGAGOR: HUNA KAI PLANTATION, LLC, a Hawaii limited liability company  
MORTGAGEE: GE CAPITAL HAWAII, INC., a Hawaii corporation  
DATED: November 18, 1999  
RECORDED: Document No. 99-187217  
AMOUNT: \$750,000.00

14. NOTICE OF DEDICATION TO AGRICULTURE

DATED: March 3, 2000  
RECORDED: Document No. 2000-032488  
RE: dedication of the land described herein to agriculture use for a period  
of ten (10) years, effective January 1, 2000.

15. NOTICE OF DEDICATION TO AGRICULTURE

DATED: March 8, 2000  
RECORDED: Document No. 2000-038459  
RE: dedication of the land described herein to agriculture use for a period of ten (10) years, effective January 1, 2000.

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

INSTRUMENT: FARM DWELLING AGREEMENT

DATED: July 5, 2001  
RECORDED: Document No. 2001-128704  
PARTIES: HUNA KAI PLANTATION, LLC and COUNTY OF KAUAI PLANNING DEPARTMENT

17. GRANT

TO: CITIZENS UTILITIES COMPANY, a Delaware corporation

DATED: October 12, 2000  
RECORDED: Document No. 2001-128716  
GRANTING: a perpetual right and easement for utility purposes over Easement "E-1" as shown on the map attached thereto

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

INSTRUMENT: DECLARATION OF CONDOMINIUM PROPERTY REGIME FOR "HUNA KAI PLANTATION" CONDOMINIUM PROJECT

DATED: August 16, 2001  
RECORDED: Document No. 2001-142193  
MAP: 3334 and any amendments thereto

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

INSTRUMENT: BY-LAWS OF THE ASSOCIATION OF APARTMENT OWNERS

DATED: August 16, 2001

RECORDED: Document No. 2001-142194

20. For Real Property Taxes that may be due and owing, contact the County of Kauai Real Property Tax Department.

**END EXHIBIT "F"**

**DISCLOSURE ABSTRACT FOR  
HUNA KAI PLANTATION**

Pursuant to Hawaii Revised Statutes, Section 514(A)-61, the Developer of HUNA KAI PLANTATION makes the following disclosures:

1. The Developer of the project is BENJAMIN F. GARFINKLE, who is also a member of HUNA KAI PLANTATION, LLC, the fee owner of the Project; his address is P.O. Box 1139, Kilauea HI 96754; his telephone number is (808) 828-1913.

2. See attached Exhibit H to the Final Public Report for the projected annual maintenance fees. The Developer hereby certifies that the estimations have been based on generally accepted accounting principles.

3. There are no warranties against defects of material and workmanship in individual apartments, common elements or exclusive use areas, and the purchaser buys his/her unit in an "as is" condition.

4. All of the apartments of the project are to be used for agricultural purposes and permitted residential use within the agricultural zone. No unit will be used for hotel use; these are condominium units in which residential use is permitted, but hotel use is not. No commercial uses except as permitted by Kauai County ordinances are allowed.

4. At the present time there is no intention to sell any of the Units in the Project. If the owner decides to sell, a licensed real estate broker shall be selected and a listing agreement will be filed with the Real Estate Commission. Further, an amended disclosure abstract shall be file with the Commission and provided to all purchasers.

5. The Developer has not conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. There are no depreciable common elements in the Project, although periodic normal maintenance of the unpaved roadway, Common Element AU-1, will be undertaken.

6. The escrow company to be used for the Project is First Hawaii Title Corporation, whose address is 5-5190 Kuhio Hwy., Suite B-6, Hanalei, HI 96714 and whose telephone number is 826-6812.

HUNA KAI PLANTATION, LLC



By BENJAMIN F. GARFINKLE  
Developer and Member

Date: 8-16-01, 2001

---

RECEIPT

The undersigned has received a copy of the foregoing disclosure abstract with Exhibit "H" this \_\_\_ day of \_\_\_\_\_, 2001.

Purchaser(s) : \_\_\_\_\_

\_\_\_\_\_

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

Estimate of Initial Maintenance Fees:

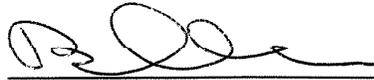
<u>Apartment</u>	<u>Monthly Fee</u> x 12 months =	<u>Yearly Total</u>
A	10.00	120.00
B	10.00	120.00
C	10.00	120.00

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

Estimate of Maintenance Fee Disbursements:

	<u>Monthly</u> x 12 months = <u>Yearly</u>	
<u>Total</u>		
Maintenance, Repairs and Supplies		
Building		
Grounds		
Maintenance of Common Element		
AU-1, Restore Gravel Surface	\$30.00	\$360.00
Insurance		
Reserves (*)		
Taxes and Government Assessments		
Audit Fees		
Other		
Management Fee		
<b>TOTAL</b>	<b>\$30.00</b>	<b>\$360.00</b>

BENJAMIN F. GARFINKLE, Developer of the condominium project HUNA KAI PLANTATION, hereby certifies that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

  
BENJAMIN F. GARFINKLE

8/16/01  
Date:

(\*)Mandatory reserves assessment and collection in effect beginning 1994 budget year. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves," the Developer has not conducted a reserve study in accordance with Section 514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

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

EXHIBIT "I"

MARYANNE W. KUSAKA  
MAYOR



DEE M. CROWELL  
PLANNING DIRECTOR  
SHELLAH N. MIYAKE  
DEPUTY PLANNING DIRECTOR

TELEPHONE (808) 241-6677  
FAX (808) 241-6699

PLANNING DEPARTMENT

DATE: October 26, 2001

COPY

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

*fn* From: Dee M. Crowell, Planning Director *Smj*

Subject: Certification of Inspection of Existing Buildings

PROJECT NAME: HUNA KAI PLANTATION CONDOMINIUM PROJECT

TAX MAP KEY: (4) 5-2-4:65

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 existing buildings on the proposed project referred to as Huna Kai Plantation Condominium Unit A, Unit B and Unit C 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

October 26, 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: Steven R. Lee

END EXHIBIT "I"