

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer Richard R. Redfern &Carolynne B. Manka
Address P.O. Box 771, Kapaa, HI 96746

Project Name (\*): HONO KAUAI
Address: Hono O'Hala Place, Kapaa, HI 96746

Registration No. 4910
Effective date: March 17, 2003
Expiration date: April 17, 2004

Preparation of this Report:

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

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

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

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

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

Type of Report:

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

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

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

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

(\* ) Exactly as named in the Declaration

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

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

Required and attached to this report                       Not Required -

**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 CONUNTY RESTRICTIONS ON THE NUMBER OF RESIDENTIAL DWELLING UNITS OR OTHER STRUCTURES WHICH MAY BE BUILT UPON THE PROPERTY. THEREFORE, UNLESS THE PURCHASER IS PURCHASING AN EXISTING RESIDENTIAL DWELLING, THERE IS NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO BUILD A RESIDENTIAL DWELLING UNIT ON THE PROPERTY. THERE IS ALSO NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO CONVERT AN EXISTING NON-RESIDENTIAL STRUCTURE TO A RESIDENTIAL USE. PROIOR TO PURCHASE, THE PROSPECTIVE PURCHASER IS ADVISED TO REVIEW THIS CONDOMINIUM PROJECT WITH THE RESPECTIVE KAUAI COUNTY PLANNING OFFICES TO RECEIVE THE MOST RECENT DIRECTIVES CONCERNING DEVELOPMENT, REPLACEMENT, EXPANSION, OR CONSTRUCTION OF ANY TYPE OF STRUCTURE FOR THIS CONDOMINIUM PROJECT IN THE FUTURE. THERE ARE PRESENTLY TWO AGRICULTURAL SHADE SHEDS ON THE PROPERTY WHICH MAY BE DEFINED AS AN "APARTMENT OR "UNIT" UNDER THE CONDOMINIUM PROPERTY ACT.

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

1. This Public Report does not constitute approval of the project by the Real Estate Commission or any other governmental agency, for does it warrant that all applicable codes, ordinances and subdivision requirements have necessarily been complied with.
2. The land area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and is not a legally subdivided lot. The dotted lines on the Condominium Map bounding the designated number of square feet or acres in each limited common element land area are for illustrative purposes only and should not be construed to be the property lines of legally subdivided lots.
3. Facilities and improvements normally associated with County approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided, and services such as County street maintenance and trash collection may not be available for interior roads and driveways.
4. This is to inform you that Chapter 205, Hawaii Revised Statutes, does not authorize residential dwellings as a permissible use in an agricultural use district, unless the dwelling is related to an agricultural activity or is a "farm dwelling".

Farm dwelling is defined in Section 205-4.5(a)(4) as "a single family dwelling located on and used in conjunction with a farm, including clusters of single-family farm dwellings permitted within agricultural parks developed by the State, or where agricultural activity provides income to the family occupying the dwelling".

Penalty for violation of Section 205-4.5, Hawaii Revised Statutes, is a fine of not more than \$5,000. If any person who is cited for a violation of the law fails to remove the violation within six months of such citation and the violation continues, such person is subject to a citation for a new and separate violation. There shall be a fine of not more than \$5,000 for any additional violation.

5. The land may be subject to rollback property taxes. The failure of an owner to observe restrictions on the use of the land may cancel the County dedication and special real property tax assessment. Please refer to the Director of Finance, County of Kauai, for further information.

**THIS REPORT WAS DONE BY THE DEVELOPER AND NOT AN ATTORNEY.**

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

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- EXHIBIT A: Common Elements & Limited Common Elements
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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: Richard R. Redfern &Carolynne B. Manka Phone: 808-821-9454  
Name\* PO Box 771 (Business)  
Business Address Kapaa, HI 96746

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):

NA  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Broker\*: None Selected. See Page 20 Phone: \_\_\_\_\_  
Name (Business)  
Business Address \_\_\_\_\_

Escrow: Title Guaranty Escrow Service Inc. Phone: 808-521-0211  
Name 235 Queen St. (Business)  
Business Address Honolulu, HI 96813

General Contractor\*: Leslie W. Brown  
dba Brown Construction & Marketing Service Phone: 808-821-0076  
Name (Business)  
PO Box 3328  
Business Address Lihue, HI 96766

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

Attorney for Developer: None. This report was prepared by Phone: 808-821-9454  
Name (Business)  
the developer pro se  
Business Address \_\_\_\_\_

\* 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:

<input type="checkbox"/>	Proposed			
<input checked="" type="checkbox"/>	Recorded -	Bureau of Conveyances:	Document No. <u>2002-079712</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>3429</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>2002-079713</u>	
			Book _____	Page _____
<input type="checkbox"/>	Filed -	Land Court:	Document No. _____	

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

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

The House Rules for this condominium are:

Proposed       Adopted       Developer does not plan to adopt House Rules

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

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

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



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: Hono O'Hala Place Tax Map Key (TMK): (4) 4-4-014-009  
Kapaa, HI 96746

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

Land Area: 2.718  square feet  acre(s) Zoning: Agriculture

Fee Owner: Carolynne B. Manka & Richard R. Redfern  
 Name  
PO Box 771  
 Address Kapaa, HI 96746

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: 2 Floors Per Building: 1  
 Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:  
 Concrete  Hollow Tile  Wood  
 Other Saran shade cloth green house.

4. Uses Permitted by Zoning:

	No. of Apts.	Use Permitted By Zoning
<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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Recreational	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Other green houses	<u>2</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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

5. Special Use Restrictions:

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

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

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

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

There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: None                      Stairways: None                      Trash Chutes: None

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Net Other Area (sf)	(Identify)
Unit 1	1	0		20	Ag green house
Unit 2	1	0		20	Ag green house
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

Total Number of Apartments: 2

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

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

Boundaries of Each Apartment:

See Exhibit "A"

Permitted Alterations to Apartments: As noted in the Declaration, individual unit owners may at their sole discretion and at their own expense, remodel, expand or otherwise alter their unit, provided said alterations are done in complete accordance with all applicable ordinances, codes, rules, regulations and other requirements in force at the time of said construction.

Apartments Designated for Owner-Occupants Only:

Fifty percent (50%) of residential apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by section 514A-102, HRS; or include the information here in this public report and in the announcement (see attachment 11a). Developer has not elected to provide the information in a published announcement or advertisement.

7. Parking Stalls:

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

Each apartment will have the exclusive use of at least 0\* parking stall(s).

Buyers are encouraged to find out which stall(s) will be available for their use.

\* Each unit has ample space for parking purposes within its limited common element area.

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):

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 "A". (If any)

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".

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 \_\_\_\_\_.

as follows: Each unit and its owner(s) shall have appurtenant thereto a one-half (1/2) fractional interest (50.0 percentage interest) in the common elements of the Project, for all purposes including voting, said interest being referred to as the "common interest".

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

Exhibit "B" describes the encumbrances against the title contained in the title report dated July 23, 2002 and issued by **Fidelity National Title Insurance Company**

**Blanket Liens:**

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

[X] 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	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. Should the lender terminate Buyer's sales contract, Buyer shall be entitled to a refund of all deposits, less escrow cancellation fee.

F. **Construction Warranties:**

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

1. Building and Other Improvements: All improvements are sold "as is" and there is no implied or expressed warranties of any type other than those which the developer expressly states in a contract to sell.
2. Appliances: All appliances, if any, are sold "as is" and there is no implied or expressed warranties of any type. If any warranty is in effect and can be passed to the new owner, the developer shall do so.

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

Both units 1 and 2, agricultural green houses, were constructed in July 2002.

H. **Project Phases:**

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

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

**IV. CONDOMINIUM MANAGEMENT**

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

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

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

- not affiliated with the Developer  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 E contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

Note: Because this project does not have any common elements, there will be no fees.

- 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 (Hawaii Association of Realtor's form of DROA.)  
Exhibit "D" contains a summary of the pertinent provisions of the sales contract.
- Escrow Agreement dated July 5, 2002  
Exhibit "C" contains a summary of the pertinent provisions of the escrow agreement.
- Other \_\_\_\_\_

B. Buyer's Right to Cancel Sales Contract:

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

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

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

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

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

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

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

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

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

- A) Condominium Public Reports issued by the developer which have been issued an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners, as amended.
- D) House Rules, if any.
- E) Condominium Map, as amended.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other easements, restriction of vehicular access rights along Olohena Road, Elevation Agreement as Document No. 2002-067052 (attached hereto as Exhibit "H")

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. 4910 filed with the Real Estate Commission on July 29, 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

The second unit to seek a building permit must do so as an additional dwelling unit which must meet the requirements of Section 8.26.1(a) of the Kauai County Code and that when Section 8.29.1(a) expires on December 31, 2006, building permits for additional dwelling units will no longer be granted.

The owner of each unit shall be responsible to maintain agricultural activity at a level suitable to meet all state and county requirements applicable to the parcel.

Disclosure regarding selection of Real Estate Broker.

The Developer does not presently intend to use a real estate broker for the sale of the apartments in the project. In the event the Developer chooses to use a real estate broker for the sale of an apartment, prior to entering into a binding contract for such sale the developer shall (1) submit to the Real Estate Commission a duly executed copy of a broker listing agreement with a Hawaii-licensed real estate broker, together with a duly executed disclosure abstract identifying the designated broker, and (2) provide a copy of the disclosure abstract to the purchaser together with a copy of this public report.

**Vehicular Access**

No vehicular access is allowed from the property to Olohena road, but access to Olohena road is permitted via Hono O'Hala Place.

- 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.

Richard R. Redfern & Carolynne B. Manka

Printed Name of Developer

*Carolynne B Manka*      *2-3-03*  
 By: *Richard R Redfern*      *2-3-03*  
 Duly Authorized Signatory\*      Date

Richard R. Redfern & Carolynne B. Manka, Developers

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Kauai

Planning Department, County of Kauai

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

EXHIBIT "A"

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

All of that certain parcel of land (being portion of the land(s) described in and covered by Land Patent Grant Number 7719 to Tadaichi Kondo) situate, lying and being at Kapaa, District of Kawaihau, Island and County of Kauai, State of Hawaii, being LOT 116-J-1, of "KONOHIKI PLANTATIONS, PHASE I", being a portion of Lot 116 of the Kapaa Homesteads, Second Series and thus bounded and described:

Beginning at a pipe at the southeast corner of this parcel of land and on the southwest corner of Parcel "B" (6 feet wide pipeline right-of-way), the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 7,278.86 feet north and 7,997.69 feet west, thence running by azimuths measured clockwise from true south:

1. 80° 00' 333.37 feet along Lot 117-U to a pipe;
2. Thence along Lot 116-U, on a curve to the left having a radius of 222.00 feet, the chord azimuth and distance being:  
68° 59' 30" 84.78 feet to a pipe;
3. 57° 59' 50.00 feet along Lot 116-U to a pipe;
4. Thence along Lot 116-U on a curve to the right having a radius of 30.00 feet, the chord azimuth and distance being:  
102° 59' 42.43 feet to a pipe;
5. 147° 59' 110.65 feet along Lot 116-X to a pipe;
6. 210° 00' 112.98 feet along the centerline of a 20-foot wide trail easement and Lot 116-K to a pipe;
7. 115° 00' 75.00 feet along same to a pipe;
8. 146° 00' 30.00 feet along same to a pipe;
9. 230° 00' 125.00 feet along same to a pipe;
10. 199° 00' 110.00 feet along same to a pipe;
11. 313° 00' 85.00 feet along the centerline of a 20-foot wide ditch easement and Lot 116-K to a pipe;
12. 295° 00' 70.00 feet along same to a pipe;

- |     |            |        |  |
|-----|------------|--------|--|
| 13. | 318° 00'   | 50.00  | feet along same to a pipe;   |
| 14. | 295° 00'   | 45.00  | feet along same to a pipe;   |
| 15. | 266° 00'   | 87.00  | feet along same to a pipe;   |
| 16. | 307° 0 00' | 34.00  | feet along same to a pipe;   |
| 17. | 242° 50'   | 40.85  | feet along Lot 116-K to a pipe;  |
| 18. | 332° 50'   | 211.15 | feet along a portion of Parcel B (6 foot wide pipeline right-of-way Board of Water Supply) to the point of beginning and containing an area of 3.089 acres more or less. |

Saving and excepting Lot 116-J-2, which was previously conveyed to the County of Kauai, Board of Water Supply, by WARRANTY DEED dated August 5, 1988 and recorded in Liber 22324 at Page 558, and which is 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 7719 to Tadaichi Kondo) situate, lying and being at Kapaa, District of Kawaihau, Island and County of Kauai, State of Hawaii, being LOT 116-J-2, of "KONOHIKI PLANTATIONS, PHASE I", being a Portion of Lot 116, of the Kapaa Homesteads, 2nd Series, more particularly described as:

Beginning at a pipe at the southeast corner of this Lot, the same being on the north side of Hono Ohala Place and on the south side of Lot 116-J-1, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 7,209.40 feet north and 8,367.56 feet west, thence running by azimuths measured clockwise from true south:

Along Hono Ohala Place on a curve to the left having a radius of 222.00 feet, the chord azimuth and distance being:

- |   |         |       |                              |
|---|---------|-------|------------------------------|
| 1 | 63° 25' | 42.04 | feet;                        |
|   | 57° 59' | 50.00 | feet along Hono Ohala Place; |

Thence along the intersection of Hono Ohala Place and Olohena Road on a curve to the right having a radius of 30.00 feet, the chord azimuth and distance being:

- |    |          |       |                          |
|----|----------|-------|--------------------------|
| 3. | 102° 59' | 42.43 | feet;                    |
| 4. | 147° 59' | 99.33 | feet along Olohena Road; |
| 5. | 210° 00' | 75.29 | feet along Lot 116-J-1;  |

6. 300° 00' 137.36 feet along same;
7. 338° 51' 48.20 feet along same to the point of beginning and containing an area of 0.371 acre, more or less.

Together with a non-exclusive access and utilities easement over, under and across Roadway and Utility Lot 116-U, containing an area of 1.234 acres, as granted by Declaration and Grant of Roadway Easement dated May 17, 1990, recorded as Document No. 90-074207; more particularly described in Exhibit "A" attached thereto; and subject to the terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained therein.

Said above described parcel of land having been acquired as follows:

1. By THOMAS K. AKUTAGAWA and HELEN H. AKUTAGAWA, husband and wife as Tenants by the Entirety, as to an undivided 1/2 interest by DEED of SHIRO NISHIMURA, husband of Hiroko Nishimura and DENNIS REGO, husband of Mercedes Rego, dated April 10, 1981, recorded in Liber 15480 at Page 1; and
2. By THOMAS K. AKUTAGAWA and HELEN H. AKUTAGAWA, husband and wife, as Tenants by the Entirety, by QUITCLAIM DEED of GARY M. AKUTAGAWA, single, dated July 24, 2000, recorded as Document No. 2000-103783.

SUBJECT, HOWEVER, to the following:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
2. Pipeline and tanksite rights-of-way; as -ranted in DEED dated September 21, 1937, recorded in Liber 1397 at Page 373.
3. GRANT to EAST KAUAI WATER COMPANY, LIMITED, a Hawaii corporation, dated July 3, 1973, and recorded in said Bureau in Liber 9493 at Page 316, granting a perpetual right and easement for utility purposes.
4. RESTRICTION OF VEHICLE ACCESS RIGHTS along Olohena Road as contained in Deed dated March 6, 1978, recorded in said Bureau in Liber 12804 at Page 86.
5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Deed dated April 10, 1981, and recorded in said Bureau in Liber 15480 at Page 1.

6. A 10-foot wide trail easement, as contained in DEED dated March 6, 1978, recorded in Liber 12804 at Page 86, and shown on subdivision maps prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated September 25, 1973 and October 15, 1987, revised on May 11, 1988.

7. A 10-foot wide ditch easement, as contained in DEED dated March 6, 1978, recorded in Liber 12804 at Page 86, and shown on subdivision maps prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated September 25, 1973, and dated October 15, 1987, revised on May 11, 1988.

8. A 10-foot wide tunnel easement as contained in DEED dated March 6, 1978, recorded in Liber 12804 at Page 86, and as shown on subdivision maps prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated September 25, 1973 and dated October 15, 1987, revised on May 11, 1988.

9. A waterline easement, as shown on subdivision map prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated September 25, 1973.

10. Overflow Easement " 1 ", as shown on subdivision map prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated October 15, 1987, revised on May 11, 1988.

11. Easement " D- 1 " for drainage purpose as shown on subdivision map prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated October 15, 1987, revised on May 11, 1988.

12. Easement "C" as shown on subdivision maps prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated September 25, 1973 and dated October 15, 1987, revised on May 11, 1988.

13. GRANT to CITIZENS UTILITIES COMPANY, a Delaware Corporation, and VERIZON HAWAII, INC., dated February 8, 1985, recorded in said Bureau in Liber 18541 at Page 270, granting a perpetual easement for utility purposes, over Easement "C".

14. GRANT to the COUNTY OF KAUAI, a political subdivision of the State of Hawaii, through its BOARD OF WATER SUPPLY dated August 5, 1988, recorded in said Bureau in Liber 22324 at Page 565, granting a perpetual easement for utility purposes over Easement "D-1".

End of EXHIBIT "A"

Exhibit "B"

ENCUMBRANCES AGAINST TITLE

1. For any real property taxes that may be due and owing, reference is made to the County of Kauai, Department of Finance for information.
2. Title to all minerals and metallic mines reserved to the State of Hawaii.
3. Pipeline and tanksite rights-of-way; as granted in Deed dated September 21, 1937, recorded at the Bureau of Conveyances, State of Hawaii in Liber 1 397 at Page 373.
4. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document;  

Granted to:	East Kauai Water Company, Ltd.
Purpose:	utility
Recorded:	in the Bureau of Conveyances of the State of Hawaii, Book 9493, Page 316.
Affects:	land herein described
5. Restriction of Vehicle Access Rights along Olohena Road as contained in Deed dated March 6, 1978, recorded in the Bureau of Conveyances, State of Hawaii in Liber 12804 at Page 86.
6. A 10-foot wide trail easement, as contained in Deed dated March 6, 1978, recorded in the Bureau of Conveyances, State of Hawaii in Liber 12804 at Page 86, and shown on subdivision maps prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc. dated September 25, 1973 and October 15, 1987, revised on May 11, 1988.
7. A 10-foot wide ditch easement, as contained in Deed dated March 6, 1978, recorded in the Bureau of Conveyances, State of Hawaii in Liber 1 2804 at Page 86, and shown on subdivision maps prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated September 25, 1973, and dated October 15, 1987, revised on May 11, 1988.
8. A 10-foot wide tunnel easement as contained in Deed dated March 6, 1978, recorded in the Bureau of Conveyances, State of Hawaii in Liber 12804 at Page 86, and as shown on subdivision maps prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated September 25, 1973 and dated October 15, 1987, revised on May 11, 1988.
9. A waterline easement, as shown on subdivision map prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated September 25, 1973.
10. Easement "C" as shown on subdivision maps prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated September 25, 1973 and dated October 15, 1987, revised on May 11, 1988.
11. Overflow Easement "1", as shown on subdivision map prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated October 15, 1987 revised on May 11, 1988.

12. Easement "D-1" for drainage purposes as shown on subdivision map prepared by Cesar C. Portugal, Registered Professional Land Surveyor, with Portugal & Associates, Inc., dated October 15, 1987, revised on May 11, 1988.
13. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in that certain Deed dated April 10, 1981, and recorded in the Bureau of Conveyances, State of Hawaii in Liber 1 5480 at Page 1.
14. Easement(s) for the purpose(s) shown below and rights incidental thereto as granted in a document;  
  
Granted to: Citizens Utilities Company  
Purpose: perpetual utility easement over Easement "C"  
Recorded: in the Bureau of Conveyances of the State of Hawaii, Document No. 18541, Book 270.  
Affects: land herein described
15. Easement(s) for the purpose(s) shown below and rights incidental *thereto* as granted in a document;  
  
Granted to: County of Kauai  
Purpose: perpetual utility easement over Easement "D-1"  
Recorded: in the Bureau of Conveyances of the State of Hawaii, Book 22324, Page 565.  
Affects: land herein described
16. A mortgage to secure an indebtedness as shown below, and any other obligations secured thereby  
  
Amount: \$315,000.00  
Dated: January 23, 2002  
Loan No.: 13-30426-3-649  
Mortgagor: Carolynne B. Manka, single, and Richard R. Redfern, single  
Mortgagee: Finance Factors, Limited, a Hawaii corporation  
Recorded: January 31, 2002, in the Bureau of Conveyances of the State of Hawaii, Document No. 2002-017025.
17. A financing statement recorded in the Bureau of Conveyances, showing  
  
Debtor: Carolynne B. Manka and Richard R. Redfern  
Secured Party: Finance Factors, Limited  
Date: None Shown  
Recorded: January 31, 2002, in the Bureau of Conveyances of the State of Hawaii, Document No. 2002-01 7026.
18. An Elevation Agreement, upon and subject to all of the provisions contained therein.  
  
By and Between: Richard Redfern and Department of Water, County of Kauai  
Dated: January 31, 2002  
Recorded: April 18, 2002, in the Bureau of Conveyances of the State of Hawaii, Document No. 2002-067052.
19. Condominium Map No. 3429, recorded in the Bureau of Conveyances of the State of Hawaii.
20. Covenants, conditions, and restrictions (deleting therefrom any restrictions indicating any preference, limitation or discrimination based on race, color, religion, sex, handicap, famiial status or national origin) as contained in the following:

Declaration of Condominium Property Regime of Hono Kauai

Dated: March 27, 2002  
Recorded: May 7, 2002, in the Bureau of Conveyances of the State of Hawaii,  
Document No. 2002-079712.

21. By-Laws of the Association of Apartment Owners of Hono Kauai, dated March 27, 2002, recorded May 7, 2002, in the Bureau of Conveyances of the State of Hawaii, Document No. 2002-079713.

End of Exhibit "B"

## **Exhibit "C"**

### **Summary of Escrow Agreement**

The Escrow Agreement sets up an agreement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Under the Escrow Agreement, these things will or may happen:

- A. Escrow will let purchasers know when payments are due.
- B. Escrow will arrange for purchasers to sign all necessary documents.
- C. The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract. In the event of default by the Buyer, Buyer may forfeit his or her deposit, which will be paid to the Seller, less any cancellation fees charged by Escrow.
- D. The Escrow Agreement says under what conditions a refund will be made to the purchaser. A Buyer shall be entitled to a return of his funds, and Escrow shall pay such funds to such Buyer, without interest, in accordance with the Sales Contract if any of the following has occurred:
  - 1. Developer and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held hereunder by Escrow; or
  - 2. Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Developer; or
  - 3. With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, the purchaser has exercised his right to cancel the contract pursuant to Section 514A-62, Hawaii Revised Statutes, as amended; or
  - 4. A purchaser has exercised his right to rescind the contract pursuant to Section 514A-63, Hawaii Revised Statutes, as amended.
  - 5. 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.

Upon such refund, Escrow Agent shall be entitled to a reasonable fee not less than \$25.00 or a fee commensurate with the work done by Escrow prior to cancellation. The Escrow Agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted.

**End of Exhibit "C"**

## Exhibit "D"

### Summary of the Sales Contract

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

Among other things, the sales contract:

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.

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

5. Allocation of payment of closing costs.

The sales contract contains various other provisions which Buyer should become acquainted with.

End of Exhibit "D"

EXHIBIT "E"

ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Apartment

Monthly Fee x 12 months = Yearly Total

\$0 x 12 = \$0.00

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

**Estimate of Maintenance Fee Disbursements:**

Monthly Fee x 12 months = Yearly Total

Utilities and Services      Each unit owner will be responsible for their respective unit's utilities and services.

Air Conditioning      N/A

Electricity      There is no electrical service to the common elements  
                  [ ] common elements only  
                  [ ] common elements and apartments

Elevator

Gas      Each unit owner will be responsible for their respective gas, refuse collection, telephone, electricity, water, and sewer bills.  
                  [ ] common elements only  
                  [ ] common elements and apartments

Refuse Collection

Telephone      N/A

Water and Sewer

Maintenance, Repairs and Supplies      Each unit will be responsible for the maintenance, repairs, and supplies for their respective limited common elements (both buildings and grounds).

Building

Grounds

Management      N/A

Management Fee

Payroll and Payroll Taxes

Office Expenses

Insurance      Each unit shall be insured by their respective owner.

Reserves(\*)      There are no common elements requiring a reserve fund

Taxes and Government Assessments      Each unit will be assessed and taxed separately.

Audit Fees      Shall be shared equally when required.

Other

TOTAL

I, Richard R. Redfern, as ~~agent for and the employee~~ agent/developer for the HONO KAUI 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.

Richard R. Redfern  
Signature

2-3-03  
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 §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

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

## EXHIBIT "F"



MARYANNE W. KUSAKA  
MAYOR

DEE M. CROWELL  
PLANNING DIRECTOR

SHEILAH N. MIYAKE  
DEPUTY PLANNING DIRECTOR

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

### PLANNING DEPARTMENT

#### INSTRUCTION FOR COMPLETING AG. CONDO. FARM DWELLING AGREEMENTS

PLEASE NOTE: The Planning Department must record all Farm Dwelling Agreements with the Bureau of Conveyances. Therefore, it is very important that you follow these instructions to avoid unnecessary delays.

1. Please READ the entire Agreement and these instructions carefully.
2. All information on blank lines must be typewritten.
3. All individual names in instruments presented for recordation shall be typewritten or stamped BENEATH all signatures. No discrepancy in any name shall exist between the printed name, as it appears in the BODY of the instrument and NOTARY'S certificate of acknowledgment. All signatures must be NOTARIZED.
4. Each page must be 8-1/2" x 11" in size. Make a total of three (3) sets of the Agreement.
5. If the instrument contains more than one page, it shall be stapled once in the upper left corner and shall not have a cover or backer attached.
6. The Registrar shall not record any instrument that will not reproduce legibly, under photographic or electrostatic methods.
7. EXHIBIT "A", as noted on the first page of the Agreement, shall be the legal description of the property (metes and bounds), which can be found with the deed of your property, or property description of the entire property and not the individual condominium unit. A subdivision map will NOT be acceptable. Attach one copy with each set of the Farm Dwelling Agreement.
8. EXHIBIT "B" is either the description of the condominium unit or a map identifying the condominium unit.
9. Should there be several interests (owners) to the property or a power of attorney agreement, a written statement which authorizes the applicant to process the necessary permits and to obtain a Farm Dwelling Agreement must also be signed, notarized, and attached to each agreement and be identified as EXHIBIT "C".

Instructions for Completing Ag. Condo Farm Dwelling Agreements  
Page Two

10. Documents must include original signatures and be single-sided sheets of written text. No paper or materials can be secured or attached to a page in any manner that may conceal any written text.
11. Recording fees for all documents recorded in the Regular System, including Uniform Commercial Code documents, will be at a flat rate of \$25.00 per document. Check should be made payable to the Bureau of Conveyances.
12. Attach check to three (3) completed sets of the Farm Dwelling Agreement and return them to the Planning Department,
13. The Planning Department will obtain the signatures of the PLANNING DIRECTOR and COUNTY ATTORNEY, process your building permit, and record the Agreement with the Bureau of Conveyances.
14. After recordation by the Bureau of Conveyances, the Planning Department will send an executed copy to the mailing address provided by you on Page 1 for your files.
15. Do NOT fill in date (page 4).

Please call the Planning Department at 241-6677 should you have any questions. Mahalo.

05/21/99

IRYANNE W. KUSAKA  
MAYOR



DEE M. CROWELL  
PLANNING DIRECTOR  
SHEILAH N. MIYAKE  
DEPUTY PLANNING DIRECTOR  
TELEPHONE (808) 241-6677  
FAX (808) 241-6699

PLANNING DEPARTMENT

CHECKLIST FOR FARM DWELLING AGREEMENTS

The Planning Department will not execute any Farm Dwelling Agreements unless the following is verified by the applicant or applicant's authorized representative.

Please mark each item with a "Y" (yes) or "N" (no); whether the following items were verified with a deed recorded at the Bureau of Conveyances, Real Property Tax records or other source. Please indicate the source of information.

("Y"/"N")

- \_\_\_\_\_ 1. Is (are) the person(s) listed on the document the owner/authorized agent of the subject property?  
Source: \_\_\_\_\_
- \_\_\_\_\_ 2. Is the Tax Map Key number for the parcel correct?  
Source: \_\_\_\_\_
- \_\_\_\_\_ 3. Is the address of the applicant correct?  
Source: \_\_\_\_\_
- \_\_\_\_\_ 4. Are the typed names and initials of the owners exactly the same as the signed names and initials throughout the document?

Verified by:

\_\_\_\_\_ print name

\_\_\_\_\_ signature

Date: \_\_\_\_\_

LAND COURT SYSTEM

REGULAR SYSTEM

Return by Mail (X) Pickup ( ) To:

County of Kauai  
Planning Department  
4444 Rice Street, Suite 473  
Lihue, Kauai, Hawaii 96766

FARM DWELLING AGREEMENT

THIS AGREEMENT made and entered into by and between

\_\_\_\_\_ ,  
whose mailing address is \_\_\_\_\_

\_\_\_\_\_ ,  
hereinafter called the "APPLICANT(S)", and the COUNTY OF KAUAI  
PLANNING DEPARTMENT, whose business and mailing address is 4444  
Rice Street, Suite 473, Lihue, Hawaii 96766, hereinafter called the  
"DEPARTMENT".

W I T N E S S E T H

WHEREAS, the APPLICANT(S) warrant and represent that they are  
the \_\_\_\_\_ of

that certain parcel of land, Tax Map Key No. \_\_\_\_\_,  
more particularly described in Exhibit "A" attached hereto and made  
a part hereof; and

WHEREAS, this document pertains only to \_\_\_\_\_  
as shown in Exhibit "B" and made a part hereof; and

WHEREAS, that certain parcel of land is classified Agriculture  
by the State Land Use Commission and is zoned Agriculture by the  
County of Kauai; and

WHEREAS, Chapter 205, Hawaii Revised Statutes, and the State  
Land Use District Regulations only permit "farm dwellings" within  
the State Agriculture Land Use District unless otherwise relieved  
from the restriction by a special permit obtained pursuant to  
Chapter 205, Section 6, Hawaii Revised Statutes; and

WHEREAS, a "farm dwelling" is defined by Chapter 205, Hawaii  
Revised Statutes, and the State Land Use District Regulations as "a  
single family dwelling located on and used in connection with a  
farm where agricultural activity provides income to the family  
occupying the dwelling"; and

WHEREAS, the parcel identified by Tax Map Key No.  
\_\_\_\_\_ is entitled to \_\_\_\_\_ residential units  
and one guest house; and

WHEREAS, this agreement is evidenced that \_\_\_\_\_  
is entitled to one of those residence units; and

WHEREAS, a "family" as used in the definition of a "farm  
dwelling" is defined by the State Land Use District Regulations as  
"an individual or two or more persons related by blood, marriage or  
adoption or a group comprising not more than five persons, not  
related by blood, marriage or by adoption"; and

WHEREAS, the APPLICANT(S) acknowledge that a violation of  
Chapter 205, Hawaii Revised Statutes, and the State Land Use  
Agriculture District restriction is subject to a citation and fine  
of not more than \$5,000 pursuant to Chapter 205, Section 13, Hawaii  
Revised Statutes, as amended; and

WHEREAS, the APPLICANT(S) also acknowledge that failure to  
abide by this agreement may result in the removal of the prohibited  
structure at the owner's expense; and

WHEREAS, the DEPARTMENT is charged with the enforcement of the  
restriction by Chapter 205, Hawaii Revised Statutes;

WHEREAS, the APPLICANT(S) wish to construct a dwelling unit on  
that certain parcel of land described in Exhibit "A"; and

WHEREAS, the APPLICANT(S) wish to execute this Farm Dwelling  
Agreement without first obtaining the signatures of all interest  
holders in the CPR;

NOW THEREFORE, for and in consideration of the terms, covenants and conditions hereinafter contained, the parties hereby mutually agree as follows:

1. That the dwelling permitted to be constructed on the parcel of land described in Exhibit "A" classified Agriculture by the State Land Use Commission shall be a "farm dwelling" as defined by Chapter 205, Hawaii Revised Statutes, and the State Land Use District Regulations, as recited herein; and

2. That the dwelling shall only be occupied by a "family", as defined by the State Land Use District Regulations and as recited herein, who derive income from the agricultural activity on the parcel; and

3. That the APPLICANT(S) and all present and future owners, lessees and occupants of said land grant the DEPARTMENT the right of entry at the request of the DEPARTMENT to inspect the premises to assure compliance with the provisions of this agreement; and

4. That this agreement shall be a covenant running with the land and be binding on the APPLICANT(S), and all present and future owners, lessees and occupants of said land and anyone claiming under said APPLICANT(S), their heirs, executors, administrators, successors and assigns, as owners or occupants thereof or otherwise; and

5. That this agreement shall remain in effect so long as the land retains its Agriculture District classification under the State Land Use Commission and the pertinent restrictive provisions of Chapter 205, Hawaii Revised Statutes, and the State Land Use District Regulations remain in effect; and

6. That the APPLICANT(S) expressly set forth the provisions of this agreement in any subsequent conveyance, deed, lease or rental agreement to said property executed by them, so as to give effect to said covenant; and

7. That this agreement shall be recorded with the State of Hawaii Bureau of Conveyances, fees to be paid by the APPLICANT(S).

8. The DEPARTMENT and APPLICANT(S) shall execute the Farm Dwelling Agreement; and

9. The APPLICANT(S), for themselves (himself/herself), their (his/her) heirs, administrators, successors and assigns, do hereby waive and release the DEPARTMENT and the County of Kauai, a political subdivision of the State of Hawaii, whose principle place of business is 4444 Rice Street, Suite 473, Lihue, Hawaii, 96766, from all claims and causes of action, either legal or equitable, which may hereafter accrue by reason of the DEPARTMENT'S execution of said Farm Dwelling Agreement; and

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

11. This agreement shall be a covenant running with the portion of land described in Exhibit "A", and shall be binding on APPLICANT(S) and all present and future owners and occupants of said portion of land and any one claiming under APPLICANT(S), their successors, and assigns, as owners or occupants thereof. The APPLICANT(S) further agree(s) to expressly set forth the provisions of this waiver and indemnity agreement in any subsequent conveyance, deed, lease, or rental agreement so as to give effect to said covenant.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed on the \_\_\_\_\_ day of \_\_\_\_\_,

APPROVED:

Applicant(s)

\_\_\_\_\_  
Planning Director  
County of Kauai  
Planning Department

APPROVED AS TO FORM  
AND LEGALITY:

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

STATE OF HAWAII )  
COUNTY OF KAUAI ) ss.

On this day of \_\_\_\_\_, before me  
appeared \_\_\_\_\_ to me personally known,  
who being by me duly sworn, did say that he is \_\_\_\_\_  
\_\_\_\_\_ of the PLANNING  
DEPARTMENT of the COUNTY OF KAUAI; and that said instrument was  
executed on behalf of said PLANNING DEPARTMENT; and that said  
\_\_\_\_\_ acknowledged that he executed the  
same as his free act and deed of the PLANNING DEPARTMENT of the  
COUNTY OF KAUAI. Said Department has no seal.

\_\_\_\_\_  
\_\_\_\_\_  
Notary Public, State of Hawaii

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

STATE OF HAWAII     )  
                          ) ss.  
COUNTY OF KAUAI    )

On this day of \_\_\_\_\_, before me  
personally appeared \_\_\_\_\_

\_\_\_\_\_ to  
me known to be the persons described in and who executed the  
foregoing instrument, and acknowledged that \_\_\_\_\_ executed the  
same as \_\_\_\_\_ free act and deed.

\_\_\_\_\_  
\_\_\_\_\_

Notary Public, State of Hawaii

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

EXHIBIT "G"

DISCLOSURE ABSTRACT

HONO KAUAI  
Condominium Project

Pursuant to Section 514A-61, Hawaii Revised Statutes Condominium Property Act

---

Developer     RANDY REDFERN  
                  PO Box 771  
                  Kapaa HI 96746

Project Manager:     Project is to be self-managed

Estimated Maintenance Fee Assessments and Disbursements

**MAINTENANCE FEES:** The regular maintenance and repair of each condominium unit, including all utility charges, is the sole responsibility of each respective unit owner.

**INDIVIDUAL INSURANCE:** Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the improvements portion of the Project. Developer anticipates that the Association will elect to obtain separate policies for each individual condominium unit pursuant to Section XIV(c) of the Declaration. As such, the premiums on said policies will be the individual responsibility of each unit owner rather than common expenses of the Project.

Warranties

Purchasers should be aware that both "condominium units" of the Project are comprised of existing structures. Said buildings have unavoidably undergone a certain amount of "wear and tear" commensurate with their age. Accordingly, purchasers should not expect the unit they desire to buy to be in "like-new" condition.

**NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO THE INDIVIDUAL CONDOMINIUM UNITS OR THE COMMON ELEMENTS OF THE PROJECT (IF ANY). PURCHASERS ARE ADVISED TO CONDUCT THEIR OWN INSPECTION OF THE UNIT THEY DESIRE TO BUY. THE UNITS ARE SOLD "AS IS".**

Use of Condominium Units

Both units comprising the Project may be occupied and used for residential and/or agricultural purposes, and such other purposes as permitted by applicable zoning ordinances.

Code Violations

To the best of the knowledge, information and belief of the undersigned, there are n outstanding notices of uncured violations of the building code or other municipal regulation of the County of Kauai.

Dated: January 30, 2003

  
RANDY REDFERN

Exhibit "H"

COPY



R-649 STATE OF HAWAII  
BUREAU OF CONVEYANCES  
RECORDED  
APR 18, 2002 08:02 AM  
Doc No(s) 2002-067052



/s/ CARL T. WATANABE  
ACTING  
REGISTRAR OF CONVEYANCES

3 1/1 Z3

LAND COURT SYSTEM

REGULAR SYSTEM

After Recordation Return By: MAIL [XX] Pickup [ ]  
TO:

Richard Redfern (Type/print name & address)  
P.O. Box 771  
Kapaa, Hawaii 96746

ELEVATION AGREEMENT

I, Richard Redfern

(hereinafter "OWNER") being fully aware that my property identified by Tax Map Key No. (4) 4-4-14:009 is situated at such an elevation that it cannot be assured of a dependable water supply or of adequate service, in consideration of connection with the distribution system of the DEPARTMENT OF WATER, COUNTY OF KAUAI, do hereby agree to abide by Part 2, Section IV of the Rules and Regulations of the DEPARTMENT OF WATER, COUNTY OF KAUAI, relating to elevation and to hold the said DEPARTMENT OF WATER, COUNTY OF KAUAI, free and harmless from any claim or suit for damages by reason of any inadequacy in the system or water supply.

The term, "OWNER" shall mean the singular and plural, masculine and feminine, and natural persons, trustees, corporations, partnerships, limited partnerships, sole proprietorships, and other forms of business entities. The term shall also mean the OWNER's estates, heirs, personal representatives, successors, successors-in-trusts, and assigns.

PART 2, SECTION IV - ELEVATION AGREEMENT, PRESSURE CONTROLS

Where property is situated at such an elevation that it cannot be assured of a dependable supply or of adequate service from the Department's distribution system, the consumer, in consideration of connection with the Department's system, must agree to accept such water service as the Department is able to render from its existing facilities and to install, if necessary, and maintain at his expense a tank and pump of suitable design and of sufficient capacity to furnish an adequate and dependable supply of water. When required by the Department, the consumer shall install an air gap or other protective devices between the consumer's supply pipe and the service connection. The consumer shall execute a written release in favor of the Department for all claims on account of any inadequacy in the Department's system or inadequacy of water supply to the consumer



STATE OF HAWAII     )  
                                  ) ss.  
COUNTY OF KAUAI    )

On this 20<sup>th</sup> day of March, 2002, before me appeared Edward Tschupp, to me personally known, who, being by me duly sworn, did say that he is the Deputy Manager-Engineer of the **DEPARTMENT OF WATER, COUNTY OF KAUAI**, and that the foregoing instrument was signed on behalf of said Department, by authority of said Department, and that said officer acknowledged said instrument to be the free act and deed of said Department, and that said Department has no corporate seal.

~S

Rona Miura  
Notary Public, State of Hawaii

Notary Name: Rona Miura  
My commission expires: 10-16-03

EXHIBIT "I"  
Metes and Bounds Description

Unit 1

All of that certain parcel of land (being portion of the land(s) described in and covered by Land Patent Grant Number 7719 to Tadaichi Kondo) situate, lying and being at Kapaa, District of Kawaihau, Island and County of Kauai, State of Hawaii, being LOT 116-J-1, of "KONOHIKI PLANTATIONS, PHASE I", being a portion of Lot 116 of the Kapaa Homesteads, Second Series and thus bounded and described:

Beginning at a pipe at the southeast corner of this parcel of land and on the southwest corner of Parcel "B" (6 feet wide pipeline right-of-way), the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 7,258.02 feet north and 7,879.51 feet west, thence running by azimuths measured clockwise from true south:

1. 80° 00' 213.37 feet along Lot 116-U to a pipe;
2. Thence along Lot 116-U, on a curve to the left having a radius of 222.00 feet, the chord azimuth and distance being:  
68° 59' 30" 84.78 feet to a pipe;
3. 57° 59' 50.00 feet along Lot 116-U to a pipe;
4. Thence along Lot 116-U on a curve to the right having a radius of 30.00 feet, the chord azimuth and distance being:  
102° 59' 42.43 feet to a pipe;
5. 147° 59' 110.65 feet along Lot 116-X to a pipe;
6. 210° 00' 112.98 feet along the centerline of a 20-foot wide trail easement and Lot 116-K to a pipe;
7. 115° 00' 75.00 feet along same to a pipe;
8. 146° 00' 30.00 feet along same to a pipe;
9. 230° 00' 125.00 feet along same to a pipe;
10. 199° 00, 110.00 feet along same to a pipe;
11. 313° 00' 85.00 feet along the centerline of a 20-foot wide ditch easement and Lot 116-K to a pipe;

- |     |           |        |   |
|-----|-----------|--------|---|
| 12. | 295 ° 00' | 70.00  | feet along same to a pipe;  |
| 13. | 318 ° 00' | 50.00  | feet along same to a pipe;  |
| 14. | 295 ° 00' | 45.00  | feet along same to a pipe;  |
| 15. | 266 ° 00' | 22.835 | feet along same to a pipe;  |
| 16. | 332 ° 50' | 231.58 | to the point of beginning and containing an area of 2.516 acres more or less. |

Saving and excepting Lot 116-J-2, which was previously conveyed to the County of Kauai, Board of Water Supply, by WARRANTY DEED dated August 5, 1988 and recorded in Liber 22324 at Page 558, and which is 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 7719 to Tadaichi Kondo) situate, lying and being at Kapaa, District of Kawaihau, Island and County of Kauai, State of Hawaii, being LOT 116-J-2, of "KONOHIKI PLANTATIONS, PHASE I", being a Portion of Lot 116, of the Kapaa Homesteads, 2nd Series, more particularly described as:

Beginning at a pipe at the southeast corner of this Lot, the same being on the north side of Hono Ohala Place and on the south side of Lot 116-J-1, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 7,209.40 feet north and 8,367.56 feet west, thence running by azimuths measured clockwise from true south:

Along Hono Ohala Place on a curve to the left having a radius of 222.00 feet, the chord azimuth and distance being:

- |   |          |       |                              |
|---|----------|-------|------------------------------|
| 1 | 63 ° 25' | 42.04 | feet;                        |
|   | 57 ° 59' | 50.00 | feet along Hono Ohala Place; |

Thence along the intersection of Hono Ohala Place and Olohena Road on a curve to the right having a radius of 30.00 feet, the chord azimuth and distance being:

- |    |           |        |   |
|----|-----------|--------|---|
| 3. | 102 ° 59' | 42.43  | feet;   |
| 4. | 147 ° 59' | 99.33  | feet along Olohena Road;  |
| 5. | 210 ° 00' | 75.29  | feet along Lot 116-J-1;   |
| 6. | 300 ° 00' | 137.36 | feet along same;  |
| 7. | 338 ° 51' | 48.20  | feet along same to the point of beginning and containing an area of 0.371 acre, more or less. |

Together with a non-exclusive access and utilities easement over, under and across Roadway and Utility Lot 116-U, containing an area of 1.234 acres, as granted by Declaration and Grant of Roadway Easement dated May 17, 1990, recorded as Document No. 90-074207, and subject to the terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained therein.

End of Unit 1 Metes and Bounds Description

Unit 2 Metes and Bounds Description

All of that certain parcel of land (being portion of the land(s) described in and covered by Land Patent Grant Number 7719 to Tadaichi Kondo) situate, lying and being at Kapaa, District of Kawaihau, Island and County of Kauai, State of Hawaii, being LOT 116-J-1, of "KONOHIKI PLANTATIONS, PHASE I", being a portion of Lot 116 of the Kapaa Homesteads, Second Series and thus bounded and described:

Beginning at a pipe at the southeast corner of this parcel of land and on the southwest corner of Parcel "B" (6 feet wide pipeline right-of-way), the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 7,278.86 feet north and 7,997.69 feet west, thence running by azimuths measured clockwise from true south:

- |    |          |        |  |
|----|----------|--------|--|
| 1. | 80° 00'  | 120.00 | feet along Lot 116-U to a pipe;  |
| 2. | 152° 50' | 231.58 | feet to a pipe;  |
| 3. | 266° 00' | 64.165 | feet to a pipe;  |
| 4. | 307° 00' | 34.00  | feet to a pipe;  |
| 5. | 242° 50' | 40.85  | feet to a pipe;  |
| 6. | 332° 50' | 211.15 | feet to the point of beginning and containing an area of 0.573 acres more or less. |

Together with a non-exclusive access and utilities easement over, under and across Roadway and Utility Lot 116-U, containing an area of 1.234 acres, as granted by Declaration and Grant of Roadway Easement dated May 17, 1990, recorded as Document No. 90-074207; and subject to the terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained therein.

End of Unit 2 Metes and Bounds Description

End of EXHIBIT "I"

EXHIBIT "J"

BRYAN J. BAPTISTE  
Mayor



IAN K. COSTA  
Director of Planning

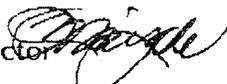
SHEILAH N. MIYAKE  
Deputy Director of Planning

COUNTY OF KAUAI  
PLANNING DEPARTMENT  
4444 RICE STREET, SUITE A473  
LIHUE, HAWAII 96766-1326  
(808) 241-6677

COPY

DATE: March 5, 2003

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

FROM: Sheilah Miyake, Deputy Planning Director 

SUBJECT: Certification of Inspection of Existing Buildings

PROJECT NAME: HONO KAUAI CONDOMINIUM PROJECT (069)

TAX MAP KEY: (4) 4-4-014: 009

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 514 A-40 (b), (l), Hawaii Revised Statutes. Subject to the disclosures and waivers (Item "5" below) specified herein, we certify the following:

1. The developer has contracted architect H. C. Bennett to certify that the buildings on the proposed project referred to as Hono Kauai Condominium Unit 1 and Unit 2 are in compliance with all ordinances, codes, rules, regulations and other requirements in force at the time of its construction, and to that extent, and subject to the conditions of waiver herein, the Planning Department adopts that certification as it pertains to the rules and regulations administered solely by the Department.
2. There are no variances approved for the subject property.
3. The parcel does not contain any outstanding nonconforming uses or structures as a result of the adoption or amendments of any ordinances or codes and regulations.
4. There are no notices of violation of County building or zoning codes outstanding according to our records.

Senior Condominium Specialist  
Page 2  
March 5, 2003

5. 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 514 A-40. (b), and (d), Hawaii Revised Statutes.

If you have any questions, please contact me at 241-6677.

cc: Richard R. Redfern, Project developer

End of EXIBIT "J"