

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer: LEE B. CERIONI and PAULA L. CERIONI (Units 3 & 4)
Address: P.O. Box 1259, Koloa, Hawai'i 96756

Developer: DAVID G. MEISSNER and MARION S. MEISSNER (Units 1 & 2)
Address: 694 Lake Shore Road, Grafton, Wisconsin 53024

Project Name(*): MAKANA KAI ESTATES CONDOMINIUM
Address: Lots 6 & 7, Kukuioolono Subdivision, Puu Road, Kalaheo, Hawai'i 96741

Registration No. 5902

Effective date: May 22, 2006

Expiration date: April 14, 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: (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A final Public Report will be issued by the developer when complete information is filed.

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

x SUPPLEMENTARY: (pink) This report updates information contained in the:
[] Preliminary Public Report dated:
[x] Final Public Report dated: March 14, 2006
[] Supplementary Public Report dated:

And [] Supersedes all prior public reports
[x] Must be read together with Final Public Report dated March 14, 2006
[] This report reactivates the public report(s) which expired on

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

- Required and attached to this report (attached hereto as Amended 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:

- A. The Developer, Honua Nani Properties LLC, conveyed Units 1 through 4 to its members as follows:
1. Units 1 and 2 to David G. Meissner and Marion S. Meissner, husband and wife, by two Apartment Deeds dated March 20, 2006 and recorded as Document Nos. 2006-056663 and 2006-056664; and
 2. Units 3 and 4 to Lee B. Cerioni and Paula L. Cerioni, husband and wife, by two Apartment Deeds dated March 20, 2006 and recorded as Document Nos. 2006-056665 and 2006-056666.
- B. The Developer Honua Nani Properties LLC is hereby replaced by Developers Lee B. Cerioni and Paula L. Cerioni, husband and wife as to Units 3 and 4, and David G. Meissner, and Marion S. Meissner, husband and wife as to Units 1 and 2.
- C. In addition to this Supplemental Public Report, the change of Owner/Developer affects the following documents previously provided to the Real Estate Commission:
1. Specimen Sales Contract
 2. Specimen Apartment Deed
 3. Title Report
 4. Master Deed

SPECIAL NOTICE:

This is a condominium project, not a subdivision. There are County restrictions on the number of dwelling units, or other structures, which may be built upon the property. Therefore, unless the purchaser is purchasing an existing dwelling, there is no assurance that the purchaser will be able to build a dwelling unit on the property. There also is no assurance that the purchaser will be able to convert an existing non-residential structure to residential use. The purchaser should consult with the appropriate County agencies to determine whether the purchaser may build a dwelling unit, or any other type of structure.

1. There are presently four shade structures located on the project, which may be defined as an "apartment" under the Condominium Property Act.
2. Issuance of an effective date for this Public Report does not constitute an approval of the project by the Real Estate Commission, or any other governmental agency, nor does it imply that all County codes, ordinances and subdivision requirements have been complied with.

(Continued on Page 2a)

SPECIAL NOTICE (continued):

3. This project does not involve the sale of individual subdivided lots. The land area beneath and immediately adjacent to each unit, as shown on the Condominium Map, is designated as a limited common element for that unit and does not represent a legally subdivided lot. The dotted or dash lines on the Condominium Map generally represent the location of the limited common element or easements assigned to each unit.
4. 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.
5. At present there is a public water system serving the individual units of this project. Two water meters are located at the north eastern point of Unit 2 and two water meters are located at the north eastern point of Unit 4. Those desiring to construct improvements on such units will be required to connect to the water meters at their own expense. Any Owner desiring to connect to the Kauai County water system must comply with its rules and regulations. Each Unit Owner who desires to connect to the water system may utilize the Easements and Common Elements as provided for in the Declaration and as depicted on the Condominium Map. Any connection to the water meters may require trenching along the appropriate portions of the easements and common elements provided for that purpose.
6. This project includes two parcels of land identified in the Declaration. Units 1 and 2 are on Parcel 17 (Lot 6) and Units 3 and 4 are on Parcel 18 (Lot 7). Access to each Unit is provided by Easement A-1 and Common Element #1 as shown on the CPR Map and as otherwise granted in the declaration.
7. A portion of Lot 6 and 7 of this Project is zoned "open" under the Comprehensive Zoning Ordinance of the County of Kauai. An approximate line between the Agricultural zoned area and the Open zoned area is located on the Condominium Map as copied from Belt Collins Hawaii Map Exhibit Dated 02-25-2004. Each Unit owner should verify with the County the exact location of the Agricultural/Open boundary line. Unit Owners should also review the provisions of Section IX of the Declaration relating to use restrictions in agricultural and open zoned portions of the project.

A buyer should understand that development and use of the property shall be in compliance with all County Codes and Ordinances. If County facilities are not already in place, the prospective purchaser is advised that owners in the project will not necessarily receive the same County benefits as owners of approved subdivided lots; owners who develop their properties later than others may find that land use and zoning changes or insufficient utility capacities may thwart their expectations. Zoning and land use restrictions are subject to change and each purchaser should maintain awareness of such conditions.

THIS 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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I. PERSONS CONNECTED WITH THE PROJECT

Developer: LEE B. CERIONI and PAULA L. CERIONI (Units 3 & 4) Phone: 808-742-6996
 Name* (Business)
P.O. Box 1259
 Business Address
Koloa, Hawai'i 96756

Developer: DAVID G. MEISSNER and MARION S. MEISSNER (Units 1 & 2) Phone: 920-868-3514
 Name* (Business)
694 Lake Shore Road
 Business Address
Grafton, Wisconsin 53024

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*: (None at this time. See page 20a) Phone: _____
 Name (Business)

 Business Address

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 521-0211
 Name (Business)
235 Queen Street, First Floor
 Business Address
Honolulu, Hawaii 96813

General Contractor*: Malcolm L. Milks, Jr. Phone: 808-532-6666
Milks Construction (Business)
 Name
P.O. Box 1240
 Business Address
Kalaheo, Hawai'i 96741

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

Attorney for Developer: Glen T. Hale Phone: 808-245-4100
Hale & Goldberg LLP (Business)
 Name
2970 Kele Street Suite 210
 Business Address
Lihue, Hawaii 96766-1803

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

Fee Owner: LEE B. CERIONI and PAULA L. CERIONI (Units 3 & 4)
 Name
P.O. Box 1259
 Address
Koloa, Hawai'i 96756

Fee Owner: DAVID G. MEISSNER and MARION S. MEISSNER (Units 1 & 2)
 Name
694 Lake Shore Road
 Address
Grafton, Wisconsin 53024

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: Four (4) Floors Per Building One (1)

Exhibit _____ contains further explanations.

3. Principal Construction Material:

Concrete Hollow Tile Wood

Other shade cloth and iron fence posts

4. Permitted Uses by Zoning:

	No. of Apts.		<u>Use Permitted by Zoning</u>	
<input type="checkbox"/> Residential	_____		<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Commercial	_____		<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	_____		<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Hotel	_____		<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Timeshare	_____		<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Ohana	_____		<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Industrial	_____		<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> Agricultural	<u>4</u>	(shade sheds)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Recreational	_____		<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Other:	_____		<input type="checkbox"/> Yes	<input type="checkbox"/> No

Is/Are this/ these use(s) specifically permitted by the project's Declaration or Bylaws?

Yes No

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

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 E.

as follows:

3. Common Interests: Each apartment will have an undivided fractional interest 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 C.

as follows:

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

Exhibit F describes the encumbrances against the title contained in the title report dated April 12, 2006 and issued by Title Guaranty of Hawaii, Inc..

Blanket Liens:

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

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

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>
N/A	

F. Construction Warranties:

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

1. Building and Other Improvements: None

2. Appliances: None

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all the 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 given 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 Two Limited Warranty Deeds with Reservations, Covenants, Conditions, and Restrictions; Declaration of Covenants, Conditions, and Restrictions for Kukuiohono Subdivision; and Grant of Easement.

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:

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. 5902 filed with the Real Estate Commission on December 27, 2005.

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:**

1. Restrictive Covenants

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

2. Replacement or Remodeling

There are currently four non-residential improvements constructed on Units 1, 2, 3 and 4 of the project. These can be replaced by or remodeled as allowed by law and project documents. The prospective purchaser shall have the right to undertake such work at purchaser's expense. The purchaser shall also, in such event, file the "as-built" certificate within thirty days of completion of the residence in conformance with Section 514A-12, Hawaii Revised Statutes, and record an amendment of the Declaration of Condominium Property Regime ("Declaration") to describe the residence. The County of Kauai Planning Department, in order to process the necessary permits for the construction of any other structure, requires authorization from at least 75% of the legal and equitable ownership of the entire project, consistent with the Declaration and the Bylaws ("condominium documents").

3. Project Land

This project includes two parcels of land identified in the Declaration. Units 1 and 2 are on Parcel 17 (Lot 6) and Units 3 and 4 are on Parcel 18 (Lot 7). Access to each Unit is provided by Easement A-1 and Common Element #1 as shown on the CPR Map and as otherwise granted in the declaration.

4. County Codes and Ordinances

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

A portion of Lot 6 and 7 of this Project is zoned "open" under the Comprehensive Zoning Ordinance of the County of Kauai. An approximate line between the Agricultural zoned area and the Open zoned area is located on the Condominium Map as copied from Belt Collins Hawaii Map Exhibit Dated 02-25-2004. Each Unit owner should verify with the County the exact location of the Agricultural/Open boundary line. Unit Owners should also review the provisions of Section IX of the Declaration relating to use restrictions in agricultural and open zoned portions of the project.

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

Purchasers should be aware that Chapter 205, Hawaii Revised Statutes (HRS), 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". See Section IX of the Declaration.

(Continued on Page 20a)

C. Additional Information (continued):

Purchasers should be aware that Chapter 205, Hawaii Revised Statutes (HRS), 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".

The term "farm dwelling" is defined in H.R.S. Chapter 205-4.5(a)(4) as a "single family dwelling located on and used in connection with a farm, including clusters of single-family farm dwelling permitted within agricultural parks developed by the State or where agricultural activity provides income to the family occupying the dwelling. "

The penalty for violation of Chapter 205-4.5, HRS, 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.

In order for any purchaser to obtain a building permit to construct a single-family residential ("farm dwelling"), the County of Kauai will require the purchaser to sign a Farm Dwelling Agreement in the form attached hereto as Exhibit "J".

The Developer discloses that, in order to process the necessary permits for the construction of a farm dwelling and the processing of a farm dwelling agreement on agriculturally zoned parcels, authorization from at least 75% of the legal and equitable ownership of the entire project shall be required, consistent with the Declaration of Condominium Property Regime and the Bylaws. Except as limited specifically by the project documents of record, all uses permitted in the agricultural zone are permitted. Such uses include, but are not limited to, growing crops, raising animals, residence, diversified agriculture, forestry, orchards and nurseries and wildlife management. See Kauai County Comprehensive Zoning Ordinance, Article 8.7. for detailed information. In relation to specifically permitted uses of buildings and other improvements, structures shall only be occupied or used for agriculture, associated residential uses or other uses permitted by law and the recorded project documents. A farm dwelling may not be constructed unless a unit owner demonstrates to the County his ability to derive income from his property, established and verified prior to any building permit approval.

A buyer should understand that development and use of the property shall be in compliance with all County Codes and Ordinances. If County facilities are not already in place, the prospective purchaser is advised that owners in the project will not necessarily receive the same County benefits as owners of approved subdivided lots; owners who develop their properties later than others may find that land use and zoning changes or insufficient utility capacities may thwart their expectations. Zoning and land use restrictions are subject to change and each purchaser should maintain awareness of such conditions.

5. Disclosure regarding selection of Real Estate Broker

The Developer plans to sell the apartments in the project, but is not prepared to make any current offerings of sale. When the Developer begins selling or offers to sell, the Developer will 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.

6. Current Developer Status

- A. The Developer, Honua Nani Properties LLC, conveyed Units 1 through 4 to its members as follows:
 - 1. Units 1 and 2 to David G. Meissner and Marion S. Meissner, husband and wife, by two Apartment Deeds dated March 20, 2006 and recorded as Document Nos. 2006-056663 and 2006-056664.
 - 2. Units 3 and 4 to Lee B. Cerioni and Paula L. Cerioni, husband and wife, by two Apartment Deeds dated March 20, 2006 and recorded as Document Nos. 2006-056665 and 2006-056666; and
- B. The Developer Honua Nani Properties LLC is hereby replaced by Developers Lee B. Cerioni and Paula L. Cerioni, husband and wife as to Units 3 and 4, and David G. Meissner and Marion S. Meissner, husband and wife as to Units 1 and 2.

- 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.

LEE B. CERIONI and PAULA L. CERIONI (Units 3 & 4)
DAVID G. MEISSNER and MARION S. MEISSNER (Units 1 & 2)
 Name of Developer

By: <u><i>David G. Meissner</i></u>		<u>4/17/06</u>
	Duly Authorized Signatory*	Date
By: <u><i>Marion S. Meissner</i></u>		<u>4/17/06</u>
	Duly Authorized Signatory*	Date
By: <u><i>Lee B. Cerioni</i></u>		<u>4/17/06</u>
	Duly Authorized Signatory*	Date
By: <u><i>Paula L. Cerioni</i></u>		<u>4/17/06</u>
	Duly Authorized Signatory*	Date

LEE B. CERIONI, PAULA L. CERIONI,
DAVID G. MEISSNER and MARION S. MEISSNER, Owner/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.**

AMENDED EXHIBIT F

AMENDED ENCUMBRANCES AGAINST TITLE

1. Real Property Taxes. Check with the County of Kauai, Department of Finance, Real Property Tax Division, for detailed information.

2. SETBACK

PURPOSE: drainageway and building
SHOWN: on File Plan No. 2363

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

INSTRUMENT: DECLARATION OF COVENANTS, CONDITIONS,
 AND RESTRICTIONS FOR KUKUIOLONO
 SUBDIVISION

DATED: April 23, 2004
RECORDED: Document No. 2004-083203

4. -AS TO LOT 6:-

(A) DESIGNATION OF EASEMENT "4"

PURPOSE: drainage
SHOWN: on File Plan No. 2363

(B) The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT: LIMITED WARRANTY DEED WITH
 RESERVATIONS, COVENANTS, CONDITIONS
 AND RESTRICTIONS

DATED: May 25, 2004
RECORDED: Document No. 2004-107434

5. -AS TO LOT 7:-

(A) The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:

INSTRUMENT: LIMITED WARRANTY DEED WITH
 RESERVATIONS, COVENANTS, CONDITIONS AND
 RESTRICTIONS

DATED: November 22, 2004
RECORDED: Document No. 2004-237443

(B) GRANT

TO: KAUAI ISLAND UTILITY COOPERATIVE, a cooperative association and HAWAIIAN TELCOM INC.

DATED: October 18, 2005
RECORDED: Document No. 2005-222727
GRANTING: a perpetual easement for utility and access purposes, as shown on the map attached thereto

6. -AS TO CONDOMINIUM UNIT NO. 2:-

DESIGNATION OF EASEMENT U-1

PURPOSE : utility purposes
SHOWN : in Declaration dated August 18, 2005

7. -AS TO CONDOMINIUM UNIT NO. 4:-

DESIGNATION OF EASEMENT U-2

PURPOSE : utility purposes
SHOWN : in Declaration dated August 18, 2005

8. -AS TO CONDOMINIUM UNIT NOS. 1 AND 2:-

DESIGNATION OF EASEMENT A-1

PURPOSE : vehicular and pedestrian access
SHOWN : in Declaration dated August 18, 2005

9. -AS TO CONDOMINIUM UNIT NOS. 3 AND 4:-

DESIGNATION OF EASEMENT A-2

PURPOSE : vehicular and pedestrian access
SHOWN : in Declaration dated August 18, 2005

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

INSTRUMENT: DECLARATION OF CONDOMINIUM
PROPERTY REGIME FOR "MAKANA KAI
ESTATES CONDOMINIUM"
CONDOMINIUM PROJECT

DATED: August 18, 2005
RECORDED: Document No. 2005-183273
MAP: 4071 and any amendments thereto

Said Declaration was amended by instrument dated November 16, 2005, recorded as Document No. 2005-246923.

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

INSTRUMENT: BY-LAWS OF THE ASSOCIATION OF
APARTMENT OWNERS

DATED: August 18, 2005
RECORDED: Document No. 2005-183274

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

INSTRUMENT: DECLARATION OF PROTECTIVE
COVENANTS AND HOUSE RULES FOR
MAKANA KAI ESTATES CONDOMINIUM

DATED: August 18, 2005
RECORDED: Document No. 2005-183275

13. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land described herein.

END OF AMENDED EXHIBIT F

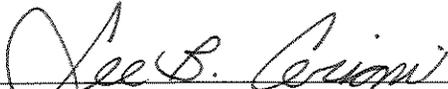
AMENDED EXHIBIT G

AMENDED DISCLOSURE ABSTRACT FOR MAKANA KAI ESTATES

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

1. The Developers of the project are LEE B. CERIONI and PAULA L. CERIONI, husband and wife, as to Units 3 and 4, whose mailing address is P.O. Box 1259, Koloa, Hawai'i 96756, and DAVID G. MEISSNER and MARION S. MEISSNER, husband and wife, as to Units 1 and 2, whose mailing address is 694 Lake Shore Road, Grafton, Wisconsin 53024.
2. See Exhibit H to the Final Public Report for the projected annual maintenance fees. The Developers hereby certify that the estimations have been based on generally accepted accounting principles.
3. There are no warranties against defects of material and workmanship in individual apartments, common elements or exclusive use areas, and the purchaser buys his/her unit in an "as is" condition.
4. All of the apartments of the project are to be used for agricultural and permitted residential purposes in the agricultural zone only. Uses within each Unit, to the extent applicable, will also be subject to open zone requirements. No units shall be used for hotel or timeshare purposes. There will be no commercial use except those activities permitted by County Ordinance.
5. There is currently no real estate broker for this Project. Please refer to page 20a of the public report.
6. The Developer has not conducted a reserve study in accordance with 514A-83.6, 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.
7. This project includes existing structures being converted to condominium ownership.

In witness whereof, the Developer has executed this Disclosure Abstract this 17th day of April, 2006.


LEE B. CERIONI


DAVID G. MEISSNER


PAULA L. CERIONI


MARION S. MEISSNER

RECEIPT

The undersigned has received a copy of the foregoing Disclosure Abstract with Exhibit H this ___ day of _____, 200__.

Purchaser(s):

END OF AMENDED EXHIBIT G

AMENDED EXHIBIT H

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

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
UNIT 1	\$87.50	\$1,050
UNIT 2	\$87.50	\$1,050
UNIT 3	\$87.50	\$1,050
UNIT 4	\$87.50	\$1,050

NOTE:

1. Pursuant to **Section 6.3** of the project Bylaws, each Unit owner is responsible to insure the dwellings and/or other structures located within the Unit's Limited Common Element. The estimated insurance premium set forth on page 2 of this Exhibit applies only to common improvements, if any, on the project.
2. Estimated ground maintenance costs are provided in the event the Unit Owners decide, pursuant to the Association Bylaws, to jointly maintain any portion of the project.
3. There are no estimated reserve costs because the project does not have common improvements that require periodic maintenance. If the Association determines there is a portion of the project that requires joint maintenance, the necessary funds may be assessed through a special assessment.

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

Estimate of Maintenance Fee Disbursements:

	<u>Monthly Fee</u> x 12 months =	<u>Yearly Total</u>
Utilities and Services	\$	\$
Air Conditioning		
Electricity		
<input type="checkbox"/> common elements only		
<input type="checkbox"/> common elements and apartments		
Elevator		
Gas		
<input type="checkbox"/> common elements only		
<input type="checkbox"/> common elements and apartments		
Refuse Collection		
Telephone		
Water and Sewer		
Maintenance, Repairs and Supplies		
Building		
Grounds	\$200.00	\$2,400
Management		
Management Fee		
Payroll and Payroll Taxes		
Office Expenses		
Insurance	\$150.00	\$1,800
Reserves(*)		
Taxes and Government Assessments		
Audit Fees		
Other	_____	_____
TOTAL:	\$350.00	\$4,200

We, LEE B. CERIONI and PAULA L. CERIONI, as to Units 3 and 4, and DAVID G. MEISSNER and MARION S. MEISSNER, as to Units 1 and 2 and together as Developers, for the "MAKANA KAI ESTATES CONDOMINIUM" condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

David G. Meissner
Signature

4/17/06
Date

Marion S. Meissner
Signature

4/17/06
Date

Lee B. Cerioni
Signature

4/17/06
Date

Paula L. Cerioni
Signature

4/17/06
Date

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

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

END OF AMENDED EXHIBIT H