DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM

CONDOMINIUM PROJECT NAME	OLOHENA GARDENS
Project Address	6695 B Olohena Road Kapaa, HI 96746
Registration Number	6318 (Partial Conversion)
Effective Date of Report	September 13, 2007
Developer(s)	Richard A. Garland, Drusilla J. Garland, Anne S. Hastings, and Matthew G. Beall

Preparation of this Report

The Developer prepared this report to disclose relevant information, including "material facts", that are reasonably known to the Developer about the condominium project covered by this report. This report has been prepared pursuant to the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, as amended from time to time. The law defines "material facts" to mean "any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale."

This report has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts or all pertinent changes, or both, about the project have been fully or adequately disclosed; or (3) is not the Commission's judgment of the value or merits of the project.

This report may be used by the Developer for promotional purposes only if it is used in its entirety. No person shall advertise or represent that the Commission has approved or recommended the project, this report or any of the documents submitted with Developer's application for registration of this project.

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, including any omitted material facts, together with such supporting information as may be required by the Commission. In addition, the Developer may choose at any time to change or update the information in this report. Annually, at least thirty days prior to the anniversary date of the Effective Date of this report, the Developer shall file an annual report to update the material contained in this report. If there are no changes, the Developer is required to state that there are no changes. The Developer's obligation to amend this report or to file annual reports ends when the initial sales of all units in the project have been completed.

Purchasers are encouraged to read this report carefully and to seek professional advice before signing a sales contract for the purchase of a unit in the project.

Signing a sales contract may legally bind a purchaser to purchase a unit in the project, though a purchaser may have rights to cancel or rescind a sales contract under particular circumstances that may arise.

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

0701.REC DPR

SPECIAL ATTENTION

[Use this page for special or significant matters which should be brought to the purchaser's attention and that are not covered elsewhere in this report.]

(See Page 18.)

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 OR WARRANTY 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 is presently one (1) farm dwelling, a detached garage and a shed on the project.

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.

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 not a legally subdivided lot. The dotted or dash lines on the Condominium Map generally represent the location of the Unit boundaries and/or easements

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.

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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EXHIBIT B: Summary of Sales Contract
EXHIBIT C: Schedule of Apartments and Common Interest
EXHIBIT D: Summary of Portions of Escrow Agreement
EXHIBIT E: Common Elements and Limited Common Elements of the Project
EXHIBIT F: Encumbrances Against Title
EXHIBIT G: Memorandum from the County of Kauai Planning Department dated October 16, 2006
EXHIBIT H: Estimate of Initial Maintenance Fees and Disbursements
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EXHIBIT K: Statement of Developer's Affiliation with Broker

General Information On Condominiums

A condominium is a special form of ownership of real property. To create a condominium in Hawaii after July 1, 2006, the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, must be followed. 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 and/or the building(s) and other improvements are leased to the purchaser. The lease for the land usually requires that at the end of the lease term, the lessees (unit owners) deliver their interest in the land to the lessor (fee property owner).

If you are a typical condominium unit owner, you will have two kinds of ownership: (1) ownership in your individual unit; and (2) a percentage interest in the common elements.

You will be entitled to exclusive ownership and possession of your unit. Subject to the documents governing them, condominium units may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift or operation of law.

Your unit will, however, be part of the group of units that comprise the condominium project. Study the project's Declaration of Condominium Property Regime, Bylaws of the Association of Unit Owners, Condominium Map and House Rules, if any, which are being concurrently delivered to you with this report. These documents contain important information on the use and occupancy of the units and the common elements of the project, as well as the rules and regulations of conduct for unit owners, tenants and guests.

Operation of the Condominium Project

The Association of Unit Owners is the entity through which unit owners may take action with regard to the administration, management and operation of the condominium project. Each unit 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 a unit owner. The Board and officers can take certain actions without the vote of the unit owners. For example, the Board may hire and fire employees, increase or decrease maintenance fees, adopt budgets for revenues, expenses and reserves and regulate the use, maintenance, repair and replacement of common elements. Some of these actions may significantly impact the unit owners.

Until there is a sufficient number of purchasers of units to elect a majority of the Board, it is likely at first 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 purchasers should understand that it is important to all unit owners that the transition of control from the Developer to the unit owners be accomplished in an orderly manner and in a spirit of cooperation.

1. THE CONDOMINIUM PROJECT

1.1 The Underlying Land

Fee Simple or Leasehold Project	☒Fee Simple ☐ Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	☒Yes ☐ No
Fee Owner's Name if Developer is not the Fee Owner	n/a
Address of Project	6695 B Olohena Road Kapaa, HI 96746
Address of Project is expected to change because	each future unit will receive it's own address.
Tax Map Key (TMK)	(4) 4-4-002-099
Tax Map Key is expected to change because	the County will assign a tax map key number to each Unit.
Land Area	2.999 acres
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	n/a

1.2 Buildings and Other Improvements

Number of Buildings	Three (3)
Floors Per Building	Two structures with two (floors); the shed has one floor.
Number of New Building(s)	One (1)
Number of Converted Building(s)	Two (2)
Principal Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Wood

1.3 Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc.)	Total Area
Unit A (Residence)	1	2/2.5	2,432	1184	covered lanai, entry/covered deck, and back entry/deck, breezeway connecting to detached garage	3616
Unit A (Detached Garage)	1	1/1	440	638	garage/utility, storage, and entry/covered deck	1078
Unit B	1	n/a	n/a	16	shade shed	16
See Exhibit C.						

2	**Total Number of Units**

Note: Net Living Area is the floor area of the unit measured from the interior surface of the perimeter walls of the unit. Other documents and maps may give floor area figures that differ from those above because a different method of determining floor area may have been used.

1.4 Parking Stalls

Total Parking Stalls in the Project:	Four (4)
Number of Guest Stalls in the Project:	n/a
Number of Parking Stalls Assigned to Each Unit:	Each Unit has at least two (2) parking areas.
Attach Exhibit n/a specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact or tandem and indicate whether covered or open).	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights. n/a	

1.5 Boundaries of the Units

Boundaries of the unit: Each Unit shall be deemed to include the physical or spatial portion of the condominium designated for separate ownership or occupancy; the undivided interest in the common elements of the project; all improvements and structures constructed or to be constructed on each Unit; and all easements, rights, and appurtenances intended for use in connection with the condominium which together are appurtenant to the Unit and are shown on the Condominium Map for the Project.

1.6 Permitted Alterations to the Units

Permitted alterations to the unit (if the unit is defined as a non-physical or spatial portion of the project, also describe what can be built within such portion of the project): Permitted alterations to Units are as allowed by County of Kauai zoning ordinances and recorded restrictions on the project, if any. Each Unit may include a private residential dwelling (or farm dwelling) and accessory buildings as allowed Kauai County Zoning Ordinance.

1.7 Common Interest

Common Interest: Each unit will have a percentage interest in the common elements appurtenant to each unit. This interest is called the "common interest". It is used to determine each unit'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 unit owners. The common interest for each unit in this project, as described in Declaration, is: Unit A = 50% and Unit B = 50%
Described in Exhibit C.
As follows: See Exhibit C

1.8 Recreational and Other Common Facilities (Check if applicable):

☐	Swimming pool
☐	Laundry Area
☐	Storage Area
☐	Tennis Court
☐	Recreation Area
☐	Trash Chute/Enclosure(s)
☐	Exercise Room
☐	Security Gate
☐	Playground
☐	Other (describe):

1.9 Common Elements

Common Elements: Common elements are those parts of the condominium project other than the individual units and any other real estate for the benefit of unit owners. Although the common elements are owned jointly by all unit owners, those portions of the common elements that are designated as limited common elements (see Section 1.10 below) may be used only by those units to which they are assigned. In addition to the common facilities described in Section 1.8 above, the common elements for this project, as described in the Declaration, are set forth below.
Described in Exhibit E.
Described as follows:

Common Element	Number
Elevators	0
Stairways	0
Trash Chutes	0

1.10 Limited Common Elements

Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.
Described in Exhibit E.
Described as follows: n/a

1.11 Special Use Restrictions

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include, but are not limited to, those described below.	
☒	Pets:
☐	Number of Occupants:
☒	Other: See Section 10.1, Section 13.2, and Section 13.3 of the Declaration.
☐	There are no special use restrictions.

1.12 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 a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit (see Section 5.3 on Blanket Liens).
Exhibit F describes the encumbrances against title contained in the title report described below.
Date of the title report: August 10, 2007
Company that issued the title report: Title Guaranty of Hawaii, Inc.

1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning				
	Type of Use	No. of Units	Use Permitted by Zoning	Zoning
☐	Residential		☒Yes ☐No	
☐	Commercial		☐Yes ☐No	
☐	Mix Residential/Commercial		☐Yes ☐No	
☐	Hotel		☐Yes ☐No	
☐	Timeshare		☐Yes ☐No	
☐	Ohana		☐Yes ☐No	
☐	Industrial		☐Yes ☐No	
☒	Agricultural	One	☒Yes ☐No	Agriculture/Open
☐	Recreational		☐Yes ☐No	
☒	Other(specify) shade shed	One	☐Yes ☐No	Agriculture/Open
Is/Are this/these use(s) specifically permitted by the project's Declarations or Bylaws?			☒Yes ☐No	
Variances to zoning code have been granted.			☐Yes ☒No	
Describe any variances that have been granted to zoning code.			n/a	

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots

In general, a non-conforming use, structure or lot is a use, structure or lot that was lawful at one time but that does not now conform to present zoning requirements. Under present zoning requirements, limitations may apply to extending, enlarging or continuing the non-conformity and to altering and repairing non-conforming structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

If a variance has been granted or if uses, structures or lots are either non-conforming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above.

A purchaser may not be able to obtain financing or insurance if the condominium project has a nonconforming or illegal use, structure or lot.

	Conforming	Non-Conforming	Illegal
Uses	☒	☐	☐
Structures	☒	☐	☐
Lot	☒	☐	☐

If a non-conforming use, structure or lot exists in this project, this is what will happen under existing laws or codes if the structure is damaged or destroyed:

n/a

1.15 Conversions

Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.	☐ **Applicable** ☒ **Not Applicable**
Developer's statement, based upon a report prepared by a Hawaii-licensed architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units: n/a	
Developer's statement of the expected useful life of each item reported above: n/a	
List of any outstanding notices of uncured violations of any building code or other county regulations: n/a	
Estimated cost of curing any violations described above: n/a	

Verified Statement from a County Official
Regarding any converted structures in the project, attached as Exhibit G is a verified statement signed by an appropriate county official which states that either: (A) The structures are in compliance with all zoning and building ordinances and codes applicable to the project at the time it was built, and specifying, if applicable: (i) Any variances or other permits that have been granted to achieve compliance; (ii) Whether the project contains any legal nonconforming uses or structures as a result of the adoption or amendment of any ordinances or codes; and (iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the structure into compliance; or (B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.
Other disclosures and information: n/a

1.16 Project In Agricultural District

Is the project in an agricultural district as designated by the land use laws of the State of Hawaii? **If answer is "Yes", provide information below.**	☒**Yes** ☐**No**
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable state and county land use laws? ☒ **Yes** ☐ **No** If the answer is "No", provide explanation.	
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable county real property tax laws? ☒ **Yes** ☐ **No** If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.	
Other disclosures and information: **(See Page 18.)**	

1.17 Project with Assisted Living Facility

Does the project contain any assisted living facility units subject to Section 321-11(10), HRS? **If answer is "Yes", complete information below.**	☐**Yes** ☒**No**
Licensing requirements and the impact of the requirements on the costs, operations, management and governance of the project. n/a	
The nature and the scope of services to be provided. n/a	
Additional costs, directly attributable to the services, to be included in the association's common expenses. n/a	
The duration of the provision of the services. n/a	
Other possible impacts on the project resulting from the provision of the services. n/a	
Other disclosures and information. n/a	

2. PERSONS CONNECTED WITH THE PROJECT

2.1 Developer(s)	Name: (See Page 9a attached) Business Address: (See Page 9a attached) Business Phone Number: (808) 240-2474 E-mail Address:
Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).	n/a
2.2 Real Estate Broker	Name: All Islands, Inc. dba Century 21, All Islands Business Address: 4-831 Kuhio Highway, Suite 300 Kapaa, HI 96746 Business Phone Number: (808) 521-0211 E-mail Address:
2.3 Escrow Depository	Name: Title Guaranty Escrow Services, Inc. Business Address: 235 Queen Street, First Floor Honolulu, Hawaii 96813 Business Phone Number: (808) 521-0211
2.4 General Contractor	Name: Bittner Construction, LLC Business Address: P.O. Box 456 Anahola, Hawaii 96703 Business Phone Number: (808 822-4053
2.5 Condominium Managing Agent	Name: Self-Managed by the Association Business Address: Business Phone Number:
2.6 Attorney for Developer	Name: Glen T. Hale Hale & Goldberg LLP Business Address: 2970 Kele Street, Suite 210 Lihue, HI 96766 Business Phone Number: (808) 245-4100

(See Page 9a)

2.1 Developer(s) continued:

Name:	Richard A. Garland Drusilla J. Garland	Anne S. Hastings	Matthew G. Beall
Business Address:	4620 Anolani Street Kapaa, HI 96746	441 Alosta Drive Camarillo, CA 93010	Post Office Box 1148 Kapaa, HI 96746

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.		
Land Court or Bureau of Conveyances	Date of Document	Document Number
Declaration of CPR	July 12, 2007	2007-143984

Amendments to Declaration of Condominium Property Regime		
Land Court or Bureau of Conveyances	Date of Document	Document Number

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit 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 that affect how the condominium project will be governed.		
Land Court or Bureau of Conveyances	Date of Document	Document Number
Bylaws	July 12, 2007	2007-143985

Amendments to Bylaws of the Association of Unit Owners		
Land Court or Bureau of Conveyances	Date of Document	Document Number

3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.	
Land Court Map Number	
Bureau of Conveyances Map Number:	4491
Dates of Recordation of Amendments to the Condominium Map:	

3.4 House Rules

The Board of Directors may adopt rules and regulations (commonly called "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. Changes to House Rules do not need to be recorded to be effective.	
The House Rules for this project:	
Are Proposed	☒ See Exhibit I
Have Been Adopted and Date of Adoption	☐
Developer does not plan to adopt House Rules	☐

3.5 Changes to the Condominium Documents

Changes to Condominium Documents: Changes to the Declaration, Bylaws and Condominium Map are effective only if they are duly adopted and recorded. Where permitted, the minimum percentages of the common interest that must vote for or give written consent to changes to the Declaration, Bylaws and Condominium Map are set forth below. The percentages for any individual condominium project may be more than the minimum set by law if the Declaration or Bylaws for the project so provide.		
Document	Minimum Set by Law	This Condominium
Declaration	67%	67%
Bylaws	67%	67%

3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents

☐	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
☒	Developer has reserved the right to change the Declaration, Bylaws, Condominium Map and House rules (if any) and to add to or merge the project or to develop the project in one or more phases, and such rights are summarized as follows: A. Execute and/or record any easement required by any State or County agency or as may be required by a private or public utility company; B. Execute and/or record any document required by any State or County agency to complete the development of the Project and/or to obtain approval of the Project's Public Report. C. Execute and/or record any document required by any State or County agency to obtain any permit or authorization or any other matter necessary for the approval of any Unit Owner's building permit application.

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

Management of the Common Elements: The Association of Unit 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.

The Initial Condominium Managing Agent for this project is (check one):	
☐	Not affiliated with the Developer
☒	None (self-managed by the Association)
☐	The Developer or an affiliate of the Developer
☐	Other (explain)

4.2 Estimate of the Initial Maintenance Fees

Estimate of the Initial Maintenance Fees: The Association will make assessments against your unit 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 unit and the unit 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 H contains a breakdown of the estimated annual maintenance fees and the monthly estimated maintenance fee for each unit, certified to have been based on generally accepted accounting principles, with the Developer's statement as to when a unit owner shall become obligated to start paying the unit owner's share of the common expenses.

4.3 Utility Charges to be Included in the Maintenance Fee

If checked, the following utilities are included in the maintenance fee:	
☐	Electricity for the common elements
☐	Gas for the common elements
☐	Water
☐	Sewer
☐	TV cable
☐	Other (specify)

4.4 Utilities to be Separately Billed to Unit Owner

If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:	
☒	Electricity for the Unit only
☒	Gas for the Unit only
☒	Water
☒	Sewer
☒	TV cable
☐	Other (specify)

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

Sales Documents on file with the Commission include, but are not limited to, the following:	
☒	Specimen Sales Contract Exhibit B contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
☒	Escrow Agreement dated: September 30, 2006 Name of Escrow Company: Title Guaranty Escrow Services, Inc. Exhibit D contains a summary of the pertinent provisions of the escrow agreement.
☐	Other

5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants. n/a

☐	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
☐	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit ___.
☐	Developer has or will designate the units for sale to Owner-Occupants by publication.

5.3 Blanket Liens

Blanket Liens: A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the developer conveys the unit to a purchaser. The purchaser's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.

☐	There are <u>no blanket liens</u> affecting title to the individual units.
☒	<u>There are blanket liens</u> that may affect title to the individual units.

Type of Lien	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage	See Exhibit F. A lender has priority over a Buyer's rights under a Sales Contract and has a right to terminate a sales contract upon foreclosure of its mortgage before an apartment sale is closed. If foreclosed, Buyer's deposit shall be refunded (less any escrow cancellation fees) and the sales contract between Seller and Buyer shall be cancelled.

5.4 Construction Warranties

Construction Warranties: Warranties for individual units and the common elements, including the beginning and ending dates for each warranty (or the method of calculating them), are as set forth below:
Building and Other Improvements: None
Appliances: None

5.5 Status of Construction, Date of Completion or Estimated Date of Completion

Status of Construction: Unit A was completed in 1991 with changes made and completed in 2006. Unit B was completed in 2006.
Completion Deadline: If a sales contract for a unit is signed before the construction of the unit has been completed, or, in the case of a conversion, completion of any repairs, does not occur by the completion deadline set forth below, one of the remedies available to a purchaser is a cancellation of the purchaser's sales contract. The sales contract may include a right of the Developer to extend the completion deadline for force majeure as defined in the sales contract. The sales contract may also provide additional remedies for the purchaser.
Completion Deadline for any unit not yet constructed, as set forth in the sales contract: n/a
Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract: n/a

5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance

The Developer is required to deposit all moneys paid by purchasers in trust under a written escrow agreement with a Hawaii licensed escrow depository. Escrow shall not disburse purchaser deposits to the Developer or on behalf of the Developer prior to closing, except if a sales contract is canceled or if Developer has met certain requirements, which are described below.

5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance

☐	The Developer hereby declares by checking the box to the left that it shall use its own funds to complete the construction of the condominium project by the date indicated in Section 5.5 of this report, and the Developer, pursuant to its own analysis and calculations, certifies that it has sufficient funds to complete the construction of the condominium project. If the box to the left is checked, Sections 5.6.2 and 5.7, which follow below, will not be applicable to the project.

5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

Hawaii law provides that, if certain statutory requirements are met, purchaser deposits in escrow under a binding sales contract may be used before closing to pay for certain project costs. For this project, the Developer indicates that purchaser deposits may be used for the following purposes (check applicable box):	
☐	For new construction: to pay for project construction costs described in the Developer's budget and approved by the Developer's lender or an otherwise qualified, financially disinterested person; or
☐	For conversions: to pay for repairs necessary to cure violations of county zoning and building ordinances and codes, for architectural, engineering, finance and legal fees, and for other incidental expenses.

In connection with the use of purchaser deposits (check Box A or Box B):

Box A ☐	The Developer has submitted all information and documents required by law and the Commission prior to the disbursement of purchaser deposits before closing. This means that the Developer may use such deposits before closing. If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. If Box A is checked, you should read and carefully consider the following notice, which is required by law: **Important Notice Regarding Your Deposits: Deposits that you make under your sales contract for the purchase of the unit may be disbursed before closing of your purchase to pay for project costs, construction costs, project architectural, engineering, finance, and legal fees, and other incidental expenses of the project. While the developer has submitted satisfactory evidence that the project should be completed, it is possible that the project may not be completed. If your deposits are disbursed to pay project costs and the project is not completed, there is a risk that your deposits will not be refunded to you. You should carefully consider this risk in deciding whether to proceed with your purchase.**
Box B ☐	The Developer has **not** submitted all information and documents required by law and the Commission, and, until all such information and documents are submitted, thus, the Developer cannot use purchaser deposits. If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the **Important Notice Regarding Your Deposits** set forth immediately above will apply to all purchasers and will be restated in the amendment to this report or an amended developer's public report. When an effective date for such an amendment or an amended developer's public report is issued, **you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment**. (This, however, does not affect your right to rescind for material changes or any other right you may have to rescind or cancel the sales contract, as described in Section 5.8 below.) If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report. You should understand that, although the **Important Notice Regarding Your Deposits** set forth above does not currently apply to you, it might apply to you in the future, and, therefore, you should read and carefully consider it now to ensure that you understand the risk involved in deciding whether to proceed with your purchase.

Material House Bond. If the Developer has submitted to the Commission a completion or performance bond issued by a material house instead of a surety as part of the information provided prior to the use of purchaser deposits prior to closing or conveyance of a unit, the Developer shall disclose the same below and disclose the impact of any restrictions on the Developer's use of purchaser deposits.

5.7 Rights Under the Sales Contract

Before signing the sales contract, prospective purchasers should carefully review all documents relating to the project. These include but are not limited to the documents listed below. Items 2, 3 and 4 are made a part of this public report, as well as Item 5, if any, and are being delivered to you with this report.

1.	**Developer's Public Report**
2.	**Declaration of Condominium Property Regime (and any amendments)**
3.	**Bylaws of the Association of Unit Owners (and any amendments)**
4.	**Condominium Map (and any amendments)**
5.	House Rules, if any
6.	Escrow Agreement
7.	Hawaii's Condominium Property Act (Chapter 514B, HRS, as amended) and Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), provided that rules and regulations under Chapter 514B have not yet been adopted.
8.	Other: Declaration; Deed; Agreement; Subordination Agreement; Waiver and Release; Notice of Dedication; Elevation Agreement; Waiver and Release; and Mortgage.

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 514B, HRS) and the Administrative Rules (Chapter 107, HAR), are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov

Website to access rules: www.hawaii.gov/dcca/har

5.8 Purchaser's Right to Cancel or Rescind a Sales Contract

A purchaser's right to cancel a sales contract or to rescind a sales contract may arise under varying circumstances. In the sections below, some circumstances that will give rise to a purchaser's right to cancel or rescind are described, together with what a purchaser must do if the purchaser wishes to exercise any of the rights.

5.8.1 When a Sales Contract becomes Binding and Purchaser's 30-Day Right to Cancel a Sales Contract

A sales contract signed by a purchaser and the developer will not become binding on a purchaser or the Developer until the following events have taken place:

(1) The purchaser has signed the sales contract.

(2) The Developer has delivered to the purchaser a true copy of the developer's public report with an effective date issued by the Commission, together with all amendments to the report as of the date of delivery, and the project's recorded Declaration and Bylaws, House Rules (if any), the Condominium Map and any amendments to them to date (all of which are a part of the developer's public report). If it is impracticable to include a letter-sized Condominium Map, the Developer must provide written notice of an opportunity to examine the Condominium Map.

(3) The Developer has delivered to the purchaser a notice of the purchaser's 30-day cancellation right on a form prescribed by the Commission.

(4)The purchaser does at least one of the following:

(a) Waives the purchaser's right to cancel the sales contract within 30 days from receipt of the notice of the purchaser's 30-day cancellation right; or

(b) Allows the 30-day cancellation period to expire without exercising the right to cancel; or

(c) Closes the purchase of the unit before the 30-day cancellation period expires.

The purchaser or the Developer may cancel the sales contract at any time during the 30-day cancellation period, and the sales contract will be canceled and the purchaser's deposits returned to the purchaser, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.

5.8.2 Right to Cancel a Sales Contract if Completion Deadline Is Missed

In addition to the purchaser's 30-day cancellation right described in Section 5.8.1 above, when a sales contract is signed before completion of construction of a project, the purchaser will have the right to cancel if the unit is not completed by certain deadlines. In conversion projects, there must be a deadline for completion of any required repairs. Every sales contract shall contain an agreement of the Developer that the completion of construction shall occur on or before the completion deadline, and that completion deadline is set forth in this report in Section 5.5. The sales contract shall provide that the purchaser may cancel the sales contract at any time after the specified completion deadline, if completion of construction does not occur on or before the completion deadline, as the same may have been extended. Upon a cancellation, the purchaser's deposits shall be refunded, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of $250.00.

5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change

If a "material change" in a project occurs after a purchaser has signed a sales contract that has become binding, the purchaser will have a 30-day right to rescind after notification and description of the material change. A material change is defined in the Condominium Property Act to be any change that "directly, substantially and adversely affects the use or value of (1) a purchaser's unit or appurtenant limited common elements; or (2) those amenities of the project available for the purchaser's use."

The purchaser will be informed of the material change by the developer on a form prescribed by the Commission containing a description of the material change.

After notice of the material change, the purchaser may waive the right to rescind by:

(1) Checking the waiver box on the rescission form; or

(2) Letting the 30-day rescission period expire, without taking any action to rescind; or

(3) Closing the purchase of the unit before the 30-day rescission period expires.

The rescission form must be signed by all purchasers of the affected unit and delivered to the developer no later than midnight of the 30th calendar day after the purchasers received the rescission form from the developer. Purchasers who validly exercise the right of rescission shall be entitled to a prompt and full refund of any moneys paid.

A rescission right shall not apply in the event of any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of a project, made pursuant to the terms of the project's Declaration.

These provisions shall not preclude a purchaser from exercising any rescission rights pursuant to a contract for the sale of a unit or any applicable common law remedies.

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

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 Exhibit "F" to this report that is a summary of the recorded restrictive covenants for this project. 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 presently two residential structures and two storage sheds on the project. Structures can be replaced by or remodeled as allowed by law and project documents (refer to Section 16.1 of the Declaration). 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 514B-34, 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 67% of the legal and equitable ownership of the entire project, consistent with the Declaration and the Bylaws ("condominium documents").

3. County Codes and Ordinances

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

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 Unit later than others may find that land use and zoning changes or insufficient utility capacities may thwart their expectations.

4. Farm Dwellings

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 Chapter 205-4.5(a)(4), HRS, 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".

(See Page 18a)

5. Additional Dwelling Unit Facility Clearance Form

Kauai County Zoning Ordinance, Section 8-26.1 was amended on November 22, 2006. The Developer cannot warrant that Kauai County will grant a building permit for an Additional Farm Dwelling on the Project. Each Unit Owner is on notice that such rights as are granted in the amended ordinance may expire if appropriate action is not taken. The owner of apartment unit B who desires to apply for a building permit to construct a farm dwelling must comply with the requirements of Section 8-26.1 as amended. Among other things, the owner of apartment unit B must obtain a copy of the completed ADU Facilities Clearance Form and sign Kauai County's ADU Affidavit. Subsequent owners of apartment unit B must execute Kauai County's ADU Affidavit and must obtain a building permit by December 15, 2009.

6. Access Easements

The project (Lot 6) accesses Olohena Road (a Kauai County Public Road) by way of perpetual, non-exclusive easements for access and utility purposes identified as Easements A-1, A-2, A-3, and A-4. The metes and bounds descriptions of those easements can be found attached to the Declaration as Exhibit A and are described in the title report dated April 9, 2007 filed with this Public Report.

7. Encumbrances

The following summary of several encumbrances that are part of Exhibit F does not replace the actual covenants, restrictions or conditions contained in those documents. This summary, furthermore, should only be relied upon for general information. A potential buyer should only rely upon a thorough examination of each document to determine what, if any, restrictions may apply to this project:

a. Declaration dated August 27, 1987 – this Declaration contains covenants, conditions and restrictions such as, but not limited to, lot use, constructions requirements, water association membership and a description of access and use of access easements. The duration of the covenants is perpetual.

b. Restriction of Vehicular Access Rights – see summary of Declaration dated August 27, 1987 above.

c. Deed recorded as Book 21110, Page 157 – includes restrictions set forth in the Declaration dated August 27, 1987.

d. Farm Dwelling Agreement dated October 10, 1989 – includes use restrictions pertaining to the use of farm dwellings as defined by Chapter 205, Hawaii Revised Statutes and State Land Use Regulations.

e. Waiver and Release dated August 8, 1990 – an agreement with the Kauai County Department of Water that is an acknowledgement that approval of the building permit does not impose an obligation upon the Water Department to provide water services.

f. Elevation Agreement dated December 15, 2005 – an agreement with the Kauai County Department of Water that is an acknowledgement that water services provided by the department cannot insure adequate water pressure.

g. Waiver and Release dated January 19, 2006 - an agreement with the Kauai County Department of Water that is an acknowledgement that approval of the building permit does not impose an obligation upon the Water Department to provide water services.

The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

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 purchasers 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. The Developer hereby agrees promptly to amend this report to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report at least 30 days prior to the anniversary date of the effective date of this report.

This instrument may be executed in several counterparts, each of which shall be deemed to be an original and all such counterparts when taken together shall constitute one and the same instrument.

RICHARD A. GARLAND, DRUSILLA J. GARLAND,
ANNE S. HASTINGS and MATTHEW G. BEALL
Printed Name of Developer

By: _____ July 12, 2007
Duly Authorized Signatory* Date

By: _____ July 12, 2007
Duly Authorized Signatory* Date

By: _____ July 12, 2007
Duly Authorized Signatory* Date

By: _____ _____
Duly Authorized Signatory* Date

RICHARD A. GARLAND, DRUSILLA J. GARLAND, ANNE S. HASTINGS
and MATTHEW G. BEALL, 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; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

370610.04

The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

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This instrument may be executed in several counterparts, each of which shall be deemed to be an original and all such counterparts when taken together shall constitute one and the same instrument.

RICHARD A. GARLAND, DRUSILLA J. GARLAND,
ANNE S. HASTINGS and MATTHEW G. BEALL
Printed Name of Developer

By: _____ 7-12-07
Duly Authorized Signatory* Date

By: _____ _____
Duly Authorized Signatory* Date

By: _____ _____
Duly Authorized Signatory* Date

By: _____ _____
Duly Authorized Signatory* Date

RICHARD A. GARLAND, DRUSILLA J. GARLAND, ANNE S. HASTINGS
and MATTHEW G. BEALL, Owner/Developer
Printed Name & Title of Person Signing Above

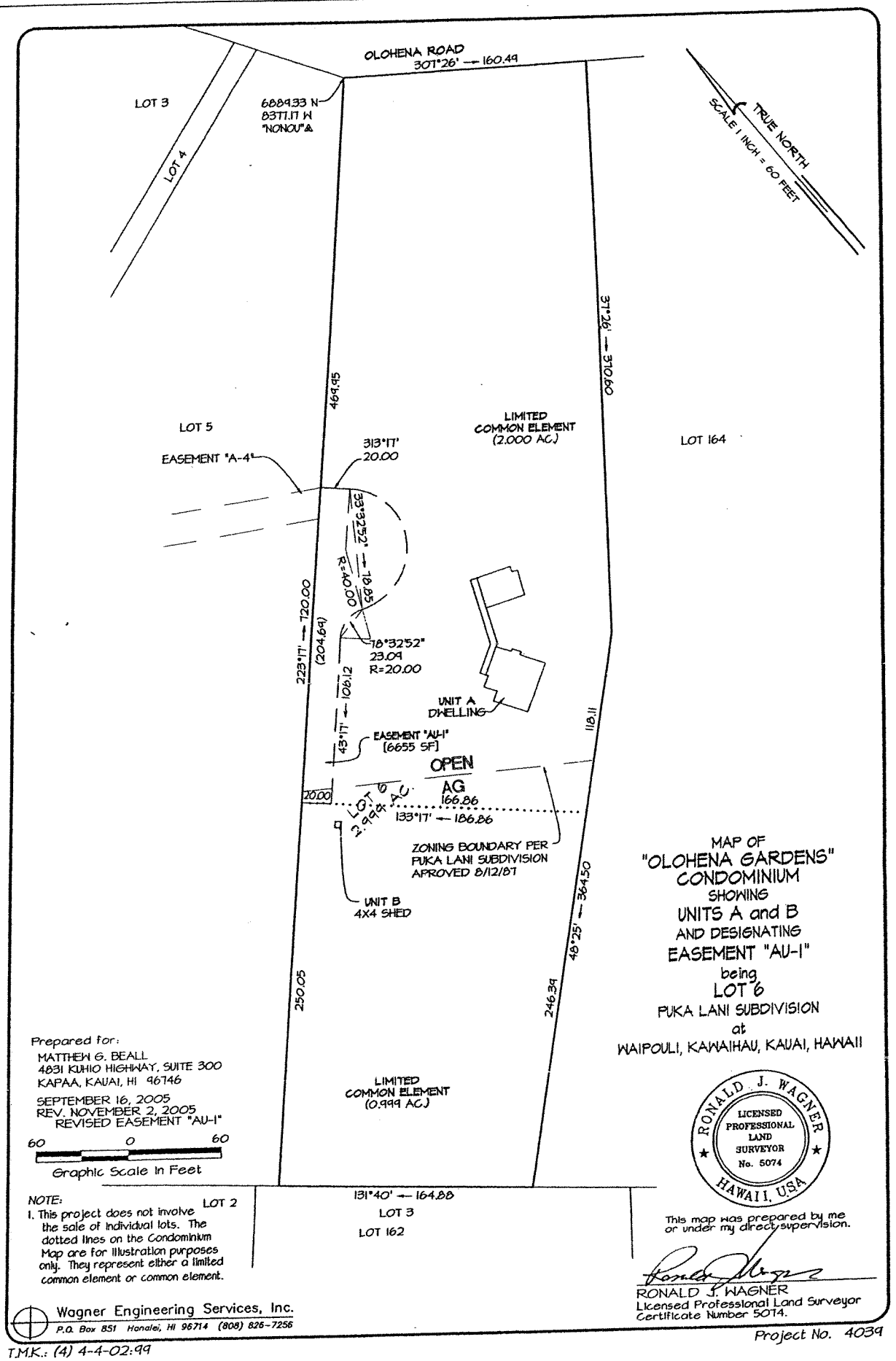
Distribution:

Department of Finance, County of Kauai

Planning Department, County of Kauai

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

370610.04


OLOHENA ROAD
301°26' — 160.49
LOT 3
688933 N
8371.17 W
"NONOU"
LOT 4
TRUE NORTH
SCALE 1 INCH = 60 FEET
310.60
464.95
LOT 5
EASEMENT "A-4"
313°17'
20.00
LIMITED
COMMON ELEMENT
(2.000 AC.)
LOT 164
R=40.00
18°32'52"
23.09
R=20.00
223°17' — 720.00
(204.69)
106.12
UNIT A
DWELLING
118.11
43°17'
EASEMENT "AU-1"
[6655 SF]
OPEN
AG
166.86
20.00
LOT 6
2.994 AC.
133°17' — 186.86
ZONING BOUNDARY PER
PUKA LANI SUBDIVISION
APROVED 8/12/87
UNIT B
4X4 SHED
364.50
48°25'
250.05
246.34
LIMITED
COMMON ELEMENT
(0.999 AC.)
131°40' — 164.88
LOT 2
LOT 3
LOT 162
MAP OF
"OLOHENA GARDENS"
CONDOMINIUM
SHOWING
UNITS A and B
AND DESIGNATING
EASEMENT "AU-1"
being
LOT 6
PUKA LANI SUBDIVISION
at
WAIPOULI, KAWAIHAU, KAUAI, HAWAII
Prepared for:
MATTHEW G. BEALL
4831 KUHIO HIGHWAY, SUITE 300
KAPAA, KAUAI, HI 96746
SEPTEMBER 16, 2005
REV. NOVEMBER 2, 2005
REVISED EASEMENT "AU-1"
60 0 60
Graphic Scale In Feet
NOTE:
1. This project does not involve the sale of individual lots. The dotted lines on the Condominium Map are for illustration purposes only. They represent either a limited common element or common element.
RONALD J. WAGNER
LICENSED PROFESSIONAL LAND SURVEYOR
No. 5074
HAWAII, U.S.A.
This map was prepared by me or under my direct supervision.
RONALD J. WAGNER
Licensed Professional Land Surveyor
Certificate Number 5074.
Wagner Engineering Services, Inc.
P.O. Box 851 Hanalei, HI 96714 (808) 826-7256
Project No. 4039
T.M.K.: (4) 4-4-02:99

FIRST FLOOR MAIN HOUSE

LIVING AREA = 1140 S.F.
COVERED LANAI= 382 S.F.

FIRST FLOOR DETACHED GARAGE

GARAGE / UTILITY = 440 S.F.
STORAGE= 64 S.F.

CONNECTION

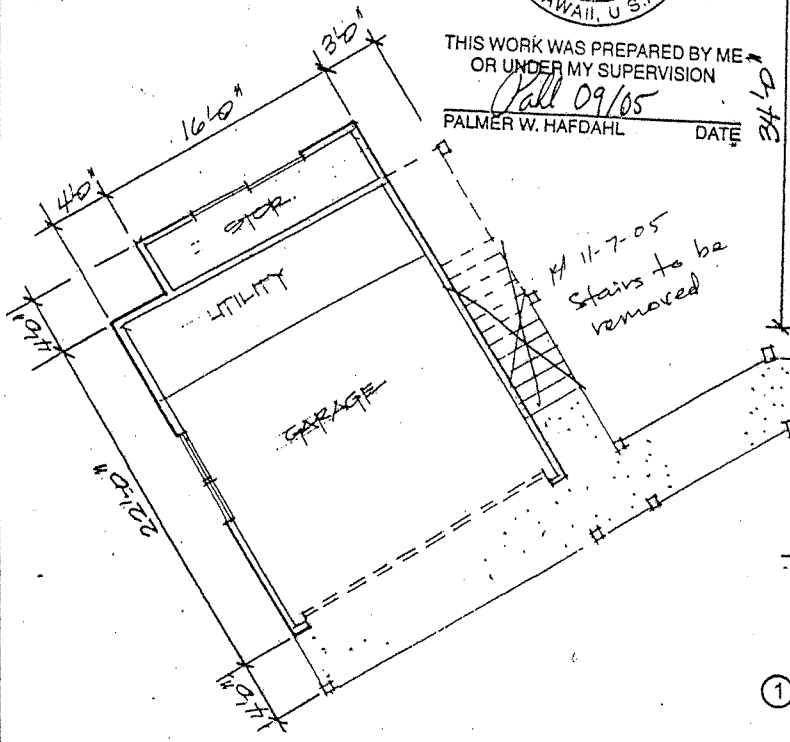
FIRST FLOOR = 96 S.F.
SECOND FLOOR= 96 S.F.

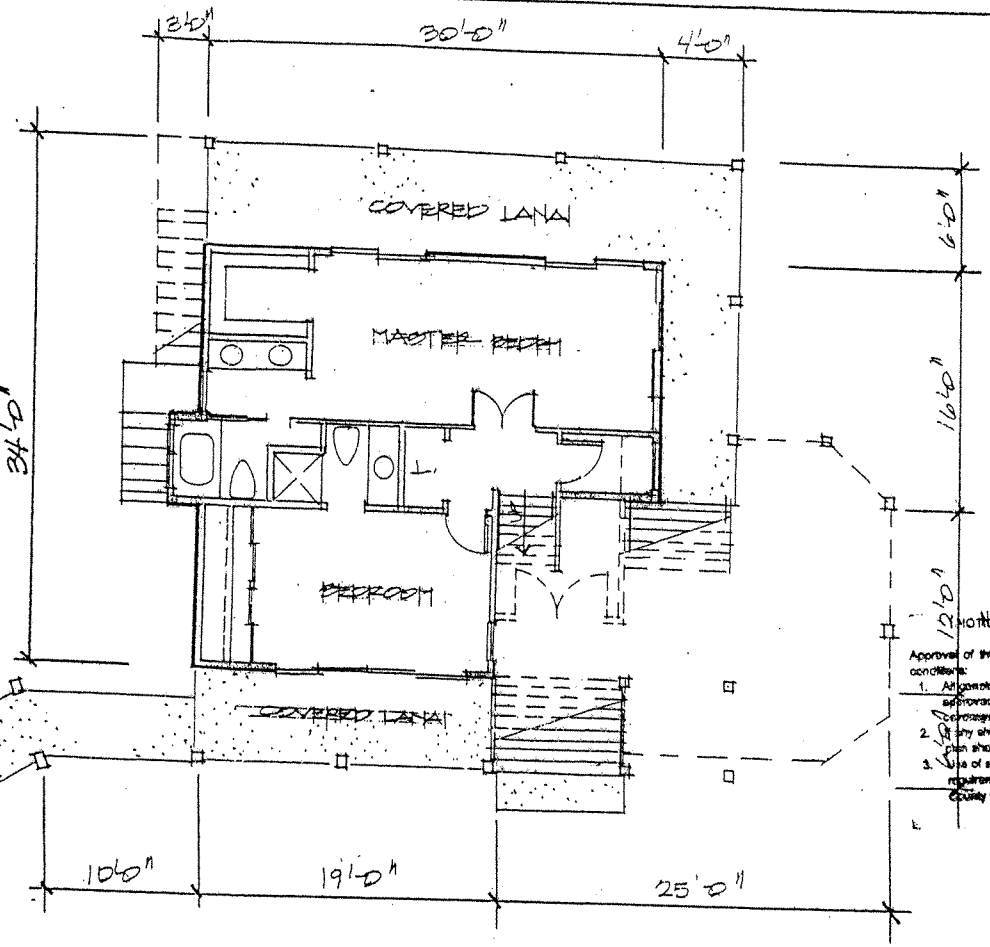
PALMER W. HAFDAHL
LICENSED PROFESSIONAL ARCHITECT
No 6387
HAWAII, U.S.A.

THIS WORK WAS PREPARED BY ME OR UNDER MY SUPERVISION

Fall 09/05

PALMER W. HAFDAHL DATE





1 First Floor Plan
1/8" = 1'-0"

NOV 21 2005

NOTICE TO OWNER/CONTRACTOR

Approval of this plan is given subject to the following conditions:

1. All construction shall be in accordance to this approved plan. (i.e. setbacks, height, size, lot coverage, parking, use of structure, etc.)
2. If any changes are made to this plan, a revised plan shall be submitted for approval.
3. Use of structure(s) and lot and all minimum requirements shall conform to all State and County rules, regulations, codes and ordinances.

Planning Department
County of Kauai

REVISION	DRAWING RELEASE	DATE
	DESCRIPTION	

Owner
Beall
Olohena Gardens, Wailua Homesteads
Kapaa, HI 96746

FIRST FLOOR PLANS

Z	S	PL	PAR	LOT
4	4	02	99	

DRAWN BY: MWH
DATE: 09/13/05 SCALE: 1/8" = 1'-0"
SHEET: 1 of 4

A-1

"OLOHENA GARDENS"
Condominium Map, Floor Plans and Elevations

SECOND FLOOR MAIN HOUSE

LIVING AREA =	1292 S.F.
ENTRY/COVERED DECK=	338 S.F.
BACK ENTRY/ DECK=	272 S.F.

SECOND FLOOR DETACHED GARAGE

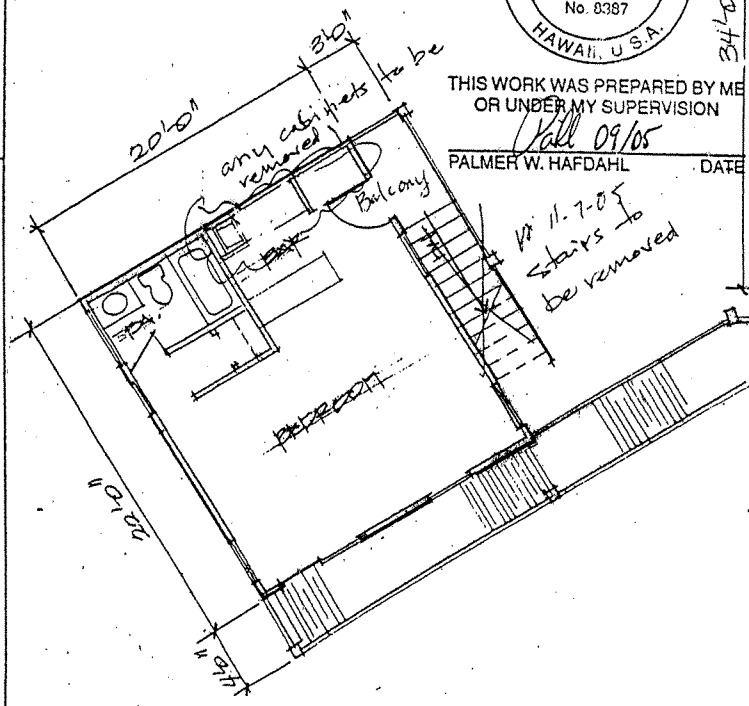
LIVING AREA =	440 S.F.
ENTRY/COVERED DECK=	134 S.F.

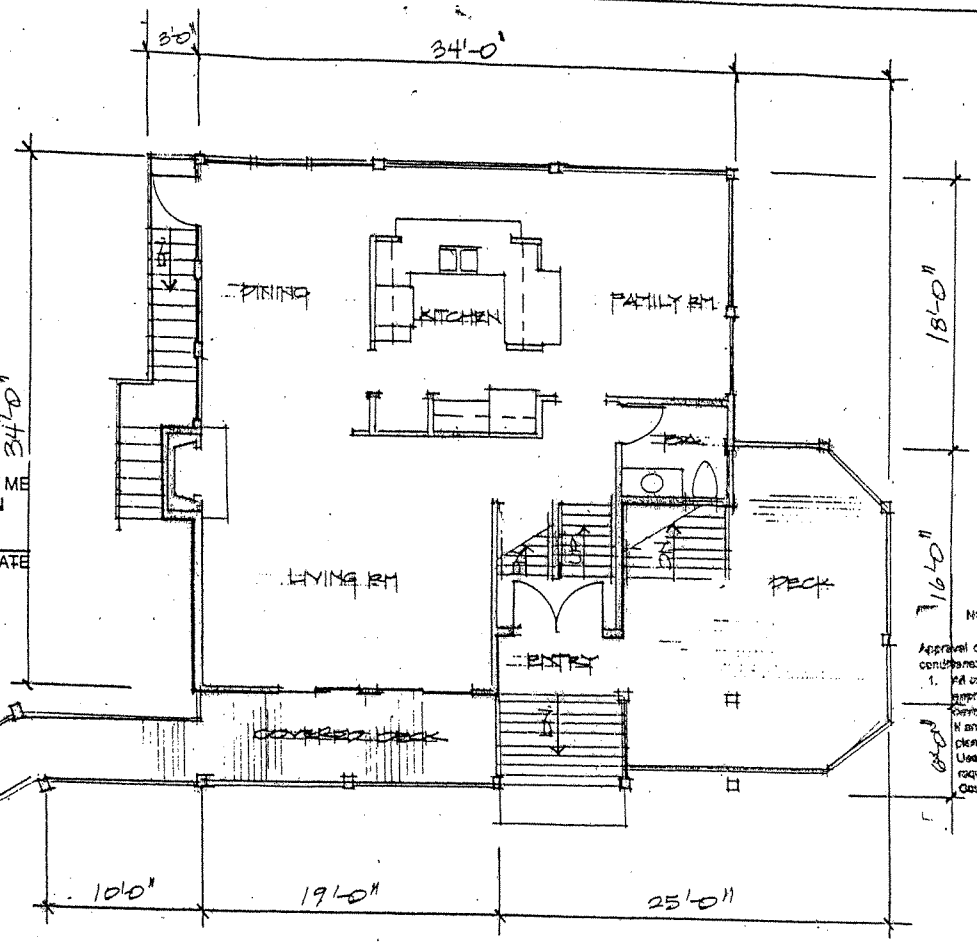
PALMER W. HAFDAHL
LICENSED PROFESSIONAL ARCHITECT
No. 8387
HAWAII, U.S.A.

THIS WORK WAS PREPARED BY ME OR UNDER MY SUPERVISION

Pall 09/05

PALMER W. HAFDAHL DATE





1 Second Floor Plan
1/8" = 1'-0"

NOV 21 2005

NOTICE TO OWNER/CONTRACTOR

Approval of this plan is given subject to the following conditions:

1. All construction shall be in accordance to this approved plan. (i.e. setbacks, height, size, lot coverage, parking, use of structure, etc.)

If any changes are made to this plan, a revised plan shall be submitted for approval.

Use of structure(s) and lot and all minimum requirements shall conform to all State and County rules, regulations, codes and ordinances.

Planning Department
County of Kauai

	DRAWING RELEASE	
REVISION	DESCRIPTION	DATE

OWNER
Beall
Olohena Gardens, Wailua Homesteads
Kapaa, HI 96746

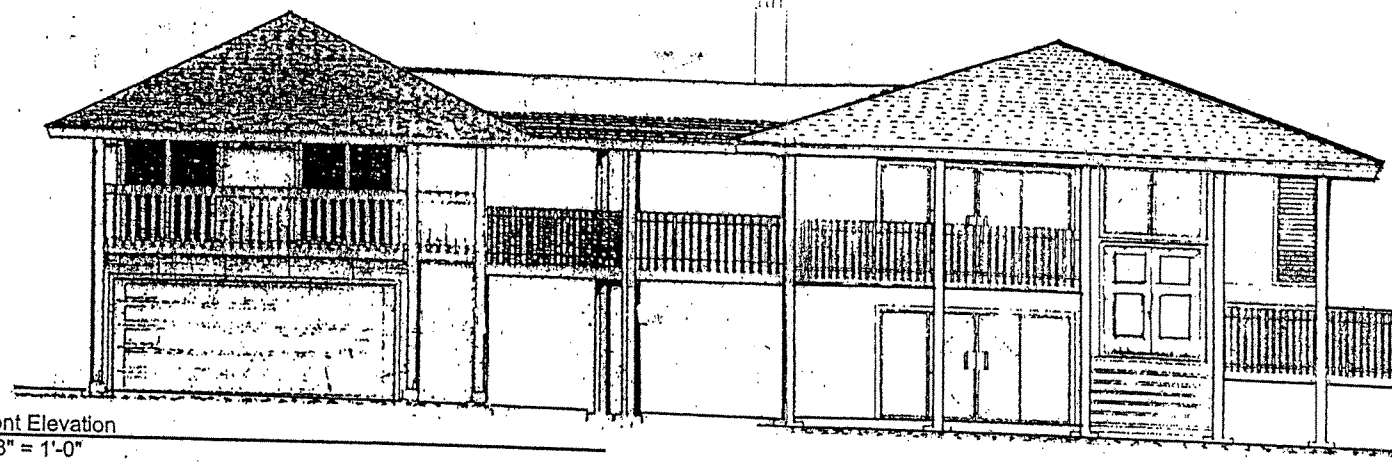
SECOND FLOOR PLANS

Z	S	PL	PAR	LOT
4	4	02	99	163

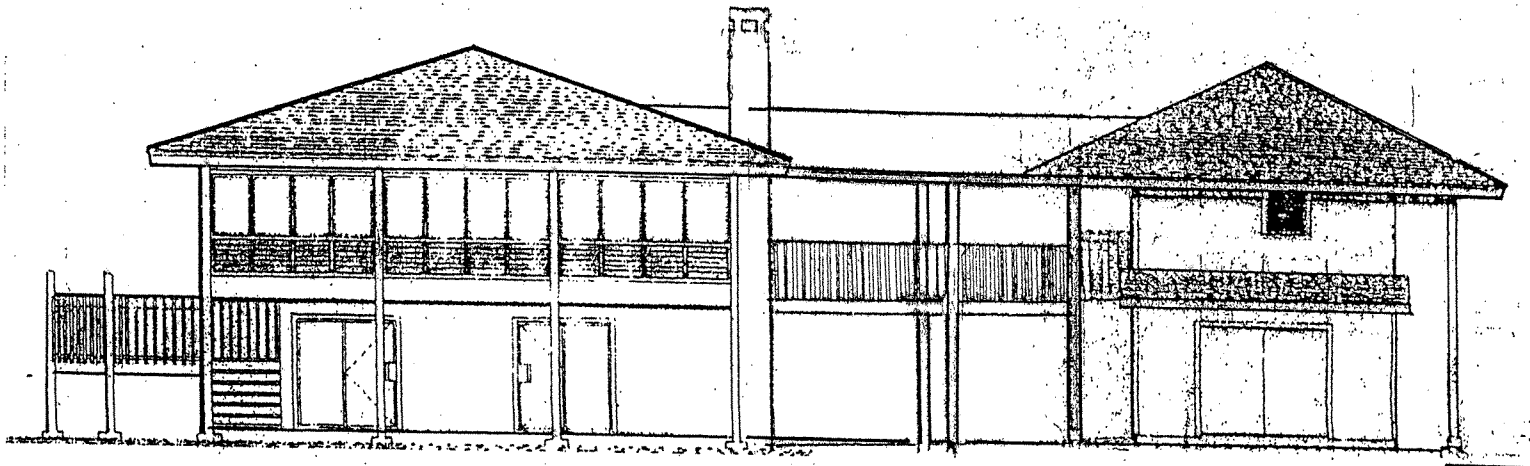
DRAWN BY: MMH
DATE: 09/15/05 SCALE: 1/8" = 1'-0"
SHEET: 2 of 4

"OLOHENA GARDENS"
Condominium Map, Floor Plans and Elevations

A-2



1 Front Elevation
1/8" = 1'-0"



2 Rear Elevation
1/8" = 1'-0"

NOV 8 1 2005

NOTICE TO OWNER/CONTRACTOR

1. This plan is given subject to the following conditions:
2. All construction shall be in conformance to this approved plan. (i.e. setbacks, height, size, lot coverage, parking, use of structures, etc.)
   If any comment are made to this plan, a revised plan shall be submitted for approval.
3. Use of structure(s) and lot and all minimum requirements shall conform to all State and County rules, regulations, codes and ordinances.

Planning Department
County of Kauai

PALMER W. HAFDAHL
LICENSED PROFESSIONAL ARCHITECT
No 0307
HAWAII

THIS WORK WAS PREPARED BY ME
OR UNDER MY SUPERVISION

09/05

PALMER W. HAFDAHL DATE

REVISION	DRAWING RELEASE	DATE
-	-	-

Owner
Beall
Olohena Gardens, Wailua Homesteads
Kapaa, HI 96746

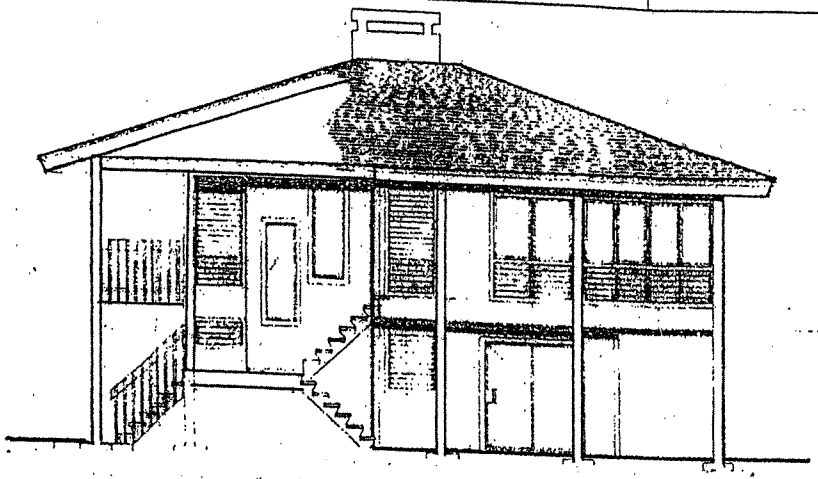
BUILDING ELEVATIONS

Z	S	PL	PAR	LOT
4	4	02	99	163

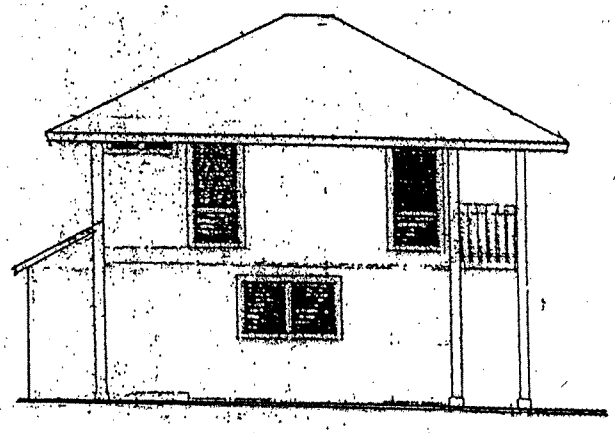
DRAWN BY: MMH
DATE: 09/15/05 SCALE: 1/8" = 1'-0"
SHEET: 3 OF 4

A-3

"OLOHENA GARDENS"
Condominium Map, Floor Plans and Elevations



1 Side Elevation
1/8" = 1'-0"



2 Side Elevation
1/8" = 1'-0"

NOV 21 2005

NOTICE TO OWNER/CONTRACTOR

Approval of this plan is given subject to the following conditions:

1. All construction shall be in conformance to this approved plan. (i.e. setbacks, height, area, lot coverage, parking, use of structure, etc.)
2. If any changes are made to this plan, a revised plan shall be submitted for approval.
3. Use of structure(s) and lot and all minimum requirements shall conform to all State and County rules, regulations, laws and ordinances.

Planning Department
County of Kauai

PALMER W. HAFDAHL
LICENSED PROFESSIONAL ARCHITECT
No 0367
HAWAII, U.S.A.

THIS WORK WAS PREPARED BY ME
OR UNDER MY SUPERVISION

Pall 09/05

PALMER W. HAFDAHL DATE

-	DRAWING RELEASE	-
REVISION	DESCRIPTION	DATE

Owner
Beall
Olohena Gardens, Wailua Homesteads
Kapaa, HI 96746

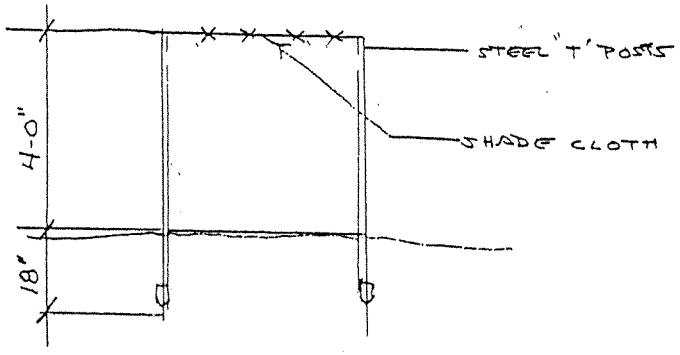
BUILDING ELEVATIONS

Z	S	PL	PAR	LOT
4	4	02	99	163

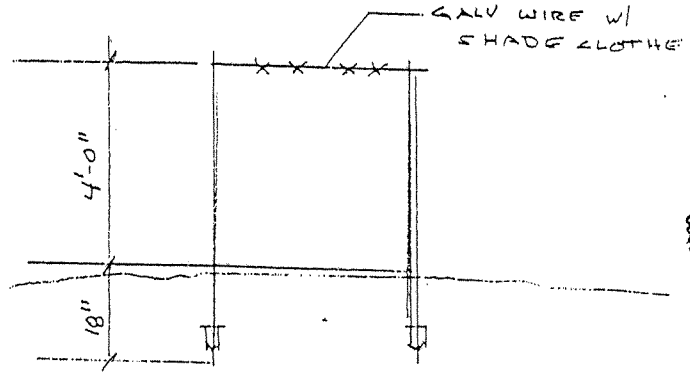
DRAWN BY: MMH
DATE: 09/15/05 SCALE: 1/8" = 1'-0" SHEET: 4 OF 4

A-4

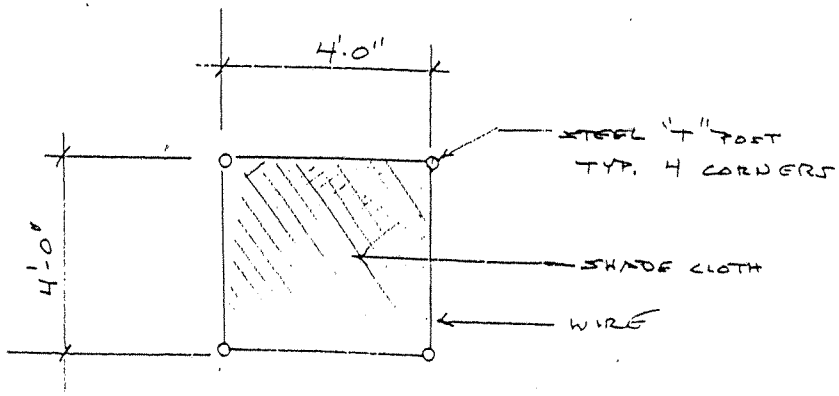
"OLOHENA GARDENS"
Condominium Map, Floor Plans and Elevations



SIDE ELEVATION
SC. 3/8 = 1'-0"



FRONT / REAR ELEVATION
SC 3/8" = 1'-0"



FLOOR PLAN
SC 3/8" = 1'-0"

JAN 0 6 2006

NOTICE TO OWNER/CONTRACTOR

Approval of this plan is given subject to the following conditions:

1. All construction shall be in accordance to this approved plan, (i.e. setbacks, height, size, lot coverage, parking, use of structure, etc.)
2. If any changes are made to this plan, a revised plan shall be submitted for approval.
3. Use of structure(s) and lot and all minimum requirements shall conform to all State and County rules, regulations, codes and ordinances.

Planning Department
County of Kauai

CPR SHED FOR
RICHARD GARLAND
TMK 4-4-02-099

PALMER W. HAFDAHL
LICENSED PROFESSIONAL ARCHITECT
No. 8387
HAWAII, U.S.A.

THIS WORK WAS PREPARED BY ME
OR UNDER MY SUPERVISION

Pahl 05/11/06

PALMER W. HAFDAHL DATE

"OLOHENA GARDENS"
Condominium Map, Floor Plans and Elevations

EXHIBIT B

SUMMARY OF SALES CONTRACT

The OLOHENA GARDENS Sales Contract and Receipt (the "contract"), contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

1. The method of payment of the purchase price to the escrow agent, subject to other terms.

2. The closing date for the purchase.

3. Whether, at the time of execution of the contract, an effective date for a Developer's Public Report has been issued.

4. The terms and conditions of the sale which include, among other provisions, the following:

   (a) That Purchaser will receive a copy of the Developer's Public Report for the project.

   (b) Purchaser agrees that all payments made will be placed on deposit with escrow pursuant to the terms of the Escrow Agreement, and Purchaser is subject to all of the terms of the Escrow Agreement.

   (c) Seller has a right to extend the closing date by 31 days or by 31 days after the public report effective date is issued, whichever is later.

   (d) After issuance of the Developer's Public Report effective date and Buyer's waiver of its right to cancel under Hawaii Revised Statutes Section 514B-86, Purchaser shall not have the right to rescind the contract.

   (e) Purchaser has received a copy of the Escrow Agreement.

   (f) If Purchaser defaults, Seller may cancel the contract or bring legal action against Purchaser to force sale, obtain money damages, or retain Purchaser's deposit money held in escrow.

   (g) The unit the Purchaser is purchasing is shown on the condominium map attached as Exhibit A to the Sales Contract and Receipt; Purchaser will have the right to cancel if the Unit is different from that shown on said Exhibit A.

(h) That a deed conveying clear title will be given at closing, subject to certain obligations.

(i) The Purchaser agrees to give future easements if reasonably required for the project.

(j) Except for unexpired builder's statutory warranties and assignable appliance warranties, the Purchaser will accept the Unit "AS-IS". Purchaser assumes all risks regarding any potential hazardous materials on the condo property or property adjoining or in the vicinity, including liability for suits by third parties. Seller is, however, unaware of any such conditions on the property.

(k) The payment of commissions, if any, is set out in the contract.

(l) Time is of the essence of the obligations of Purchaser under the contract.

SPECIAL NOTICE:

THE FOREGOING SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE CONTRACT. WHILE A PURCHASER CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE PURCHASER'S RIGHTS AND OBLIGATIONS, THE PURCHASER MUST REFER TO THE PURCHASER'S CONTRACT TO DETERMINE THE BUYER'S ACTUAL RIGHTS AND OBLIGATIONS. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE CONTRACT, THE CONTRACT WILL CONTROL NOT THIS SUMMARY.

END OF EXHIBIT B

EXHIBIT C

SCHEDULE OF APARTMENTS AND COMMON INTERESTS

Quantity	Unit No.	Area of Limited Common Element* (Acres)	No. of Br./Bath	Appx. Net Living Area (Sq. Ft.)	Appx. Other Area (Sq. Ft.)	% of Common Interest
1	Unit A (Residence)	2.0	2/2.5	2,432	382 - covered lanai 338 - entry/ covered deck 272 - back entry/ deck 192 - breezeway connecting to detached garage	50%
1	Unit A (Detached Garage)		1/1	440	440 - garage/utility 64 - storage 134 - entry/covered deck	
1	Unit B	0.999	0/0	-0-	16 sq. ft.	50%

Pursuant to Section 16-107-5, Hawaii Administrative Rules, reference is hereby made to the method by which the common interest has been computed. There are two units, each of which will burden the common elements equally. Therefore, the assessment of undivided interest both for common expense and for voting is 50% for each unit.

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.

END OF EXHIBIT C

EXHIBIT D

SUMMARY OF PORTIONS OF ESCROW AGREEMENT

The Escrow Agreement ("Agreement") between TITLE GUARANTY ESCROW SERVICES, INC., a Hawaii corporation ("Escrow"), and Richard A. Garland and Drusilla J. Garland, husband and wife, Anne S. Hastings, wife of Rex A. Holt, and Matthew G. Beall, husband of Elif Zehra Yarnall-Cuceloglu, (jointly referred to as "Seller"), contains, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized):

1. Whenever Seller enters into a sales contract for the sale of an apartment, Seller will require that payments due under the sales contract be made to Escrow and will deliver an executed copy of the sales contract to Escrow.

2. Escrow will receive payments under the sales contract and sums received from any other source with respect to the project. Funds held under the Agreement will initially be deposited in an account for the project. Interest on all funds will be paid to Seller.

3. Escrow will release from the trust fund and disburse Buyer's funds at closing, unless: (a) Buyer has elected within seven days of signing the sales contract to cancel and receive all funds paid, without deduction; or (b) the Real Estate Commission has not issued a Developer's Public Report on the project or the requirements of the sales contract have not been met; or (c) Seller has not satisfied Escrow that all other requirements of Hawaii Revised Statutes have been met.

4. Escrow will return deposited sums to the Buyer without interest if Seller and Buyer give Escrow written notice to return the funds to Buyer, if there is a right to cancellation and refund of monies under the sales contract or otherwise. If there is a cancellation under the seven-day right, no fees will be charged Buyer. Thereafter, in the event of a cancellation as a matter of agreement or right, Buyer's funds shall be returned to Buyer less Escrow's cancellation fee, if any, and all other costs incurred in connection with the Escrow, not less than $25.00.

5. Escrow will arrange for and supervise the signing of all documents which are to be signed subsequent to and contemplated by the sales contract.

6. As Escrow's compensation for its performance under this Agreement, Escrow will receive its schedule rate for each apartment for which an apartment deed of the project is handled by Escrow and recorded in the Bureau of Conveyances of the State of Hawaii. Escrow will record all applicable documents. The cost of title insurance will be an additional amount, based upon schedule rate.

7. If Seller subsequently certifies in writing to Escrow that Seller has terminated the sales contract in accordance with the terms thereof, Escrow shall thereafter treat all funds of the purchaser paid on account of such purchaser's sales contract as funds of Seller and not as funds of the purchaser. Thereafter, such funds shall be free of the escrow established by this Agreement and shall be held by Escrow for the account of Seller.

SPECIAL NOTICE:

THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH AND EXHAUSTIVE EXPLANATION OF ALL TERMS AND PROVISIONS CONTAINED IN THE AGREEMENT. WHILE ONE CAN USE THIS SUMMARY AS A GENERAL SUMMARY OF THE AGREEMENT, ONE MUST REFER TO THE ACTUAL AGREEMENT TO DETERMINE THE RIGHTS AND OBLIGATIONS OF THE PARTIES. IF ANY CONFLICT OR DIFFERENCE EXISTS BETWEEN THIS SUMMARY AND THE AGREEMENT, THE AGREEMENT WILL CONTROL AND NOT THIS SUMMARY.

END OF EXHIBIT D

EXHIBIT E

COMMON ELEMENTS OF THE PROJECT

The common elements of the project are:

(a) the land in fee simple;

(b) the common element easement over and across roadway Lot 7 for the purpose of ingress and egress and for County road widening purposes;

(c) twenty foot wide common element easements A-1, A-2, A-3 and A-4 for access and utility purposes as described and set forth in Exhibit A of the Declaration;

(d) all commonly used present or future ducts, vents, shafts, sewer lines, sewage treatment equipment and facilities (if any), electrical equipment, telephone equipment, pipes, wiring, and other central and appurtenant installations over, under and across the Project which serve more than one Unit for services such as power, light, water, gas (if any), cablevision (if any), sewage, refuse, telephone, radio and television signal distribution, and irrigation; and

(d) any and all other future elements and facilities in common use or for the benefit of unit owners or necessary to the existence, maintenance and safety of the Project.

The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof, except as provided in the Condominium Property Act. Any such partition or division shall be subject to the prior consent thereto by the holder(s) of all mortgage(s) of any condominium unit(s) which are filed of record.

LIMITED COMMON ELEMENTS OF THE PROJECT

Certain parts of the common elements, referred to as the "limited common elements," have been designated and set aside for the exclusive use of one or more units, and such unit(s) have appurtenant exclusive easements for the use of such limited common elements. The limited common elements, so set aside, reserved and deemed a limited common element appurtenant to and for the exclusive use of each respective unit is that certain land area upon and around which Units A and B are located, shown and designated on the Condominium Map and the table below.

Unit Number	Area of Limited Common Element
Unit A	2.00 Acres
Unit B	0.999 Acre

*Note: Land areas referenced herein are not legally subdivided lots. Also, See Note at bottom of Exhibit C.

END OF EXHIBIT E

EXHIBIT F

ENCUMBRANCES AGAINST TITLE

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

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. The terms and provisions contained in the following:

   INSTRUMENT: DECLARATION

   DATED: August 27, 1987
   RECORDED: Liber 21082 Page 346

4. RESTRICTION OF VEHICULAR ACCESS RIGHTS

   ALONG: Olohena Road
   SHOWN: on the Subdivision Map of Pukalani Subdivision, approved August 12, 1987 by the Planning Commission of the County of Kauai

5. The terms and provisions contained in the following:

   INSTRUMENT: DEED

   DATED: July 10, 1989
   RECORDED: Liber 21110 Page 157

6. The terms and provisions contained in the following:

   INSTRUMENT: AGREEMENT

   DATED: October 10, 1989
   RECORDED: Liber 23445 Page 255
   PARTIES: PAUL J. LEPAGE, ROBERTA JEAN LEPAGE and COUNTY OF KAUAI Planning Department
   RE: Farm Dwelling

   SUBORDINATION AGREEMENT

   DATED: August 16, 2005
   RECORDED: Document No. 2005-180741

Subordinates said above FARM DWELLING AGREEMENT to the lien of that certain MORTGAGE recorded as Document No. 2005-180740.

7. WAIVER AND RELEASE

DATED:	August 8, 1990
RECORDED:	Document No. 90-126298
BY:	PAUL J. LEPAGE
WITH:	Building Division of the Department of Public Works of the County of Kauai

8. NOTICE OF DEDICATION

DATED:	effective January 1, 2000
RECORDED:	Document No. 2000-010916
BY:	PAUL J. LEPAGE and ROBERTA J. LEPAGE
RE:	dedication of land for agriculture purposes
PERIOD:	10-year

9. MORTGAGE

MORTGAGOR:	RICHARD A. GARLAND and DRUSILLA J. GARLAND, husband and wife
MORTGAGEE:	MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., as nominee for COUNTRYWIDE HOME LOANS, INC., a New York corporation
DATED:	September 1, 2005
RECORDED:	Document No. 2005-180740

10. The terms and provisions contained in the following:

INSTRUMENT:	ELEVATION AGREEMENT
DATED:	December 15, 2005
RECORDED:	Document No. 2005-267000
PARTIES:	RICHARD A. GARLAND and DRUSILLA J. GARLAND, husband and wife, "OWNER", and DEPARTMENT OF WATER OF THE COUNTY OF KAUAI, "Department"

11. WAIVER AND RELEASE

DATED:	January 19, 2006
RECORDED:	Document No. 2006-015675

BY: RICHARD A. GARLAND and DRUSILLA J. GARLAND, husband and wife
WITH: Building Division of the Department of Public Works of the County of Kauai

12. The terms and provisions contained in the following:

INSTRUMENT: DECLARATION OF CONDOMINIUM PROPERTY REGIME FOR "OLOHENA GARDENS" CONDOMINIUM PROJECT

DATED: July 12, 2007
RECORDED: Document No. 2007-143984
MAP: 4491 and any amendments thereto

13. The terms and provisions contained in the following:

INSTRUMENT: BY-LAWS OF THE ASSOCIATION OF APARTMENT OWNERS

DATED: July 12, 2007
RECORDED: Document No. 2007-143985

END OF EXHIBIT F

EXHIBIT G

MEMORANDUM FROM THE COUNTY OF KAUAI PLANNING DEPARMENT

BRYAN J. BAPTISTE
MAYOR

GARY K. HEU
ADMINISTRATIVE ASSISTANT

IAN K. COSTA
DIRECTOR OF PLANNING

MYLES S. HIRONAKA
DEPUTY DIRECTOR OF PLANNING

COUNTY OF KAUA'I
PLANNING DEPARTMENT
4444 RICE STREET
KAPULE BUILDING, SUITE A473
LIHU'E, KAUA'I, HAWAI'I 96766-1326

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

COPY

DATE: October 16, 2006

TO: Cynthia M.L. Yee, Esq.
Senior Condominium Specialist
Real Estate Commission - P & VLD/DCCA
335 Merchant Street, Room 333
Honolulu, Hawaii 96813

FROM: Ian K. Costa, Director of Planning

SUBJECT: Certification of Inspection of Existing Buildings

Project Name: OLOHENA GARDENS
Condominium Project (394)
Tax Map Key: (4) 4-4-002 099

The attorney for 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), (1), Hawaii Revised Statutes, subject to the disclosures and waivers (item "5" below) specified herein, we certify the following:

1. The developer has contracted architect Palmer Hafdahl to certify that the buildings on the proposed project referred to as Olohena Gardens Condominium Unit A and Unit B 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.

5. <u>WAIVER</u>
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 (1), Hawaii Revised Statutes.

If you have any questions, please contact Sheilah Miyake at (808) 241- 6677.

cc: Glen Hale, Attorney at Law
Richard Garland, Anne Hastings & Matthew Beall, Project Developers

END OF EXHIBIT G

EXHIBIT H

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

Apartment	Monthly Fee x 12 months =	Yearly Total
UNIT A	$37.50	$450.00
UNIT B	$37.50	$450.00

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:

	Monthly Fee x 12 months =	Yearly Total
Utilities and Services	$	$
Air Conditioning		
Electricity		
[ ] common elements only		
[ ] common elements and apartments		
Elevator		
Gas		
[ ] common elements only		
[ ] common elements and apartments		
Refuse Collection		
Telephone		
Water and Sewer		
Maintenance, Repairs and Supplies		
Building		
Grounds	$25.00	$300.00
Management		
Management Fee		
Payroll and Payroll Taxes		
Office Expenses		
Insurance	$50.00	$600.00
Reserves(*)		
Taxes and Government Assessments		
Audit Fees		
Other		
TOTAL:	$75.00	$900.00

We, RICHARD A. GARLAND, DRUSILLA J. GARLAND, ANNE S. HASTINGS, and MATTHEW G. BEALL, as Developers, for the "OLOHENA GARDENS" 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.

This instrument may be executed in several counterparts, each of which shall be deemed to be an original and all such counterparts when taken together shall constitute one and the same instrument.

Signature	July 12, 2007 Date
Signature	July 12, 2007 Date
Signature	July 12, 2007 Date
Signature	Date

Estimate of Maintenance Fee Disbursements:

	Monthly Fee x 12 months =	Yearly Total
Utilities and Services	$	$
Air Conditioning		
Electricity		
[ ] common elements only		
[ ] common elements and apartments		
Elevator		
Gas		
[ ] common elements only		
[ ] common elements and apartments		
Refuse Collection		
Telephone		
Water and Sewer		
Maintenance, Repairs and Supplies		
Building		
Grounds	$25.00	$300.00
Management		
Management Fee		
Payroll and Payroll Taxes		
Office Expenses		
Insurance	$50.00	$600.00
Reserves(*)		
Taxes and Government Assessments		
Audit Fees		
Other		
TOTAL:	$75.00	$900.00

We, RICHARD A. GARLAND, DRUSILLA J. GARLAND, ANNE S. HASTINGS, and MATTHEW G. BEALL, as Developers, for the "OLOHENA GARDENS" 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.

This instrument may be executed in several counterparts, each of which shall be deemed to be an original and all such counterparts when taken together shall constitute one and the same instrument.

Signature	7-13-07 Date
Signature	Date
Signature	Date
Signature	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 514B-148, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

Pursuant to Section 514B-148, HRS, a new association need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

END OF EXHIBIT H

EXHIBIT I

PROPOSED HOUSE RULES OF THE
OLOHENA GARDENS PROJECT

1. Each unit shall at all times be occupied and used for rental and/or residential purposes in accordance with applicable laws and the Project Documents, and for no other purposes. The Unit, together with any improvements located thereon, shall be occupied and used in accordance with applicable laws and the Project Documents, and for no other purposes.

2. The owners of the respective units shall have the absolute right to sell, lease, rent or otherwise transfer such units subject to all provisions of the Act and the Project Documents. Any lease or rental agreement of a unit shall provide that it shall be subject in all respects to the provisions of all applicable laws and the Project Documents and that the failure of the lessee or tenant to comply with the terms of these documents shall be default under the lease or rental agreement.

3. In-home businesses or occupations not involving the servicing of customers or employees shall be allowed in any Condominium House, provided such activities are conducted solely within the Condominium House and do not create or result in any nuisance or any unreasonable, unwarranted, or unlawful use or interference with rights of the other unit owners or of the public, including, but no limited to, unreasonable or unwarranted use or interference with the other unit owners or of the public, including, but not limited to, unreasonable or unwarranted use or interference with the common elements or any access or utility easements, excessive traffic or parking requirements, or in any other offensive or noxious activities.

4. No unit shall be improved except with one dwelling structure and other structures necessary or incidental to residential use. No dwelling structure(s) shall be used for living purposes by more persons than the dwelling structure(s) were designed to accommodate. No mobile home, trailer home, portable building, shed, Quonset hut, tent, or similar structure shall be used as a permanent residence or for permanent living purposes on any unit.

5. Each unit, and any and all improvements from time to time located thereon, shall be maintained by the unit owner in good and clean condition and repair and in such manner as not to create a fire, safety or health hazard to the Project or any part thereof, all at such owner's sole cost and expense. No unsightliness shall be permitted on any unit. Without limiting the generality of the foregoing: (a) all unsightly structures, facilities, equipment, objects and conditions shall be enclosed or appropriately

screened from view so as not to be visible from one or more neighboring units; and (b) pipes for water, gas, sewer, drainage or other purposes, and utility meters or other utility facilities and gas, oil, water or other tanks, and sewage and disposal systems or devices shall be kept and maintained within an enclosed structure or below the surface of the ground.

6. No exterior speakers, horns whistles, bells or other sound devices, except security devices used exclusively to protect the security of the unit, and improvements thereon, shall be placed or used upon any unit. No sound shall be allowed to be emitted on any unit that is unreasonably loud or annoying.

7. In the event of any excavation on any unit, the owner of such unit shall provide such artificial support as is necessary to support adjacent units.

8. No light shall be emitted from any unit that is unreasonably bright or that causes unreasonable glare.

9. Neither beehives nor fighting cocks shall be kept or maintained on any unit. Dogs, cats and other typical household pets may be kept in reasonable numbers and under reasonable conditions. All animals kept or maintained on a unit shall be kept and maintained only in a density compatible with neighboring residential use and shall be cared for in conformance with practices of good animal husbandry, including but no limited to: (a) prompt removal of excess amounts of manure and other waste; (b) control of flies, insects, worms and other pests; (c) adequate fencing and animal housing facilities adequate to restrict such animals to the unit where maintained; (d) control of noise and noxious odors to levels that are customary under practices of good animal husbandry and that are compatible with neighboring residential use.

10. No house trailer, mobile home, tent, or similar facility or structure shall be kept, placed or maintained upon any unit at any time, provided, however, that the provisions of this paragraph shall not apply to temporary construction shelters or facilities maintained for a period not to exceed one (1) year during and used exclusively in connection with the construction or improvement of any authorized improvement on the unit.

11. No truck of more than one (1) ton capacity shall be kept, placed or maintained upon any unit in such a manner that such truck is visible from the neighboring units, provided, however, that the provisions of this paragraph shall not apply to construction equipment maintained for a period not to exceed one (1) year during and used exclusively in connection with the construction of any authorized improvement on the unit.

12. No trailer, vehicle or boat shall be constructed, reconstructed or repaired upon any unit in such a manner that such construction, reconstruction or repair is visible from neighboring units, nor shall any vehicle not in good operating condition be maintained upon any unit so as to be visible from any adjoining unit, provided that nothing in this paragraph shall prevent an owner from performing minor maintenance work and minor repairs on his or her own trailer, vehicle or boat in his or her garage.

13. No garbage or trash shall be permitted on any unit except in closed receptacles screened from view from any neighboring unit; and no accumulated waste plant materials will be permitted on any unit, except as part of an established compost pile maintained in such a manner as not to be visible from neighboring units.

14. No open storage of trailers, boats, vehicles, furniture, fixtures, appliances and other similar goods will be permitted. These items may only be stored in an enclosed garage or other appropriate enclosed storage structure.

15. No unit owner shall violate or permit the violation on the owner's unit of any applicable law or ordinance pertaining to the zoning, buildings, fires, signs or other matter relating to the use and development of the unit.

16. No garage shall be used for other than the parking of vehicles and boats, unless the same is enclosed so as not to be visible from neighboring units by a partition, wall, door, or screen normally kept closed. Specifically, and without limiting the generality of the foregoing, no garage not so enclosed shall be used for storage purposes.

17. No noxious or offensive activity shall be carried on upon any common element or any unit, nor shall anything be done or placed thereon which is, may be or may become a nuisance or cause embarrassment, disturbance or annoyance to the neighborhood. Any plantings or vegetation that cannot be effectively limited from infesting neighboring units shall be deemed a noxious activity, and each owner shall take positive steps to eliminate such plantings or vegetation from his or her unit. Noxious activities shall also include the failure to properly care for animals raised or kept on a unit, and each owner shall take positive steps to eliminate or cure any such improper care of animals or use of herbicides or pesticides.

18. No activities shall be conducted on any unit and no improvements constructed on any unit that are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no firearms shall be discharged upon any unit, and no open fires shall be lighted or permitted on any unit except: (a) in a contained barbecue unit while attended and in use for cooking purposes; or (b) within a safe and

well-designed interior fireplace. Whenever any flammable or combustible materials of any type are stored upon any unit, the owner thereof shall keep and maintain in working order adequate fire extinguishments equipment.

19. No mining or quarrying for or removing minerals, rocks, stones, gravel or earth shall take place on any unit.

20. The clearing and grading of any unit shall not alter or impede existing drainage patterns. All areas cleared shall be left clear of rubbish and litter. All grading operations shall exercise prudent dust control measures.

21. No owner shall construct or permit to be constructed on his or her unit any improvement which will create a problem of flooding, erosion or interference with natural water flow or original runoff pattern damaging to his or her unit or adjacent units, nor shall any owner fail to act so as to minimize runoff damage or interference with the natural flow of storm waters. Each owner shall keep all drainage facilities and culverts installed on his or her unit, free and unobstructed and in good repair.

22. No overhead power lines or wind generators shall be erected on any unit. A satellite dish may be installed on any unit, provided that if the satellite dish is greater than 18 inches in diameter the dish shall be blocked or screened from view from the other unit.

23. No “For Sale” signs larger than five square feet and no advertising sign or billboard may be erected, placed, or permitted to be placed on any unit. A unit owner may place one reasonably sized "For Sale" sign along one edge of a Unit boundary. No sign shall be directly illuminated or shall be higher than six feet above the ground elevation. All signs erected or maintained on any unit shall comply with all applicable County and State laws, ordinances and regulations.

24. No unit shall be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing purpose or under any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license, "travel club membership" or "time-interval ownership" arrangement. The term "time-sharing" as used herein shall be deemed to include, but is not limited to, any plan, program or arrangement under which the right to use, occupy, own or possess any unit or any interest therein rotates among various persons on a periodically recurring basis according to a fixed or floating interval or period of time, whether by way of deed, lease, association or club membership, license, rental or use agreement, co-tenancy agreement, partnership or otherwise. This paragraph 24 shall not apply to the Declarant as long as the Declarant owns at least one unit.

25. No building or structure (but not including roads, walkways, fences, walls or underground utilities) may be located within the Yard Area appurtenant to each unit which is closer than twenty (20) feet (measured from any portion of such building structure) to the interior boundary lines separating and defining the respective Yard Area appurtenant to the respective units.

END OF EXHIBIT I

EXHIBIT J

****FOR ILLUSTRATION ONLY****

LAND COURT | **REGULAR SYSTEM**

AFTER RECORDATION, RETURN BY MAIL TO:

COUNTY OF KAUAI
Planning Department
Building A, Suite 473
4444 Rice Street
Lihue HI 96766

Document contains __ pages

FARM DWELLING AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 20___, by and between _____ _____, whose residence and post office address is _____ _____, hereinafter called the "APPLICANT(S)", and the COUNTY OF KAUAI, Planning Department, its business and mailing address being Building A, Suite 473, 4444 Rice Street, 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 he/she/they is/are the _____ of that certain parcel of land, Tax Map Key No. (4) _____, more particularly described in Exhibit "A", attached hereto and made a part hereof; and

WHEREAS, this document pertains only to Unit(s) ____ 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. (4)_____, is entitled to _____ (___) residential units; and

WHEREAS, this Agreement is evidenced that _____ is entitled to one of those residential 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 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; and

WHEREAS, the APPLICANT(S) wish to construct a dwelling unit on those certain parcels 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 parcels 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 parcels; 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); and

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 principal place of business and mailing address is Building A, Suite 473, 4444 Rice Street, Lihue, Hawaii 96766, 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 convenant 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 indemnify 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 _____, 20____.

APPROVED:

_____
Planning Director

APPROVED AS TO FORM
AND LEGALITY:

_____
County Attorney

APPLICANT(S)

_____

_____

_____

STATE OF _____)
) SS:
COUNTY OF _____)

On this _____ day of _____, 20___, before me personally appeared _____, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that _____ executed the same as _____ free act and deed.

_____
Notary Public, in and for said
County and State.

Print Name:_____

My commission expires:_____

STATE OF _____)
) SS:
COUNTY OF _____)

On this _____ day of _____, 20___, before me personally appeared _____, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that _____ executed the same as _____ free act and deed.

_____
Notary Public, in and for said
County and State.

Print Name:_____

My commission expires:_____

SSTATE OF _____)
) SS:
COUNTY OF _____)

On this _____ day of _____, 20___, before me personally appeared _____, to me known to be the person described in and who executed the foregoing instrument, and acknowledged that _____ executed the same as _____ free act and deed.

_____
Notary Public, in and for said
County and State.

Print Name:_____

My commission expires:_____

END OF EXHIBIT J

EXHIBIT K

STATEMENT OF DEVELOPER'S
AFFILIATION WITH BROKER

The Co-Developer, Matthew G. Beall, is licensed in the State of Hawaii as a real estate agent for Century 21 All Islands. Units of the CPR project will be listed with Century 21 All Islands from whom the above named Developer may receive a commission based on his agreement with Century 21 All Islands.

Dated: 9-21-06, 2006.

Developer:

MATTHEW G. BEALL

END OF EXHIBIT K