CONDOMINIUM PUBLIC REPORT

Prepared &
Issued by: Developer: MAKALEHA LAND COMPANY, LLC
Address: 6748 Waipouli Road
Kapaa, Kauai, Hawaii 96746

Project Name(*): Awapuhi
Address: Lot 7, Makaleha Falls Estates
Kapaa, Kauai, Hawaii

Registration No. 5117

Effective date: April 20, 2004
Expiration date: May 20, 2005

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, in 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.
[X] No prior reports have been issued.
[ ] This report supersedes all prior public reports.
[ ] This report must be read together with_____

X **SUPPLEMENTARY:** (pink)
This report updates information contained in the:
[ ] Preliminary Public Report dated:_____
[X] Final Public Report dated: June 9, 2003
[ ] Supplementary Public Report dated:_____

And
[ ] Supersedes all prior public reports
[X] Must be read together with the Final Public Report dated June 9, 2003
[ ] 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 586-2643 to submit your request.

FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

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

Summary of Changes from Earlier Public Reports:

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

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

[X] Changes made are as follows:

1. Easement AU-3 (6,903 square feet), for utility purposes only, has been enlarged and redesignated to Easement AU-3A (9,977 square feet).

2. Easement E-2 has been redesignated to Easement E-2A (25 square feet).

3. The Condominium Map No. 3592 was amended to note items 1 and 2 above.

4. A First Amendment to Declaration of Condominium Property Regime of Awapuhi was recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2003-233134, to note the above changes.

5. A Third Amendment Of Declaration of Covenants, Conditions And Restrictions For Makaleha Falls Estates was recorded in said Bureau as Document No. 2003-233132, to note the above changes.

6. Exhibit "E" to the Public Report was amended to reflect the filing of the First Amendment to the Declaration of Condominium Property Regime of Awapuhi, and the filing of the Third Amendment Of Declaration of Covenants, Conditions And Restrictions For Makaleha Falls Estates.

7. All subdivision waterline improvements have been accepted and conveyed to the County of Kauai Board of Water Supply. The Subdivision roadway has been completed and a Dedication Deed for the roadway lot has been delivered to the County of Kauai. Grassing along the subdivision roadway is nearly completely grown in and should be accepted by the County of Kauai in the near future.

II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS

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

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

The Declaration for this condominium is:
[ ] Proposed
[X] Recorded - Bureau of Conveyances: Document No. 2003-109493
Book_____ Page _____
[ ] Filed - Land Court: Document No. _____

The Declaration referred to above has been amended by the following instruments [state name of document, date and recording/filing information]: First Amendment to Declaration of Condominium Property Regime of Awapuhi dated --- (acknowledged October 20, 2003), and recorded as Document No. 2003-233134.

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

The Condominium Map for this condominium project is:
[ ] Proposed
[X] Recorded - Bureau of Conveyances Condo Map No. 3591
[ ] 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]: First Amendment to Declaration of Condominium Property Regime of Awapuhi dated --- (acknowledged October 20, 2003), and recorded as Document No. 2003-233134.

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

The Bylaws for this condominium are:
[ ] Proposed
[X] Recorded - Bureau of Conveyances: Document No. 2003-109494
Book_____Page _____
[ ] Filed - Land Court: Document No. _____

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

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

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

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

[X] described in Exhibit "D" *.

[ ] as follows:

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

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

[ ] described in Exhibit _____.

[X] as follows:

Each unit shall have appurtenant thereto an undivided fifty percent (50%) interest in all common elements of the property, and the same proportionate share in all common profits and common expenses of the property (except as may be otherwise provided in the Bylaws) and for all other purposes, including voting. The fractional common interest for each unit is determined by assigning a fifty percent (50%) interest to each of the two (2) units irrespective of the actual land areas contained in the limited common elements appurtenant to each unit.

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 on or your purchase and ownership of an apartment in the project.

Exhibit "E" describes the encumbrances against the title contained in the title report dated November 10, 2003 and issued by First American Title Insurance Company.

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

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

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov
Website to access unofficial copy of laws: www.hawaii.gov/dcca/hrs
Website to access rules: www.hawaii.gov/dcca/har

This Public Report is a part of Registration No. 5117 filed with the Real Estate Commission on June 12, 2003.

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

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.

MAKALEHA LAND COMPANY, LLC
Owners/Developers

By _____ December 12, 2003
CHRISTOPHER B. SINGLETON Date
Its Managing Member

Distribution:

Department of Finance, County of Kauai

Planning Department, County of Kauai

EXHIBIT "D"

LIMITED COMMON ELEMENTS

Certain units shall have appurtenant thereto easements for the exclusive use of certain limited common elements as follows:

Yard Area A: Yard Area A consists of the land area under and surrounding Unit A, contains an area of 37,159 square feet, as designated on the Condominium Map and described in Exhibit 1 attached hereto and incorporated herein, and is reserved for the exclusive use of Unit A for the support of the building and other improvements comprising Unit A, and for the purposes described in the Project Documents.

Yard Area B: Yard Area B consists of the land area under and surrounding Unit B, contains an area of 50,174 square feet, as designated on the Condominium Map and described in Exhibit 2 attached hereto and incorporated herein, and is reserved for the exclusive use of Unit B for the support of the building and other improvements comprising Unit B, and for the purposes described in the Project Documents.

EXHIBIT "1"

D E S C R I P T I O N

"AWAPUHI"

UNIT A

LIMITED COMMON ELEMENT

Portion of Lot 7

Makaleha Falls Estates Subdivision

Grant 7023 to Jose K. Contrades

Kapaa Homesteads (First Series)

Situated at Kapaa, Kawaihau, Kauai, Hawaii

Beginning at the northeast corner of this unit, the northeasterly corner of Unit B of Awapuhi Condominium, portion of Lot 7, Makaleha Falls Estates Subdivision, Grant 7023 to Jose K. Contrades and west side of Lot 8, Makaleha Falls Estates Subdivision, portion of Grant 7023 to Jose K. Contrades, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 13,483.36 feet North and 2,001.97 feet West thence running by azimuths measured clockwise from True South:

1.	0°16'00"	267.74	feet along Lot 8, Makaleha Falls Estates Subdivision, portion of Grant 7023 to Jose K. Contrades;
2.	90°16'00"	238.68	feet along same;
3.	27°43'50"	141.03	feet along same;

4. Thence along the north side of Roadway Lot Cul-de-sac, Makaleha Falls Estates Subdivision, portion of Grant 7023 to Jose K. Contrades on a curve to the left with a radius of 40.00 feet, the chord azimuth and distance being 106°43'06" 15.28 feet;

5.	207°43'50"	153.06	feet along Lot 6, Makaleha Falls Estates Subdivision, portion of Grant 7023 to Jose K. Contrades;
6.	224°42'00"	353.94	feet along Unit B of Awapuhi Condominium, portion of Lot 7, Makaleha Falls Estates Subdivision, Grant 7023 to Jose K. Contrades to the point of beginning and containing an area of 37,159 Square Feet.

SUBJECT HOWEVER, to the following:

A. Existing Easement "AU-3" for Access and Utility Purposes in favor of Unit B of "Awapuhi" Condominium and Lot 8 of Makaleha Falls Estates, and for Utility Purposes in favor of Unit A of "Pua Keni Keni" Condominium.

B. Existing Easement "E-2A" for Electrical Purposes.

C. Building Envelope 1, described as follows:

Beginning at the northeast corner of Building Envelope 1, the true azimuth and distance from the initial point of beginning of the above described Unit A of "Awapuhi" Condominium being 7°00'00" 163.85 feet:

1.	0°16'00"	75.00	feet along remainder of Unit A of "Awapuhi" Condominium;
2.	90°16'00"	75.00	feet along same;
3.	180°16'00"	75.00	feet along same;
4.	270°16'00"	75.00	feet along same to the point of beginning.

ALSO TOGETHER WITH, Existing Easement "AU-4" for Access and Utility Purposes.

Licensed Professional Engineer
License No. 8662-C
Portugal Surveying & Mapping, Inc.
Lihue, HI 96766
July 26, 2002

EXHIBIT "2"

D E S C R I P T I O N

"AWAPUHI"

UNIT B

LIMITED COMMON ELEMENT

Portion of Lot 7

Makaleha Falls Estates Subdivision

Grant 7023 to Jose K. Contrades

Kapaa Homesteads (First Series)

Situated at Kapaa, Kawaihau, Kauai, Hawaii

Beginning at the northwest corner of this unit, the northeast corner of Lot 6, Makaleha Falls Estates Subdivision, portion of Grant 7023 to Jose K. Contrades and south side of Lot 68-L, portion of Grant 7803 to J.P. Contrades, the coordinates of said point of beginning referred to Government Survey Triangulation Station "NONOU" being 13,454.49 feet North ad 2,386.61 feet West, thence running by azimuths measured clockwise from True South:

1.	238°39'00"	43.54	feet along Lot 68-L, portion of Grant 7803 to J.P. Contrades;
2.	277°03'00"	172.40	feet along same;
3.	242°16'00"	199.59	feet along Lot 67, Grant 7372 to P. Lovell Jr.;
4.	0°16'00"	65.50	feet along Lot 8, Makaleha Falls Estates Subdivision, portion of Grant 7023 to Jose K. Contrades;
5.	44°42'00"	353.94	feet along Unit B of Awapuhi Condominium, portion of Lot 7, Makaleha Falls Estates Subdivision, Grant 7023 to Jose K. Contrades;

6.	148°39'00"	260.79	feet along Lot 6, Makaleha Falls Estates Subdivision, portion of Grant 7023 to Jose K. Contrades to the point of beginning and containing an area of 50,174 Square Feet.

SUBJECT HOWEVER, to Building Envelope 2 and described as follows:

Beginning at the northwest corner of Building Envelope 2, the true azimuth and distance from the initial point of beginning of the above described Unit B of "Awapuhi" Condominium being 272°50'22" 169.20 feet:

1.	270°16'00"	75.00	feet along remainder of Unit B of "Awapuhi" Condominium;
2.	0°16'00"	75.00	feet along same;
3.	90°16'00"	75.00	feet along same;
4.	180°16'00"	75.00	feet along same to the point of beginning.

TOGETHER WITH, existing Easements "AU-3" and "AU-4" for Access and Utility Purposes.

Licensed Professional Engineer
License No. 8662-C
Portugal Surveying & Mapping, Inc.
Lihue, HI 96766
July 26, 2002

EXHIBIT "E"

ENCUMBRANCES AGAINST TITLE

1. Any taxes that may be due and owing and tax liens that may exist, refer to Director of Finance, Kauai County.

   -Note:- Attention is invited to the fact that the premises covered herein may be subject to possible rollback or retroactive property taxes.

2. PURCHASE MONEY MORTGAGE dated August 13, 2001, in favor of FROST FAMILY TRUST DATED MAY 14, 1999 by its Trustees, Jess L. Frost and Dolores M. Frost, recorded in said Bureau as Document No. 2001-141590.

   By ASSIGNMENT AND ASSUMPTION OF PURCHASE MONEY MORTGAGE dated November 29, 2002, recorded as Document No. 2003-042119, MAKALEHA LAND COMPANY, LLC, a Hawaii limited liability company, assumes all obligations of above said mortgage. Consent given by instrument recorded as Document No. 2003-042120.

3. The terms and provisions contained in the Waiver and Release Agreement recorded February 26, 2003, as Document No. 2003-035355.

4. Easement "AU-3A" for access and utility purposes, as described in or disclosed by the instrument, recorded March 3, 2003, as Document No. 2003-038244, as amended.

5. Easement E-2A for electrical purposes, as described in or disclosed by the instrument, recorded March 3, 2003, as Document No. 2003-038244, as amended.

6. Building setback lines for the purposes of observing the flood way and preserving drainageways or surface water runoff, as described in instrument recorded March 3, 2003, recorded as Document No. 2003-038244, as amended.

7. Terms, provisions, reservations, covenants, conditions and restrictions, but deleting any of the aforementioned indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, marital status, ancestry, source of income or disability, to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes or Chapter 515 of the Hawaii Revised Statutes, as contained in the following:

   DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR MAKALEHA FALLS ESTATES dated January 31, 2003, recorded as Document No. 2003-038244.

   Said Declaration was amended by instrument dated April 29, 2003, recorded as Document No. 2003-091572, and by instrument dated May 27, 2003, and recorded as Document No. 2003-109476.

   Said Declaration was further amended by instrument dated October 23, 2003, and recorded as Document No. 2003-233132.

8. SECOND MORTGAGE AND CONSENT dated November 29, 2002, in favor of MAKALEHA FALLS LLC, a Hawaii limited liability company, recorded as Document No. 2003-042117. Consent given by FROST FAMILY TRUST dated May 14, 1999, by instrument recorded as Document No. 2003-042118.

9. Ditch as shown on survey map prepared by Thomas H. Oi, Licensed Professional Land Surveyor with Portugal Surveying & Mapping, Inc., dated December 2, 2002 and approved December 10, 2002, by instrument recorded as Document No. 2003-109493.

10. Building Envelope 1, as described in or disclosed by the instrument, recorded June 3, 2003, as Document No. 2003-109493.

11. Building Envelope 2, as described in or disclosed by the instrument, recorded June 3, 2003, as Document No. 2003-109493.

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

    Declaration of Condominium Property Regime of Awapuhi dated May 2, 2003, and recorded in said Bureau as Document No. 2003-109493.

    Condominium Map No. 3591, as amended.

    Said Declaration was amended by instrument dated --- (acknowledged October 20, 2003), recorded in said Bureau as Document No. 2003-233134.

13. By-Laws of the Association of Unit Owners of Awapuhi dated May 2, 2003, and recorded in said Bureau as Document No. 2003-109494.

14. Any and all unrecorded leases, subleases and/or tenancy agreements, the rights thereunder and encumbrances thereto

15. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.