

## CONDOMINIUM PUBLIC REPORT

Prepared &  
Issued by:

Developer: JON H. LADENHEIM and SARA B. LADENHEIM  
Address: P.O. Box 3322, Lihue, Kauai, Hawaii 96766

Project Name(\*): 4124 PAI STREET  
Address: 4124 Pai Street, Kalaheo, Koloa, Kauai, Hawaii

Registration No. 5629

Effective date: **November 29, 2006**

Expiration date: **December 29, 2007**

### 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: The developer may not as yet have created the condominium but has filed with the (yellow) 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: The developer has legally created a condominium and has filed complete information (white) with the Commission.  
 No prior reports have been issued.  
 This report supersedes all prior public reports.  
 This report must be read together with

SUPPLEMENTARY: This report updates information contained in the:  
(pink)  Preliminary Public Report dated:  
 Final Public Report dated:  
 Supplementary Public Report dated: April 13, 2005

And  Supersedes all prior public reports  
 Must be read together with  
 This report reactivates the Final public report(s) which expired on May 13, 2006

(\* 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 As Exhibit "G"       Not required - Disclosures covered in this report.

**Summary of Changes from Earlier Public Reports:**

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

No prior reports have been issued by the developer.

Changes made are as follows:

Page 5 to update attorney for Developer's address and name of broker for the sale of Unit 2

Page 6 to show recording of Second Amendment to Declaration

Page 11 to correct typographical error regarding number of bathrooms in residence on Unit 2

Exhibit C to show the correct number of bathrooms on Unit 2

Exhibit G to show updated disclosure regarding real estate broker and improvements to septic system and installation of second water meter to service Unit 1

(in addition to or replacing prior filing)

**SPECIAL NOTICE:**

1. Issuance of an effective date for this Public Report does not constitute an approval of the project by the Real Estate Commission, or any other governmental agency, nor does it imply that all County codes, ordinances and subdivision requirements have been complied with.
2. This project does not involve the sale of individual subdivided lots. The land area beneath and immediately adjacent to each unit, as shown on the Amended Condominium Map, is designated as a limited common element for that unit and does not represent a legally subdivided lot. The dotted lines on the Amended Condominium Map merely represent the location of the limited common element assigned to each unit.
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 for and services such as County street maintenance and trash collection will not be available for interior roads and driveways.
4. A separate water meter has been installed to service Unit 1 of the Project and the shared cesspool has been replaced by an upgraded, shared septic system, all at Developers' expense.

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

**I. PERSONS CONNECTED WITH THE PROJECT**

Developer: JON H. LADENHEIM and SARA B. LADENHEIM Phone: 808 332 5082  
Name\*  
P.O. Box 3322, Lihue, Kauai, Hawaii 96766,  
Business Address  
Lihue, Kauai, Hawaii 96766,

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

N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Broker\*: All Kauai Real Estate Phone: (808) 826-6800  
Name  
PO Box 1751  
Business Address  
Hanalei, Hawaii 96714

Escrow: Title Guaranty and Escrow Services, Inc. Phone: (808) 521-0211  
Name  
235 Queen Street  
Business Address  
Honolulu, Hawaii 96806

General Contractor\*: UNKNOWN Phone: \_\_\_\_\_  
Name  
Business Address  
\_\_\_\_\_

Condominium Managing Agent\* : To be self managed by the Association Phone: \_\_\_\_\_  
Name  
Business Address  
\_\_\_\_\_

Attorney for Developer: STEVEN R. LEE Phone: (808) 822-0019  
Name  
4334 Rice Street, Suite 204-C  
Business Address  
Lihue, Hawaii 96766

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

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

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

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

The Declaration for this condominium is:

<input type="checkbox"/> Proposed			
<input checked="" type="checkbox"/> Recorded -	Bureau of Conveyances:	Document No. 2004-096176	
		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]:

First Amendment to the Declaration of Condominium Property Regime of 4124 Pai Street and Condominium Map No. 3765, dated October 6, 2004, recorded at the Bureau of Conveyances, State of Hawaii, as Document No. 2004-207643;

Second Amendment to the Declaration of Condominium Property Regime of 4124 Pai Street dated July 14, 2006, recorded as Document No. 2006-166243

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 type="checkbox"/> Recorded -	Bureau of Conveyances	Condo Map No.	
<input checked="" type="checkbox"/> Filed -	Land Court	Condo Map No. <u>3765</u>	

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

Amended Condominium Map No. 3765, dated August 25, 2004, filed at the Bureau of Conveyances on October 8, 2004

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. 2004-096177	
		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]:

N/A

5. Special Use Restrictions:

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

- Pets: See Bylaws Section 5.3 (9)
- Number of Occupants: \_\_\_\_\_
- Other: \_\_\_\_\_
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 0 Trash Chutes: 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>Identify</u>
<u>Unit 1</u>	1	2 / 1	780	12 240	Residence Porch Deck
<u>Unit 2</u>	1	3 / 3	1,940	440 175	Residence Garage Deck

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

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

**Apartments Designated for Owner-Occupants Only:**

Fifty percent (50%) of **residential** apartments must be so designated; developer has a right to substitute similar apartments for those apartments already designated. Developer must provide this information either in a published announcement or advertisement as required by Section 514A-102, HRS; or include the information here in this public report and in the announcement (see attachment 11a). Developer has N/A elected to provide the information in a published announcement or advertisement.

- 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-1.6] (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.

JON H. LADENHEIM and SARA B. LADENHEIM  
 Printed Name of Developer

  
 \_\_\_\_\_  
 JON H. LADENHEIM

9/27/06  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 SARA B. LADENHEIM

9/27/06  
 \_\_\_\_\_  
 Date

JON H. LADENHEIM and SARA B. LADENHEIM, DEVELOPER  
 Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, COUNTY OF KAUAI

Planning Department, COUNTY OF KAUAI

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

**EXHIBIT "C"**

**SCHEDULE OF APARTMENTS AND COMMON INTERESTS**

Qty.	Unit No.	Area of Limited Common Element* (Sq.Ft.)	No. of Br./Bath	Appx. Net Living Area (Sq. Ft.)	Appx. Other Area (Sq. Ft.)	% of Common Int.
1 1 1	1	3,796	2 / 1	780 Residence	252 12 Porch 240 Deck	50%
1 1 1	2	5,266	3 / 3	1,940 Residence	440 Garage 174 Deck	50%

Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which common interest has been computed. Units 1 and 2 will each burden the common elements as shown above. Therefore, the assessment of undivided interest both for common expense and for voting is 50% for Unit 1; 50% for Unit 2.

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

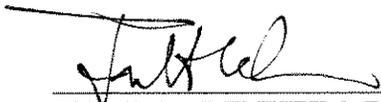
\*Note: Land areas referenced herein are not legally subdivided lots.

**EXHIBIT "G"**

**THIRD AMENDED DISCLOSURE ABSTRACT**

Pursuant to Hawaii Revised Statutes, Section 514(A)-61, the Developer of 4124 PAI STREET condominium makes the following disclosures:

1. The Developers of the project are JON H. LADENHEIM and SARA B. LADENHEIM, P.O. Box 3322, Lihue, Hawaii 96766, telephone (808) 332-5091.
2. A separate water meter has been installed to service Unit 1 of the Project and the shared cesspool has been replaced by an upgraded, shared septic system, all at Developers' expense.
3. There are no anticipated additional expenses resulting from the upgraded shared septic system and therefore Exhibit H to the Final Public Report will remain unchanged.
4. There are no warranties against defects of material and workmanship in individual apartments, common elements or exclusive use areas, and the purchaser buys his/her unit in an "as is" condition
5. All of the apartments of the project are to be used for permitted residential purposes only. No apartments shall be used for hotel or timeshare purposes. There will be no commercial use except those activities permitted by county ordinance.
6. Unit 1 was sold under the prior Public Report.
7. The extension date of the current public report expired May 13, 2006. Unit 2 is currently listed for sale. All Kauai Real Estate, P.O. Box 1751, Hanalei, Hawaii 96714, telephone (808) 826-6800, has been chosen as the broker for the sale.
8. The Developer has not conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended. There are no depreciable common elements in the Project.
9. There are certain limitations regarding any increase in size of the structures on both Units 1 and 2.
10. The Developer discloses Common Interest has been divided equally as shown: Unit 1 – 50% and Unit 2 – 50%, reflecting the burden on common elements by the five units.
11. Developer represents that in every other respect the information contained in the Final Public Report remains accurate and in full force and effect.

  
\_\_\_\_\_  
JON H. LADENHEIM, Developer

9/6/06  
Date

  
\_\_\_\_\_  
SARA B. LADENHEIM, Developer

9/6/06  
Date

---

RECEIPT

The undersigned has received a copy of the foregoing Amended Disclosure Abstract this  
\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

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