

CONDOMINIUM PUBLIC REPORT

Prepared &
Issued by:

Developer MICHAEL WILLIAM GROVES and ANITA ASUNCION GROVES
Address P.O. Box 510088, Kealia, HI 96751-0088

Project Name (*): LOI PLANTATION CONDOMINIUM
Address: Kaapuni Road, Kapaa Kauai, Hawaii 96746
Registration No. 4882 Effective date: July 16, 2002
Expiration date: August 16, 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 an other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

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

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

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

Type of Report:

- PRELIMINARY:**
(yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.
- FINAL:**
(white) The developer has legally created a condominium and has filed complete information with the Commission.
[] No prior reports have been issued.
[] This report supersedes all prior public reports.
[] This report must be read together with _____
- SUPPLEMENTARY:**
(pink) This report updates information contained in the:
[] Preliminary Public Report dated: _____
[] Final Public Report dated: _____
[] Supplementary Public Report dated: _____
- And
[] Supersedes all prior public reports.
[] Must be read together with _____
[] This report reactivates the _____
public report(s) which expired on _____

(*) Exactly as named in the Declaration

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

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

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required and attached to this report 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:

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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 completed 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: MICHAEL WILLIAM GROVES and ANITA Phone: (808) 822-1622
Name* ASUNCION GROVES (Business)
P.O. Box 510088
Business Address
Kealia, HI 96751-0088

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*: Owner-Michael William Groves Phone: (808) 822-1622
Name (Business)
P. O. Box 510088
Business Address
Kealia, HI 96751-0088

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 245-3381
Name (Business)
4414 Kukui Grove St., Ste. 104
Business Address
Lihue, Hawaii 96766

General Contractor*: Philip Dow dba Phil Dow Construction Phone: (808) 822-7909
Name (Business)
P. O. Box 406
Business Address
Kapaa, HI 96746

Condominium Managing Agent*: Self-Managed By the Association of Apartment Owners Phone: _____
Name (Business)

Business Address

Attorney for Developer: Ladye H. Martin Phone: (808) 332-5239
Name (Business)
P. O. Box 530
Business Address
Kalaheo, Hawaii 96741

* 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 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:

<input type="checkbox"/>	Proposed			
<input checked="" type="checkbox"/>	Recorded -	Bureau of Conveyances:	Document No. <u>2002-079931</u>	
			Book _____	Page _____
<input type="checkbox"/>	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:

<input type="checkbox"/>	Proposed			
<input checked="" type="checkbox"/>	Recorded -	Bureau of Conveyances Condo Map No. <u>3431</u>		
<input type="checkbox"/>	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:

<input type="checkbox"/>	Proposed			
<input checked="" type="checkbox"/>	Recorded -	Bureau of Conveyances:	Document No. <u>2002-079932</u>	
			Book _____	Page _____
<input type="checkbox"/>	Filed -	Land Court:	Document No. _____	

The Bylaws referred to above have been amended by the following instruments [state number 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:

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 of the apartments, as built, or any change in any apartment number.

Other:

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

This 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 difference 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: Kaapuni Road Tax Map Key (TMK): (4) 4-6-011-136
Kapaa, Kauai, Hawaii 96756

Address TMK is expected to change because County usually assigns each

Unit a number or other designation.

Land Area: 2.033 square feet acre(s) Zoning: Agriculture

Fee Owner: MICHAEL WILLIAM GROVES and ANITA ASUNCION GROVES, husband and wife
 Name
P.O. Box 510088
 Address
Kealia, Hawaii 96751-0088

Lessor: N/A
 Name

 Address

C. **Building and Other Improvements:**

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

2. Number of Buildings: two (2) Floors Per Building: one floor
 Exhibit _____ contains further explanations.

3. Principal Construction Material:
 Concrete Hollow Tile Wood (House)
 Other Shed - shade cloth and metal stakes

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	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Other Sheds	<u>2</u>	<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: No fighting chickens, pigs or aggressive and/or fighting or hunting dogs, specifically including pitbulls and other dogs of similar disposition and/or breeding. See page 20 herein, Section "C" entitled "Additional Information Not Covered Above."

Number of Occupants: No more than one family shall occupy an apartment.

Other: See page 20 herein, Section C entitled "Additional Information Not Covered Above".

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 0 Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
Unit 1	<u>1</u>	<u>0</u>	<u>0</u>	<u>16 sf</u>	<u>storage</u>
Unit 2	<u>1</u>	<u>0</u>	<u>0</u>	<u>16 sf</u>	<u>storage</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
Total Number of Apartments:			<u>2</u>		

* 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 Article VI of the Declaration of Condominium Property Regime, the boundary for each apartment shall be all perimeter walls, floors, foundations and roof of such building, all outbuildings, structures and improvements of any kind located wholly within the limited common elements of the individual units and all pipes, wires, conduits or other utility and service lines in or on such unit building, or outside such building, if the same is not utilized for or serving more than one apartment.

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 shall be required to disclose actual improvement as matter of public report.

Apartments Designated for Owner-Occupants Only: N/A

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>2</u>				
	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>
	<u>Covered</u>	<u>Open</u>	<u>Covered</u>	<u>Open</u>	TOTAL
Assigned (for each unit)	_____	<u>1</u>	_____	_____	<u>2</u>
Guest	_____	_____	_____	_____	_____
Unassigned	_____	_____	_____	_____	_____
Extra for Purchase	_____	_____	_____	_____	_____
Other: <u>Unit A and B have ample space for parking within their limited common elements land area.</u>					
Total Covered & Open:	<u>2</u>		<u>0</u>		<u>0</u>
					<u>2</u>

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

- Commercial parking garage permitted in condominium project.
- Exhibit _____ contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

- There are no recreational or common facilities.
- Swimming pool Storage Area Recreation Area
- Laundry Area Tennis Court Trash Chute/Enclosure(s)
- Other: _____

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

- There are no violations. Violations will not be cured.
- Violations and cost to cure are listed below: Violations will be cured by _____
(Date)

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

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>✓</u>	<u> </u>	<u> </u>
Structures	<u>✓</u>	<u> </u>	<u> </u>
Lot	<u>✓</u>	<u> </u>	<u> </u>

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

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

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

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

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

described in Exhibit A & B.

as follows:

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

There are no limited common elements in this project.

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

described in Exhibit A & B.

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 the other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit _____.

as follows:

UNIT 1 - 50%
UNIT 2 - 50%

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 C describes the encumbrances against the title contained in the title report dated May 17, 2002 and issued by Title Guaranty Escrow Services, Inc.

Blanket Liens:

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

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

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

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

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgage	If foreclosed, Buyer's deposit shall be refunded, less any escrow cancellation fees, and the sales contract between the Seller and the Buyer shall be canceled.

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:
Units are sold "as is" and no warranties are applicable.

2. Appliances:
Not applicable.

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

Construction of the CPR sheds on Units 1 and 2 were completed in November, 2001.

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):

VI. CONDOMINIUM MANAGEMENT

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

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

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

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

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

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

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

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

- C. **Utility Charges for Apartments:**

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

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

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 E contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated _____
Exhibit F 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 (a) Covenants, Conditions & Restrictions Contained in Land Patent Grant No. S-13,824; (b) Future Road Widening Reserve; (c) Building Setback Line and Drainage Way; (d) Easement to Perpetual Easement (Board of Water Supply of the County of Hawaii [sic]; (e) Designation of Easement "A" for access and utilities (0.960 acres); (f) Right of Way and Easement (Citizens Utilities Company); (g) Declaration of Restrictive Covenants; (h) Designation of Easement L-1(0.206 acres)

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. 4882 filed with the Real Estate Commission on June 24, 2002.

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

YELLOW paper stock WHITE paper stock PINK paper stock

C. Additional Information Not Covered Above

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

PURPOSES OF BUILDINGS AND RESTRICTIONS AS TO USE

Each owner may make use of his apartment and the limited common area associated therewith as is permitted under the laws and ordinances under of the State of Hawaii and County of Kauai, subject to the following restrictions:

1. 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.
2. Each apartment shall at all times be occupied and used only for agricultural uses, and where permitted private residential dwellings. No more than one family shall occupy an apartment. All construction shall conform to County ordinances. Any lease or rental agreement of the apartment shall provide that it shall be subject in all respect to the provisions of the Project documents and at the failure of the leasee or tenant to comply with the terms of these documents shall be a default under the lease or rental agreement.
3. No apartment owner shall do or suffer anything to be done which could jeopardize the soundness or safety of the Project, reduce the value thereof, impair any easement or hereditament, damage any of the common elements, interfere with or unreasonably disturb the rights of other apartment owners, or increase the rate of fire insurance on other apartments in the Project or the contents thereof.
4. Each apartment owner may use the common elements in accordance with the purpose for which they are intended without hindering or encroaching upon the lawful rights of the other apartment owners, subject always to the exclusive use of the limited common elements as provided in this Declaration.
5. No alteration or addition shall be made to any apartment and no addition shall be placed upon any limited common element appurtenant to any apartment if such alteration or addition would cause the floor area of such apartment to exceed fifty percent (50%) of the maximum allowable floor area for the Land permitted under the applicable zoning ordinances in effect when the alteration or addition is made.
6. Units 1 and 2 are not currently within the public sewer service area. At present Critical Wastewater Disposal Area (CWDA) with one acre exception applies. New waste water disposal system(s) must comply with Hawaii Law in effect at the time of application for a building permit.
7. Current information indicates the County of Kauai will authorize one cesspool and one septic system or two septic systems. Unit 1 is hereby granted the right to install the cesspool and Unit 2 is hereby granted the right to install a septic system. Each Unit to bear the cost of installation of their respective septic and/or cesspool system and insure system is in compliance with State and County requirements. Unit 1 may be restricted in the number of

bedrooms authorized by the County of Kauai.

8. No apartment owner shall allow any condition to arise or remain within his apartment or limited common area which constitutes a public nuisance or which is a danger to the person or property of any other owner. Each apartment, the limited common elements appurtenant thereto, and any improvements within the limited common elements, shall be kept in a clean, neat and sanitary condition, free of all trash and unsightly objects.
9. Any improvements made, or activities engaged in, by an owner in his apartment and the limited common area associated therewith shall be at the sole cost and expense of that owner, and other owners shall not bear any liability or responsibility of any nature whatsoever for such cost and expense, except as otherwise stated herein.
10. If, due to any owner's use or improvements on his apartment and the limited common area associated therewith, any common expense is increased (such as taxes and insurance), the amount of the increase attributable to such use or improvement shall be the sole liability or responsibility of the owner causing the same.
11. There is currently a County ordinance that allows an ADU (Additional Dwelling Unit) on the subject property. The ADU Approval Clearance Form was obtained in September, 2001.

No owner shall construct more than the above allocated structures or engage in unpermitted uses within their limited common area and thereby deprive the other owners of building within their limited common area or using the same in accordance to the provisions herein. In order to effectuate this provision, the owners agree that no outbuilding, farm shed or other structure which is not the principal dwelling in any owner's apartment shall be used or allowed to be used as a temporary or permanent dwelling. In the event that the existence and/or use of any such outbuilding, farm shed or other structure in any manner prevents any other owner from constructing or using his own principal dwelling (e.g., if the County of Kauai planning or building authorities deem such a structure to be dwelling and for that reason deny a building permit to another owner for his principal dwelling), then the owner who has constructed the offending structure shall, at his sole expense, immediately modify, alter or, if necessary, remove the structure so that the other owner shall be allowed to construct and use his principal dwelling.

12. It is understood that the County of Kauai does presently require each owner in the condominium project to engage in agricultural activities in order for a subsequent owner to gain a residential building permit. The actual level of agricultural activities is determined by the County of Kauai and may change from time to time. Nevertheless, agricultural activity within one owner's limited common element will have an impact upon another owner being able to obtain a building permit. All owners shall have an obligation to engage in both the present minimum agricultural activity requirement in order that every other owner may obtain a building permit and shall increase such activity if the County so requires. In this regard, each owner shall maintain a level of agricultural activity within his individual limited common element equal to that of every other owner in proportion to the amount of land reasonably available for agricultural usage. If the construction of a dwelling should cause a decline in agricultural activity and/or acreage within one unit, then it should be the obligation of the other units to increase such activity or acreage if there be no more available land within the affected limited common element. Cooperation, as required herein, shall include each owner engaging in agricultural activities as the same is defined by the County of Kauai and/or State of Hawaii. This provision shall be enforceable either at law or equity by either an Owner or by the Apartment Owner's Association, with all costs and damages therefor assessed against the offending Owner. Nothing herein shall be construed so as to waive any obligation such

Owner may have to construct improvements in accordance with this Declaration, as it may be amended, the By-laws, as they may be amended, and all relevant governmental laws, regulations and ordinances.

13. Unit 2 is subject to a "Building Setback Line and Drainageway", as shown on the Condominium Map.
14. The apartments of the Property shall be used only for their respective purposes as set forth in the Declaration, these Bylaws, the Rules and Regulations, applicable State and County laws and ordinances and for no other purpose.
15. All common and limited common elements of the Property shall be used only for their respective purposes as designed.
16. Any improvements made, or activities engaged in, by an owner upon, in or within his apartment or the limited common elements appurtenant thereto shall be at the sole costs and expense of that owner and other owners shall not bear any liability or responsibility of any nature whatsoever for such cost and expense, except as otherwise specifically stated herein.
17. If, due to any owners use or improvements within his apartment or any exclusive limited common element appurtenant thereto, any common expense is increased (such as taxes or insurance), the amount of the increase as attributable to such use or improvement shall be the sole liability or responsibility of the owner causing the same.
18. Every Apartment Owner and occupant shall at all times keep his apartment and any exclusive limited common elements appurtenant thereto in a strictly clean and sanitary condition and observe and perform all laws, ordinances, rules and regulations now or hereafter made by any governmental authority or the Association for the period during which the same are applicable to the use of the Property.
19. No Apartment Owner or occupant shall make or suffer any strip or waste or unlawful, improper or offensive use of his apartment or the Project nor alter or remove any furniture, furnishings, equipment, or any improvements of the common elements.
20. In the event there exists restrictions for the usage of the underlying property filed with the Bureau of Conveyances, State of Hawaii, (e.g. Declaration of Covenants, Conditions and Restrictions), then the same shall be hereby incorporated by reference and shall bind each apartment to said recorded restrictions as well as those set forth herein.
21. No Owner or occupant shall place, store or maintain in the common elements any furniture, packages or objects of any kind or otherwise obstruct transit through such common elements.
22. No hotel or timeshare use shall be allowed. The Unit Owner shall have right to rent or lease their unit, including vacation rental, subject to the limitations, restrictions, covenants, and conditions contained in State law, County ordinance, applicable government regulations, recorded restrictions on the unit or the subdivision on which the Project is located, any protective covenants and house rules, this Bylaws or in the Declaration of the Association of Condominium Owners.
23. The existing restrictions for the usage of the underlying property filed with the Bureau of Conveyances, State of Hawaii, including but not restricted to the Deed with its restrictions are hereby incorporated by reference and shall bind each apartment to said recorded restrictions as well as those set forth herein.

24. No Owner or occupant shall keep fighting chickens, pigs or aggressive and/or fighting or hunting dog(s) specifically including pitbulls and other dogs of similar disposition and/or breeding. Furthermore, pests as defined in HRS Section 150A-2 or those prohibited from importation under HRS 141-2 or 150A-5 and 150A-6 shall be prohibited in this Project. This shall apply equally to Owners and occupants permitted pets under the terms of their individual leases. Seeing-eye or handicapped-assistance trained animals shall not be precluded from the Project.

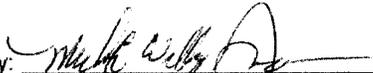
All pets shall be restricted and prohibited from running at large and shall be restrained from making excessive noise or causing other problems on the property.

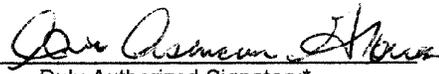
Any Owner and/or occupant keeping a pet, not prohibited in the bylaws, as of the effective date of the amendment to the bylaws which prohibits pets, may, from the death of the pet, replace the animal with another and continue to do so for so long as the Owner and occupant continues to reside in the apartment or another apartment subject to the same bylaws.

25. All Owners and occupants shall exercise extreme care to avoid making noises, including but not limited, to noise in the use of musical instruments, radios, televisions and amplifiers that may disturb other occupants. Consideration and care shall be observed in the use of noisy and/or heavy equipment, musical instruments, radios, televisions and amplifiers during the evening, night and early morning hours, and occupants shall otherwise avoid making noisy that may unreasonable disturb other occupants.
26. No Owner or occupant shall make any additions or alterations to any common elements of the property, nor place or maintain thereon any signs, posters or bills whatsoever, accept in accordance with plans and specifications, including detailed plot plan, approved in writing by the Board and by all Owners of units thereby directly effective, and in compliance with all State of Hawaii and County of Kauai statutes, ordinances, rules and procedures applicable thereto.
27. No noxious or offensive activities shall be carried on upon any lot, nor shall anything be done thereon which may be or may be come a nuisance or caused unreasonable disturbance or annoyance to other occupants of lots in the neighborhood.
28. No structure of a temporary character, trailer, quonset hut, tent, shack, garage, barn or other outbuilding shall be used on any lot at anytime as a residence either temporary or permanently.
29. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste shall not be kept, except in sanitary containers which are sheltered and kept from public view. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. Vehicles in a non-operating condition must be parked in an enclosed garage or removed from the lot.

- 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.

MICHAEL WILLIAM GROVES and ANITA ASUNCION GROVES
 Printed Name of Developer

By:  6-18-02
 Duly Authorized Signatory* Date

By:  6/19/02
 Duly Authorized Signatory* Date

MICHAEL WILLIAM GROVES and ANITA ASUNCION GROVES; DEVELOPERS & OWNERS
 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.***

LOI PLANTATION CONDOMINIUM
LIMITED COMMON ELEMENT
FOR UNIT 1

LAND SITUATED AT KAPAA, KAWAIHAU, KAUAI, HAWAII

Being a Portion of Lot 4

Being Also a Portion of Grant 13824

Beginning at the north corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 10,921.76 feet North and 3,843.85 feet East, thence running by azimuths measured clockwise from true South:

- | | | | |
|----|-------------|--------|--|
| 1. | 311° 40' | 126.16 | feet along the remainder of Lot 4 (Unit 2);

thence along the remainder of Lot 4 (roadway common element) on a curve to the left with a radius of 292.00 feet, the chord azimuth and distance being: |
| 2. | 47° 41' 04" | 62.23 | feet; |
| 3. | 41° 40' | 23.11 | feet along the remainder of Lot 4 (roadway common element); |
| 4. | 131° 40' | 119.74 | feet along Lot 5; |
| 5. | 221° 40' | 84.00 | feet along Lot 5 to the point of beginning and containing an area of 0.234 acre. |

TOGETHER WITH Easement A for access and utility purposes.

Exhibit "A"

TOGETHER ALSO with Easement L-2 for landscaping purposes.



Lihue, Hawaii
September 2001

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Wayne T. Wada

Wayne T. Wada
Licensed Professional Land Surveyor
Certificate Number 4596

LOI PLANTATION CONDOMINIUM
LIMITED COMMON ELEMENT
FOR UNIT 2

LAND SITUATED AT KAPAA, KAWAIHAU, KAUAI, HAWAII

Being a Portion of Lot 4

Being Also a Portion of Grant 13824

Beginning at the west corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 10,921.76 feet North and 3,843.85 feet East, thence running by azimuths measured clockwise from true South:

- | | | | |
|----|--------------|--------|--|
| 1. | 221° 40' | 767.63 | feet along Lot 5; |
| 2. | 327° 06' 20" | 15.56 | feet along the south side of Kaapuni Road; |
| 3. | 41° 40' | 294.47 | feet along Lot 3; |
| 4. | 355° 40' | 253.11 | feet along Lot 3; |
| 5. | 41° 40' | 38.55 | feet along the remainder of Lot 4 (roadway common element); |
| | | | thence along the remainder of Lot 4 (roadway common element) on a curve to the right with a radius of 286.00 feet, the chord azimuth and distance being: |
| 6. | 51° 40' | 99.33 | feet; |
| 7. | 61° 40' | 126.14 | feet along the remainder of Lot 4 (roadway common element); |
| | | | thence along the remainder of Lot 4 (roadway common element) on a curve to the left with a radius of 292.00 feet, the chord azimuth and distance being: |
| 8. | 57° 41' 04" | 40.56 | feet; |

9. 131° 40' 126.16 feet along the remainder of Lot 4 (Unit 1) to the point of beginning and containing an area of 1.686 acres.

TOGETHER WITH Easement A for access and utility purposes.

TOGETHER ALSO with Easement L-2 for landscaping purposes.

SUBJECT, HOWEVER, to a building setback line and drainage way. No new structures shall be permitted within the reserve; any new structures shall be setback from the reserve.

SUBJECT, HOWEVER, to an eight (8) feet wide future road widening reserve along Kaapuni Road. No new structures shall be permitted within the reserve; any new structures shall be setback from the reserve.

SUBJECT ALSO, to Easement G.

SUBJECT ALSO, to Easement L-1.



Lihue, Hawaii
September 2001

DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Wayne T. Wada

Wayne T. Wada
Licensed Professional Land Surveyor
Certificate Number 4596

LOI PLANTATION CONDOMINIUM
ROADWAY COMMON ELEMENT

LAND SITUATED AT KAPAA, KAWAIHAU, KAUAI, HAWAII

Being a Portion of Lot 4

Being Also a Portion of Grant 13824

Beginning at the east corner of this parcel of land, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 10,990.51 feet North and 4,188.47 feet East, thence running by azimuths measured clockwise from true South:

- | | | | |
|----|----------|--------|---|
| 1. | 41° 40' | 25.13 | feet along Lot 2;

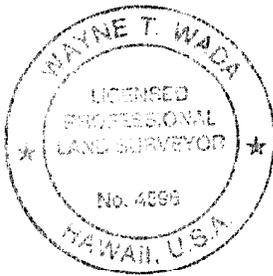
thence along Lot 2 on a curve to the right with a radius of 300.00 feet, the chord azimuth and distance being: |
| 2. | 51° 40' | 104.19 | feet; |
| 3. | 61° 40' | 142.73 | feet along Lot 2;

thence along Lot 2 on a curve to the left with a radius of 300.00 feet, the chord azimuth and distance being: |
| 4. | 51° 40' | 104.19 | feet; |
| 5. | 131° 40' | 7.00 | feet along Lot 5; |
| 6. | 221° 40' | 23.11 | feet along the remainder of Lot 4 (Unit 1);

thence along the remainder of Lot 1 (Unit 1) on a curve to the right with a radius of 292.00 feet, the chord azimuth and distance being: |
| 7. | 231° 40' | 101.41 | feet; |
| 8. | 241° 40' | 126.14 | feet along the remainder of Lot 4 (Units 1 and 2); |

thence along the remainder of Lot 4 (Unit 2) on a curve to the left with a radius of 286.00 feet, the chord azimuth and distance being:

- | | | | |
|-----|----------|-------|--|
| 9. | 231° 40' | 99.33 | feet; |
| 10. | 221° 40' | 38.55 | feet along the remainder of Lot 4 (Unit 2); |
| 11. | 355° 27' | 19.39 | feet along Lot 3 to the point of beginning and containing an area of 0.113 acre. |



Lihue, Hawaii
September 2001

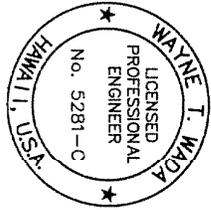
DESCRIPTION PREPARED BY:
ESAKI SURVEYING AND MAPPING, INC.

Wayne T. Wada

Wayne T. Wada
Licensed Professional Land Surveyor
Certificate Number 4596

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.

THIS WORK WAS PREPARED BY ME
 OR UNDER MY SUPERVISION



Wayne T. Wada
 Signature

ESAKI SURVEYING & MAPPING, INC.
 Civil Engineers, Land Surveyors and Planners

Job Number: 01-149
 Drawing File: 01-149.DWG

LOI PLANTATION CONDOMINIUM
UNITS 1 & 2 AND
ROADWAY COMMON ELEMENT
 Being Lot 4
 Being Also Portion of Grant 13824
 KAPAA, KAWAIIHAU, KAUAI, HAWAII
 Tax Map Key: 4-6-11: 136
 Owner: Milke Groves
 Date: September 7, 2001

1610 Halekono Street
 Lihue, Kauai, Hawaii

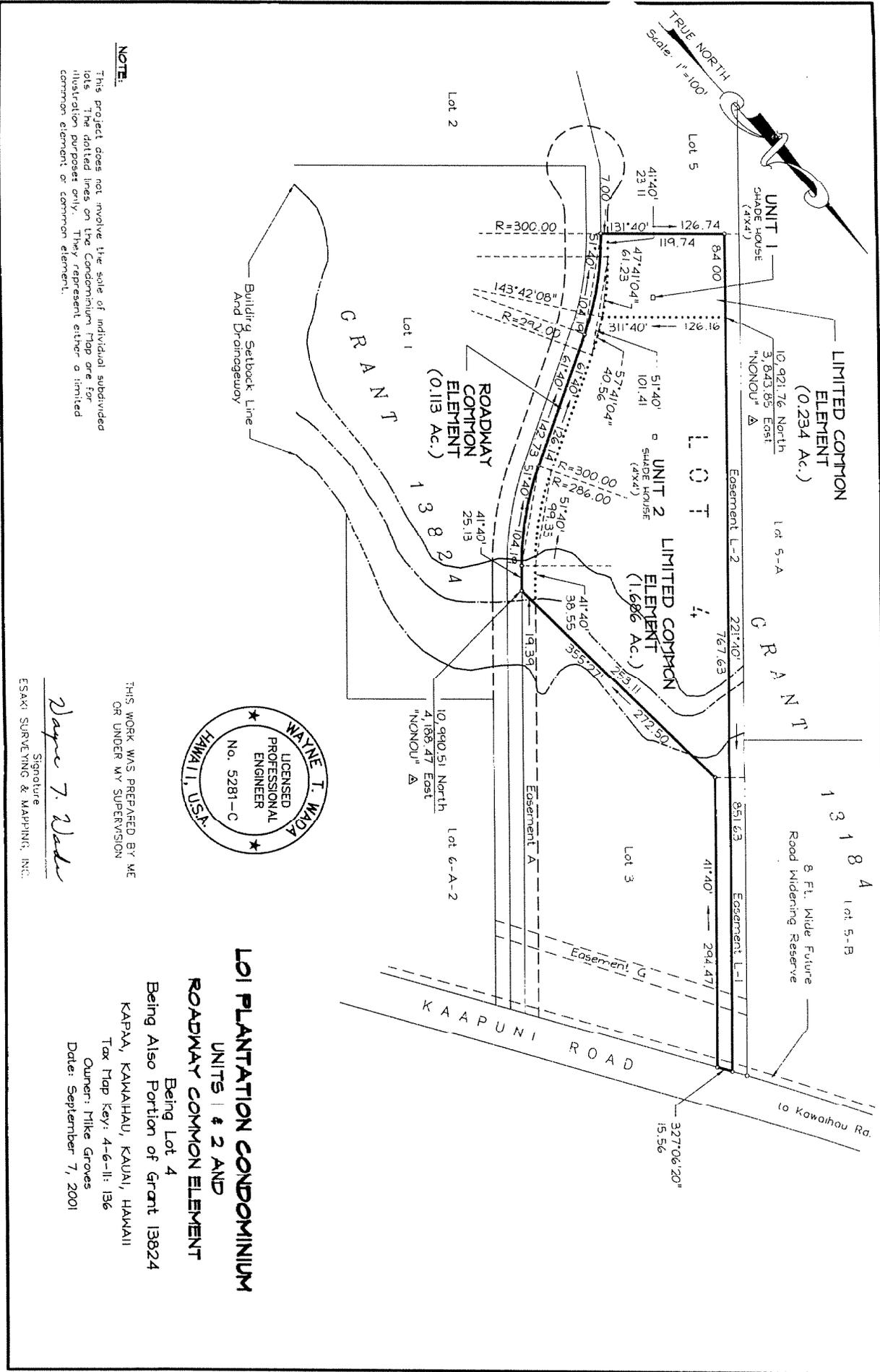


Exhibit "A" of the Condominium Map

EXHIBIT B

COMMON ELEMENTS OF THE PROJECT

The common elements of the Project consist only of the following:

1. All of the Land described in Exhibit "A", in fee simple, subject to the division of the same as limited common elements pursuant to Section VIII herein and subject to the limitations and uses provided for herein;
2. The limited common elements described in Section VIII below, subject to the limitations and uses provided for therein;
3. All pipes, wires, conduits, or other utility or service lines, drainage ditches or appurtenant drainage structures, retaining walls (if any) and yard fences (if any), which are located outside the buildings and which are utilized for or serve more than one apartment.
4. The area depicted on the Condominium Map as "Roadway Common Element (0.113 Ac.)" and more particularly described in attached Exhibit "B".

LIMITED COMMON ELEMENTS OF THE PROJECT

The limited common elements of the Project are hereby designated and set aside for the exclusive use of one or more units, and such unit(s) shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

1. That portion of the Land which is designated as Limited Common Element 1, consisting of 0.234 acre, on the Condominium Map, is reserved for the exclusive use of Unit 1 for the support of the building and other improvements comprising Unit 1 and for residential yard, driveway and parking purposes;
2. That portion of the Land which is designated as Limited Common Element 2, consisting of 1.686 acres, on the Condominium Map, is reserved for the exclusive use of Unit 2 for the support of the building and other improvements comprising Unit 2 and for residential yard, driveway and parking purposes;

The limited common elements do not include the common elements identified in paragraph 4 of Section VII above.

Each apartment owner, at his expense, shall maintain the limited common elements appurtenant to his apartment in good order and in a neat and attractive condition. All limited common elements costs and expenses shall be borne by the apartment owners in the following equitable manner: All limited common elements costs and expenses, including, but not limited to, maintenance, repair, land taxes, replacement, additions and improvements of or to the limited common elements, shall be borne by and charged to the owner of the apartment to which the limited common element is appurtenant.

END OF EXHIBIT B

EXHIBIT C

ENCUMBRANCES AGAINST TITLE

1. Tax Key: (4) 4-6-011-136

For real property taxes due and payable, reference is made to the Director of Finance, County of Kauai.

2. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in Land Patent Grant Number S-13,824.

The foregoing includes, but is not limited to, matters relating to reservation of minerals, and the following:

“RESERVING to the State of Hawaii in perpetuity for itself, its lessees, licensees and grantees an Easement fifteen (15.00) feet wide, for Ditch 8-A over, upon and across the above-described Lot 6, together with rights of ingress and egress thereto for maintenance, inspection, reconstruction a repair of said ditch.”

“AND FURTHER RESERVING to the State of Hawaii in perpetuity for itself, its lessees, licensees and grantees Easement”C”, “E” and “G”, each fifteen (15.00) feet wide, for ditch purposes over, upon and across the above-described Lot 6, together with rights of ingress and egress thereto for construction, maintenance, inspection, reconstruction and repair of said ditches.”

3. SETBACK (8 feet wide)

PURPOSE : future road widening reserve
SHOWN : on survey map prepared by Dennis M. Esaki, Land Surveyor with Esaki Surveying & Mapping, Inc. dated November 22, 1994

4. SETBACK

PURPOSE : building setback line and drainage way on survey map prepared by Dennis M. Esaki, Land Surveyor with Esaki Surveying & Mapping, Inc., dated November 22, 1994

5. GRANT

TO : BOARD OF WATER SUPPLY OF THE COUNTY OF KAUAI

DATED : December 9, 1994

RECORDED : Document No. 94-208164

GRANTING : a perpetual easement for the construction, installation, reinstallation, meter reading, maintenance, repair and removal of a potable water pipeline with meters, valves and other waterworks appurtenances for the proper operation of its water system.

6. DESIGNATION OF EASEMENT "A" (0.960 acres)

PURPOSE : access and utility
SHOWN : on survey map prepared by Dennis M. Easki, Land Surveyor with Esaki Surveying & Mapping, Inc., dated November 22, 1994, being more particularly described as follows:

All of that certain parcel of land (being portion of the land(s) described in and covered by Land Patent Grant Number S-13,824) situate, lying and being at Kapaa, District of Kawaihau, Kauai, State of Hawaii, being EASEMENT A (for Access and Utility Purposes), same being a portions of Lots 1, 2, 3, 4 and 5 and thus bounded and described as per survey of Dennis M. Esaki, Licensed Professional Land Surveyor with Esaki Surveying and Mapping, Inc., dated November 22, 1994, to-wit:

Beginning at the east corner of this parcel of land on the southwest side of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 11,284.99 feet north and 4,490.68 feet east, thence running by azimuths measured clockwise from true South:

1. 41° 40' 446.03 feet along Lot 6-A-2 and the remainder of Grant 13824 (Lot 1)
thence along the remainder of Grant 13824 (Lot 1) on a curve to the right with a radius of 330.00 feet, the chord azimuth and distance being:
2. 51° 40' 114.61 feet;
3. 61° 40' 126.14 feet along the remainder of Grant 13824 (Lot 1);
thence along the remainder of Grant 13824 (Lot 1) on a curve to the left with a radius of 248.00 feet, the chord azimuth and distance being:
4. 51° 40' 86.13 feet;
5. 41° 40' 42.35 feet along the remainder of Grant 13824 (Lot 1);
thence along the remainder of Grant 13824 (Lot 1) on a curve to the left with a radius of 40.00 feet, the chord azimuth and distance being:
6. 22° 04' 09" 26.84 feet;
thence along the remainder of Grant 13824 (Lot 1) on a curve to the right with a radius of 40.00 feet, the chord azimuth and distance being:

7. 22° 04' 09" 26.84 feet;
thence along the remainder of Grant 13824 (Lot 2) on a curve to the right with a radius of 40.00 feet, the chord azimuth and distance being:
8. 90° 36' 60.31 feet;
thence along the remainder of Grant 12824 (Lot 5) on a curve to the right with a radius of 40.00 feet, the chord azimuth and distance being:
9. 200° 11' 51" 69.74 feet;
thence along the remainder of Grant 13824 (Lot 5) on a curve to the left with a radius of 40.00 feet, the chord azimuth and distance being:
10. 241° 15' 51" 26.84 feet;
11. 221° 40' 42.35 feet along the remainder of Grant 13824 (Lots 4 and 5);
thence along the remainder of Grant 13824 (Lot 4) on a curve to the right with a radius of 292.00 feet, the chord azimuth and distance being:
12. 231° 40' 101.41 feet;
13. 241° 40' 126.14 feet along the remainder of Grant 13824 (Lot 4);
thence along the remainder of Grant 138 (Lot 4) on a curve to the left with a radius of 286.00 feet, the chord azimuth and distance being:
14. 231° 40' 99.33 feet;
15. 221° 40' 458.08 feet along the remainder of Grant 13824 (Lots 3 and 4);
16. 326° 59' 30" 45.62 feet along the southwest side of Kaapuni Road, to the point of beginning and containing an area of 0.960 acres, more or less.

7. RIGHT-OF-ENTRY

TO : CITIZENS UTILITIES COMPANY, a Delaware corporation
DATED : August 21, 1996
RECORDED : Document No. 96-149247
GRANTING : a right-of-entry and easement for the purpose of building, constructing, repairing, maintaining and operating pole and wire lines, and/or underground lines and related appliances and equipment for the transmission and distribution of electricity and communication

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

INSTRUMENT: DECLARATION OF RESTRICTIVE COVENANTS

DATED : October 30, 1996
RECORDED : Document No. 96-156715

9. DESIGNATION OF EASEMENT "L-1" (0.206 acres)

PURPOSE : landscaping
SHOWN : on survey map prepared by Dennis M. Esaki, Land Surveyor with Esaki Surveying & Mapping, Inc., dated November 22, 1994, being more particularly described as follows:

All of that certain parcel of land (being portion of the land(s) described in and covered by land Patent Grant Number S-13, 824) situate, lying and being at Kapaa, District of Kawaihau, Kauai, State of Hawaii, being EASEMENT L-1 (30 feet wide for Landscaping Purpose in favor of Lot 3), same being Portions of Lots 4 and 5, and thus bounded and described as per survey of Dennis M. Esaki, Land Surveyor with Esaki Surveying & Mapping, Inc., dated November 22, 1994, to wit:

Beginning at the east corner of this parcel of land on the southwestside of Kaapuni Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 11,495.20 feet north and 4,354.16 feet east, thence running by azimuths measured clockwise from true South:

- | | | | |
|----|----------|--------|---|
| 1. | 41° 40' | 294.47 | feet along the remainder of Grant 13824 (Lot 3); |
| 2. | 131, 40' | 30.00 | feet along the remainder of Grant 13824 (Lots 4 & 5); |
| 3. | 221° 40' | 302.80 | feet along Grant 13184 (Lot 5-B); |

4. 327° 15' 02" 22.41 feet along the southwest side of Kaapuni Road;
5. 326° 59' 30" 8.73 feet along the southwest side of Kaapuni Road, to the point of beginning and containing an area of 0.206 acres, more or less.
10. 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 "LOI PLANTATION CONDOMINIUM" PROJECT
- Dated : April 5, 2002
- Recorded : Document No. 2002-079931
- Map : 3431 and any amendments thereto
11. 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 : April 5, 2002
- Recorded : Document No. 2002-079932
12. Claims arising out of customary and traditional rights and practices, including without limitation those exercised for subsistence, cultural, religious, access or gathering purposes, as provided for in the Hawaii Constitution or the Hawaii Revised Statutes.
13. Any lien (or claim of lien) for services, labor or material arising from improvement or work related to the land described in Schedule C herein.

END OF EXHIBIT C

EXHIBIT D

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

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months = Yearly Total</u>	
1	\$ 00.00	\$ 000.00
2	\$ 00.00	\$ 000.00

Developer discloses that, because there are no depreciable common elements in the project, no reserves are collected at this time. Further, no reserve study was conducted in accordance with Section 514A-83.6, Hawaii Revised Statute, or at Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

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-Septic System

Maintenance, Repairs and Supplies

- Building
- Grounds

Management

- Management Fee
- Payroll and Payroll Taxes
- Office Expenses

Insurance

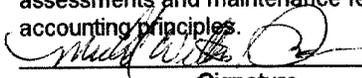
Reserves(*)

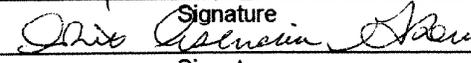
Taxes and Government Assessments

Audit Fees

Other	\$ 00.00	\$ 000.00
TOTAL	\$ 00.00	\$ 000.00

I, MICHAEL WILLIAM GROVES and ANITA ASUNCION GROVES, as developer for the LOI PLANTATION CONDOMINIUM condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.



 Signature


 Signature

6-18-02

 Date
 6/18/02

 Date

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

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

EXHIBIT E

SUMMARY OF SALES CONTRACT AND ADDENDUM:

The Seller intends to use the Hawaii Association of Realtors' form entitled 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 canceled.
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.
5. Allocation of payment of closing costs.
6. Provides that the property is sold "as is".

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

END OF EXHIBIT E

EXHIBIT F

SUMMARY OF PORTIONS OF ESCROW AGREEMENT:

The Escrow Agreement ("Agreement") between TITLE GUARANTY OF HAWAII INCORPORATED (the "Escrow"), and MICHAEL WILLIAM GROVES and ANITA ASUNCION GROVES, (the "Seller"), contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized herein):

1. Whenever Seller enters into a sales contract for the sale of an apartment, Seller will require that payments due under the sales contract be made to Escrow and will deliver an executed copy of the sales contract to Escrow.
2. Escrow will receive payments under the sales contract and sums received from any other source with respect to the project. Funds held under the Agreement will initially be deposited in an account for the project. Interest on all funds will be paid to Seller.
3. Escrow will release from the trust fund and disburse Buyer's funds at closing, unless: (a) Buyer has elected within seven days of signing the sales contract to cancel and receive all funds paid, without deduction; or (b) the Real Estate Commission has not issued a Final Public Report on the project or the requirements of the sales contract have not been met; or (c) Seller has not satisfied Escrow that all other requirements of Hawaii Revised Statutes have been met.
4. Escrow will return deposited sums to the Buyer 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 seven 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.
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 on schedule rate.

SPECIAL NOTICE: THE ABOVE SUMMARY IS NOT INTENDED TO BE A THROUGH 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 F