

**AMENDMENT 1 TO
DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME:	KALIHIWAI BLUFFS CONDOMINIUM
PROJECT ADDRESS:	05-2998 Kuhio Highway Kilauea, Kauai, Hawaii 96754
REGISTRATION NUMBER:	6656
EFFECTIVE DATE OF REPORT:	February 1, 2010
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input checked="" type="checkbox"/> Developer's Public Report dated <u>April 1, 2009</u> <input type="checkbox"/> Amended Report dated _____ <input type="checkbox"/> Supersedes all prior amendments: Includes all prior amendment(s) and <u>must</u> be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input type="checkbox"/> Amended Report dated _____
DEVELOPER(S):	PHILIP W. WRIGHT, Trustee under that certain unrecorded Self Trusteed Trust dated May 2, 1989

Preparation of this Amendment

The Developer prepared this amendment pursuant to the Condominium Property Act, Section 514B-56, Hawaii Revised Statutes (HRS), as amended from time to time. Section 514B-56, HRS, requires that after the Commission has issued an effective date for the Developer's Public Report, if there are any changes, either material or pertinent changes, or both, regarding the information contained in or omitted from the Developer's Public Report, or if the developer desires to update or change the information set forth in the Developer's Public Report, the developer shall immediately submit to the Commission an amendment to the Developer's Public Report or an amended Developer's Public Report clearly reflecting the change, together with such supporting information as may be required by the Commission, to update the information contained in the Developer's Public Report.

The law defines "material change" as used in parts IV and V of Chapter 514B, HRS means 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 law defines "pertinent change" to mean, as determined by the commission, a change not previously disclosed in the most recent public report that renders the information contained in the public report or in any disclosure statement inaccurate, including, but not limited to (1) The size, construction materials, location, or permitted use of a unit or its appurtenant limited common element; (2) The size, use, location, or construction materials of the common elements of the project; or (3) The common interest appurtenant to the unit. A pertinent change does not necessarily constitute a material change.

The filing of an amendment to the Developer's Public Report or an amended Developer's Public Report, in and of itself, shall not be grounds for a purchaser to cancel or rescind a sales contract. A purchaser's right to cancel or rescind a sales contract shall be governed by sections 514B-86 and 514B-87, HRS, the terms and conditions of the purchaser's contract for sale, and applicable common law.

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This Amendment 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 amendment to the 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, material changes, or pertinent changes about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

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 amendment may be used by the Developer for promotional purposes only if it is used with the last Developer's Public Report in its entirety.

Prospective purchasers and purchasers are encourage to read this amendment carefully and to seek professional advice.

Summary of Changes from Earlier Developer's Public Report are Described Beginning on the Next Page

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Summary of Changes from Earlier Developer's Public Report:

This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public Report with the effective date as noted on the top of page 1 if they wish to know the specific changes that have been made.

Changes made are as follows (include a description of what the change is and page number and or exhibit alphabet or number; additional pages may be used):

1 The Declaration of Condominium Property Regime of Kalihiwai Bluffs Condominium was amended to change the allocation of the common percentage interest for each unit by assigning an equal interest of each unit irrespective of the size of the units or the yard area limited common elements appurtenant to each of the units

2. A Second Amendment to Declaration of Condominium Property Regime of Kalihiwai Bluffs Condominium was recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 2009-180799, to note the change described in paragraph 1.

Pursuant to the foregoing, the following changes are made to the Developer's Public Report.

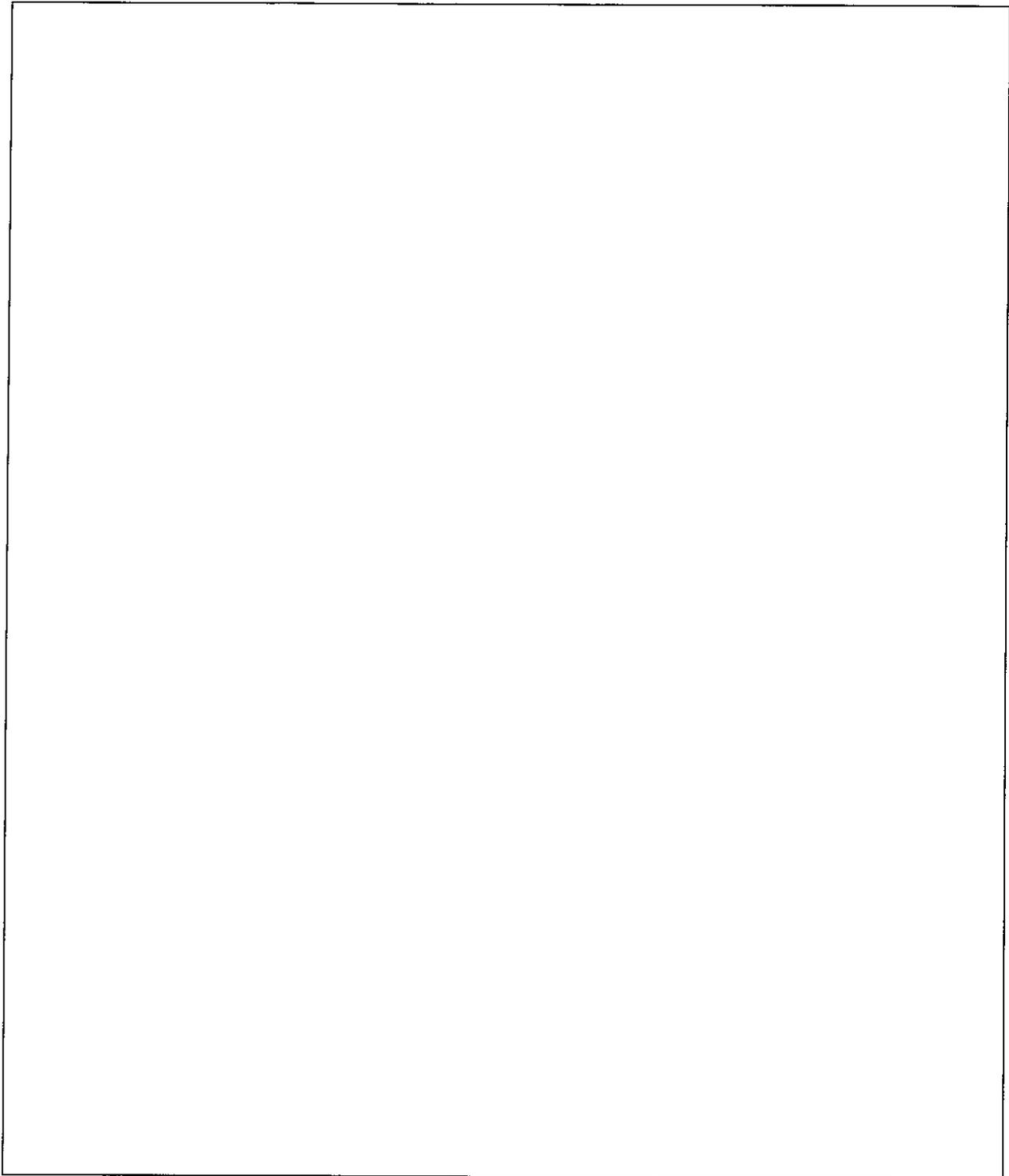
A. Paragraph 1.7 on page 4 of the Developer's Public Report is amended to correctly state that the common interest for each unit is fifty percent (50%).

B. Paragraph 4 on Page 18 of the Developer's Public Report, regarding the common interest allocation, is deleted in its entirety and subsequent paragraphs are renumbered.

C. Exhibit "E", Encumbrances Against Title, to the Public Report is amended to reflect the filing of the Second Amendment noted in item 2 above.

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Changes continued:



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The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project continues to conform 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, as amended, 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, as amended, 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 as amended and the exhibits attached to this report (if any) as amended 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 as amended 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 as amended at least 30 days prior to the anniversary date of the effective date of this report.

PHILIP W. WRIGHT, Trustee under that
certain unrecorded Self Trusteed Trust dated May 2, 1989
Printed Name of Developer

By Philip W. Wright
Duly Authorized Signatory

December 3, 2009
Date

Philip W. Wright, Trustee
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.**

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1.4 Parking Stalls

Total Parking Stalls in the Project:	4
Number of Guest Stalls in the Project:	0
Number of Parking Stalls Assigned to Each Unit:	2
Attach Exhibit "B" 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: See Exhibit "A"
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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): See Exhibit "C"
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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:
Described in Exhibit <u> </u> . N/A
As follows: Each unit shall have appurtenant thereto an undivided interest in all common elements of the property, and the same proportionate share in all common profits and common expenses of the property (except as may be otherwise provided in the Bylaws) and for all other purposes, including voting as follows: Unit A – 50%; Unit B – 50%. The common interest for each unit is determined by assigning an equal interest to each of the units irrespective of the actual land areas contained in the limited common elements appurtenant to each unit.

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

<input type="checkbox"/>	Swimming pool
<input type="checkbox"/>	Laundry Area
<input type="checkbox"/>	Storage Area
<input type="checkbox"/>	Tennis Court
<input type="checkbox"/>	Recreation Area
<input type="checkbox"/>	Trash Chute/Enclosure(s)
<input type="checkbox"/>	Exercise Room
<input type="checkbox"/>	Security Gate
<input type="checkbox"/>	Playground
	Other (describe):

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
Bureau of Conveyances	November 9, 2007	2008-102176

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	(acknowledged Feb. 25, 2009)	2009-033464
Bureau of Conveyances	November 20, 2009	2009-180799

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
Bureau of Conveyances	November 9, 2007	2008-102177

Amendments to Bylaws of the Association of Unit Owners.

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.2 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 Number	
Bureau of Conveyances Map Number	4666
Dates of Recordation of Amendments to the Condominium Map:	

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

1. The use of hazardous material is restricted except as provided under Article H of the Declaration and all hazardous materials laws.
2. Purchasers should be aware of the following zoning restrictions:
 - (a) The available land coverage and developable area shall be allocated to each Unit as set forth in Exhibit "L".
 - (b) Portions of the Project are located within the Special Management Area of the County of Kauai ("SMA"). No development or use shall be allowed within the SMA except as provided by: the Special Management Area Rules and Regulations of the County of Kauai; and HRS Chapter 205A (Parts I and II).
 - (c) Small portions of the Project (less than 5,000 square feet in total) along its northern boundary are located with the State Land Use Commission Conservation District. No development or use shall be allowed within the Conservation District except as allowed by the Board of Land and Natural Resources and/or the Department of Land and Natural Resources of the State of Hawaii. In addition, only the owner of Unit A shall have the right to construct improvements located within the portion of the Conservation District located within Unit A. The owner of Unit B shall have no right to construct improvements located within the portion of the Conservation District located within Unit B. Notwithstanding this limitation, there is ample area within Unit A and Unit B located outside of the Conservation District for the construction of all permitted improvements, including a Condominium House on each Unit.
 - (d) The Condominium House on Unit B may only be located in that portion of Unit B which is located outside of the SMA.
 - (e) Purchaser's should be aware of the matters concerning the Project's compliance with zoning requirements as set forth in the Developer's Zoning Compliance Declaration attached hereto as Exhibit "K".
3. It will be the sole responsibility of the Buyer, as owner of an individual unit, to pay all costs necessary to replace the spatial unit appurtenant to the Buyer's unit with permitted improvements (including, for example, a Condominium House).
4. The Property is subject to the provisions of that certain Declaration of Restrictive Covenants And Conditions, a copy of which is attached hereto as Exhibit "M", which provides: that the Property shall be used only for those uses permissible in an agricultural district as contained in Chapter 205, Hawaii Revised Statutes, as amended or as may be further amended; that such restrictions shall run with the land; and that such restrictions shall continue until the Property is reclassified to a State Land Use district classification other than the "Agricultural" district classification.

EXHIBIT "E"

ENCUMBRANCES AGAINST TITLE

1. Possible rollback or retroactive property taxes. Reference is made to the Department of Taxation, County of Kauai.
2. Drainage Easement in favor of the County of Kauai, as granted by indenture dated August 6, 1958, as mentioned in Deed dated August 30, 1972, recorded in Liber 8599 at Page 322.
3. Any abutter's right of vehicle access into and from Kauai Belt Road, as reserved in Deed dated November 30, 1962, recorded in Liber 4495 at Page 174.
4. The terms and provisions of that certain Lease dated October 28, 1958, in favor of the County of Kauai, granting a powerline easement, a pipeline easement, and water tank easement, all as mentioned in Deed dated August 30, 1972, recorded in Liber 8599 at Page 322.
5. DESIGNATION OF EASEMENT "D" (10 feet wide) for pipeline purposes, as shown on Tax Map.
6. DESIGNATION OF EASEMENT "F" (20 feet wide) for irrigation purposes, shown on Tax Map.
7. DESIGNATION OF EASEMENT "J" (20 feet wide) for electrical purposes, as shown on Tax Map.
8. GRANT to the COUNTY OF KAUAI, dated October 28, 1958, recorded in Liber 11284 at Page 508. Consent given thereto by GAY & ROBINSON, a Hawaii co-partnership, Lessee in that certain lease made to it by Kilauea Sugar Company, Limited as Lessor, dated March 31, 1943, recorded in Liber 1787 at Page 426, as amended, granting an easement for pipeline purposes.
9. The terms and provisions contained in DECLARATION dated December 9, 1976, recorded in Liber 11901 at Page 515.
10. GRANT to C.B. KILAUEA, INC., a Hawaii corporation, and BREWER PROPERTIES, INC., a Delaware corporation, dated February 7, 1977, recorded in Liber 12008 at page 283, granting an easement over Easement "F" for irrigation purposes.

Said GRANT amended by Instrument dated March 10, 1977, recorded in Liber 12078 at Page 176, and dated May 24, 1977, recorded in Liber 12286 at Page 248.
11. GRANT to GTE HAWAIIAN TELEPHONE COMPANY, INC., now known as HAWAIIAN TELCOM, INC., dated July 8, 1996, recorded as Document No. 96-102698, granting a perpetual right and easement to build, construct, reconstruct, rebuild, repair, maintain and operate underground lines and associated appliances and equipment.

12. NOTICE OF DEDICATION dated November 28, 2000, recorded as Document No. 2000-171117 by PHILIP W. WRIGHT, Trustee under unrecorded Self-Trusteed Trust dated May 2, 1989, regarding the dedication of land for Agricultural purposes for a period of ten (10) years.
13. GRANT to KAUAI ISLAND UTILITY COOPERATIVE and HAWAIIAN TELCOM INC, formerly known as VERIZON HAWAII INC, formerly known as GTE HAWAIIAN TELEPHONE COMPANY INCORPORATED, dated January 19, 2006, recorded as Document No. 2007-058261, granting a perpetual right and easement for utility purposes, over and across Easement "E-1", more particularly described therein, and shown on the map attached thereto.
14. The terms and provisions contained in the following:

DECLARATION OF THE CONDOMINIUM PROPERTY REGIME OF KALIHIWAI BLUFFS CONDOMINIUM dated November 9, 2007, and recorded as Document No. 2008-102176.

Condominium Map No. 4666 and any amendments thereto.

SECOND AMENDMENT TO DECLARATION OF CONDOMINIUM PROPERTY REGIME OF KALIHIWAI BLUFFS CONDOMINIUM dated November 20, 2009, and recorded as Document No. 2009-180799.
15. The terms and provisions contained in the BY-LAWS OF THE ASSOCIATION OF UNIT OWNERS OF KALIHIWAI BLUFFS CONDOMINIUM dated November 9, 2007, recorded as Document No. 2007-102177.