

**DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME	VICTORINO ESTATES CONDOMINIUM
Project Address	1706 Bettencourt Lane Kapaa, Kauai, Hawaii 96746
Registration Number	6745 (Conversion)
Effective Date of Report	January 21, 2009
Developer(s)	Gary Alfred Victorino

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; and (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.

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.]

1. This Public Report does not constitute an approval of the Project by the Real Estate Commission or any other government agency, nor does it ensure that all County codes, ordinances and subdivision have necessarily been complied with.
2. This is a CONDOMINIUM PROJECT, and is NOT a subdivision. The land area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and does not represent a legally subdivided lot. The lines on the Condominium Map dividing the land into limited common element land areas are for illustration purposes only and should not be construed to be formal subdivision lines.
3. Facilities and improvements normally associated with County-approved subdivisions may not be provided in a condominium project, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owners and emergency traffic, drainage facilities, etc., and services such as County street maintenance and trash collection may not be available for interior roads and driveways. BUYER SHOULD INVESTIGATE AND UNDERSTAND THE AVAILABILITY OR LACK THEREOF OF SUCH SERVICES AND FACILITIES.
4. In a condominium, all of the land included in the condominium remains a single, unsubdivided parcel of land for purposes of zoning and land use regulation. If one unit owner violates a County regulation, the violation is attributable by the County to both that owner and the innocent owner of each other unit. For example, if one owner builds or adds to a structure in a manner which violates County height limits, size limits, setbacks, building permit requirements, or flood zone rules, or uses the unit for an unauthorized additional dwelling or short term rental, the violation applies to the entire condominium and the innocent unit owner may be subject to fines or may be denied a building permit as long as the violation remains uncured. BUYER SHOULD CONSULT WITH AN ATTORNEY CONCERNING THESE IMPORTANT RISKS.
5. County sewer service is not available. The owner of each unit shall be responsible for the cost of installing, maintaining, operating and/or replacing said unit's system. No representations or warranties are made as to the quality, useful life, replacement cost, operating cost, or maintenance cost of the system and appurtenances.

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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	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Fee Owner's Name if Developer is not the Fee Owner	
Address of Project	1706 Bettencourt Lane, Kapaa, Kauai, Hawaii 96746
Address of Project is expected to change because	New street numbers will be assigned to the individual units
Tax Map Key (TMK)	(4)4-6-033-036
Tax Map Key is expected to change because	New numbers will be assigned to the individual units
Land Area	1.05 acres
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	

1.2 Buildings and Other Improvements

Number of Buildings	2
Floors Per Building	1
Number of New Building(s)	0
Number of Converted Building(s)	2
Principle Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	Wood structure, composition shingle roof

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
A	1	3/1	912	480	gar./laundry	1,392
B	1	1/1	500	68	storage/entry	568
See Exhibit _____						

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 Stall in the Project:	4
Number of Guest Stalls in the Project:	0
Number of Parking Stalls Assigned to Each Unit:	2
Attach Exhibit _____ 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.	

1.5 Boundaries of the Units

Boundaries of the unit:

Each unit shall include its entire structure, and the limited common element land area appurtenant to such unit. The boundary of each unit is the exterior finished surface of the unit's perimeter walls, roof, foundation, doors, windows and other structural members.

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):

Each unit owner may construct and/or alter any structure located within the unit's limited common element land area as provided and limited in Article III, Paragraphs A, C and D of Article VI, and Paragraphs B of Article VII of the Declaration of CPR. The current County of Kauai building ordinances should be consulted by any owner of a unit intending to make alterations.

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 _____.

As follows:

Unit A = 50%
Unit B = 50%

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
<input type="checkbox"/>	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 C _____.

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 C _____.

Described as follows:

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.

<input checked="" type="checkbox"/>	Pets: Article III, Section C of the Declaration limits the types and numbers of animals.
<input type="checkbox"/>	Number of Occupants:
<input checked="" type="checkbox"/>	Other: Article III of the Declaration sets forth special use restrictions.
<input type="checkbox"/>	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 D _____ describes the encumbrances against title contained in the title report described below.

Date of the title report: August 25, 2008

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
<input type="checkbox"/>	Residential		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Commercial		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Mix Residential/Commercial		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Hotel		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Timeshare		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Ohana		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Industrial		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input checked="" type="checkbox"/>	Agricultural	2	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Agriculture
<input type="checkbox"/>	Recreational		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<input type="checkbox"/>	Other (Specify):		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?			<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Variances to zoning code have been granted.			<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Describe any variances that have been granted to zoning code					

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots			
<p>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.</p> <p>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.</p> <p>A purchaser may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure or lot.</p>			

	Conforming	Non-Conforming	Illegal
Uses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Structures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lot	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<p>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:</p>
--

1.15 Conversions

<p>Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.</p>	<p><input checked="" type="checkbox"/> Applicable</p> <p><input type="checkbox"/> Not Applicable</p>
<p>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:</p> <p>Please see Exhibit I</p>	
<p>Developer's statement of the expected useful life of each item reported above:</p> <p>Please see Exhibit I</p>	
<p>List of any outstanding notices of uncured violations of any building code or other county regulations:</p> <p>None</p>	
<p>Estimated cost of curing any violations described above:</p> <p>N/A</p>	

<p>Verified Statement from a County Official</p>	
<p>Regarding any converted structures in the project, attached as Exhibit <u> K </u> is a verified statement signed by an appropriate county official which states that either:</p> <p>(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:</p> <ul style="list-style-type: none"> (i) Any variances or other permits that have been granted to achieve compliance; (ii) Whether the project contains any legal non-conforming 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; <p style="text-align: center;">or</p> <p>(B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above.</p>	
<p>Other disclosures and information:</p>	

1.16 Project In Agricultural District

<p>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.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the answer is "No", provide explanation.</p>	
<p>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? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.</p>	
<p>Other disclosures and information:</p>	

1.17 Project with Assisted Living Facility

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

2. PERSONS CONNECTED WITH THE PROJECT

<p>2.1 Developer(s)</p>	<p>Name: Gary Alfred Victorino</p> <p>Business Address: 4604 244 Street CT E Graham, Washington 98338</p> <p>Business Phone Number : (253) 847-6745</p> <p>E-mail Address: narburgh@msn.com</p>
<p>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).</p>	<p>N/A</p>
<p>2.2 Real Estate Broker</p>	<p>Name: None selected, see page 18</p> <p>Business Address:</p> <p>Business Phone Number:</p> <p>E-mail Address:</p>
<p>2.3 Escrow Depository</p>	<p>Name: Title Guaranty Escrow Services, Inc.</p> <p>Business Address: P.O. Box 223330 Princeville, Hawaii 96722</p> <p>Business Phone Number: (808) 826-5300</p>
<p>2.4 General Contractor</p>	<p>Name: N/A</p> <p>Business Address:</p> <p>Business Phone Number:</p>
<p>2.5 Condominium Managing Agent</p>	<p>Name: Self managed by the Association</p> <p>Business Address:</p> <p>Business Phone Number:</p>
<p>2.6 Attorney for Developer</p>	<p>Name: Peter C. Miller, Esq.</p> <p>Business Address: P.O. Box 1230 Hanalei, Hawaii 96714</p> <p>Business Phone Number: (808) 826-4606</p>

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	August 14, 2008	2008-136563

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
Bureau of Conveyances	August 14, 2008	2008-136564

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	4699
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	<input type="checkbox"/>	
Have Been Adopted and Date of Adoption	<input type="checkbox"/>	
Developer does not plan to adopt House Rules	<input checked="" type="checkbox"/>	

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

<input type="checkbox"/>	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
<input checked="" type="checkbox"/>	<p>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:</p> <p>As provided in Article VII, Section B, so long as Declarant owns one (1) unit in this Project, Declarant reserves the right to amend the Declaration, Bylaws and Condominium Map in order to correct any typographical or grammatical error, or to comply with any applicable State, Federal or local ordinance, rule or regulation or any title company or financial institution, or the requirements of the Real Estate Commission.</p>

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

<u>Management of the Common Elements:</u> 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):	
<input type="checkbox"/>	Not affiliated with the Developer
<input checked="" type="checkbox"/>	None (self-managed by the Association)
<input type="checkbox"/>	The Developer or an affiliate of the Developer
<input type="checkbox"/>	Other (explain)

4.2 Estimate of the Initial Maintenance Fees

<u>Estimate of the Initial Maintenance Fees:</u> 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 F 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:	
<input type="checkbox"/>	Electricity for the common elements
<input type="checkbox"/>	Gas for the common elements
<input type="checkbox"/>	Water
<input type="checkbox"/>	Sewer
<input type="checkbox"/>	TV Cable
<input type="checkbox"/>	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:	
<input checked="" type="checkbox"/>	Electricity for the Unit only
<input type="checkbox"/>	Gas for the Unit only
<input checked="" type="checkbox"/>	Water
<input type="checkbox"/>	Sewer
<input checked="" type="checkbox"/>	TV Cable
<input checked="" type="checkbox"/>	Other (specify) All utilities

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit <u>G</u> contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement dated: August 14, 2008 Name of Escrow Company: Title Guaranty Escrow Services, Inc. Exhibit <u>H</u> contains a summary of the pertinent provisions of the escrow agreement.
<input type="checkbox"/>	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.

<input type="checkbox"/>	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
<input type="checkbox"/>	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit ____.
<input type="checkbox"/>	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.

<input type="checkbox"/>	There are <u>no blanket liens</u> affecting title to the individual units.
<input checked="" type="checkbox"/>	There are <u>blanket liens</u> that may affect title to the individual units.

<u>Type of Lien</u>	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage	The purchase will be terminated and the deposit returned to buyer

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:

<p>Building and Other Improvements:</p> <p>There are no warranties, express or implied</p>
<p>Appliances:</p> <p>There are no warranties, express or implied</p>

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

<p>Status of Construction: Unit A was completed in 1985. Unit B was completed in 1989.</p>
<p>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.</p>
<p>Completion Deadline for any unit not yet constructed, as set forth in the sales contract: N/A</p>
<p>Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract: N/A</p>

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

<input type="checkbox"/>	<p>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.</p> <p><i>If this box is checked, Section 5.6.2, which follows below, will not be applicable to the project.</i></p>
--------------------------	--

5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

<p>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):</p>	
<input type="checkbox"/>	<p>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</p>
<input type="checkbox"/>	<p>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.</p>

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

<p>Box A</p> <p><input type="checkbox"/></p>	<p>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.</p> <p>If Box A is checked, you should read and carefully consider the following notice, which is required by law:</p> <p><u>Important Notice Regarding Your Deposits:</u> 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.</p>
<p>Box B</p> <p><input type="checkbox"/></p>	<p>The Developer has <u>not</u> 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.</p> <p>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 <u>Important Notice Regarding Your Deposits</u> 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, <u>you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment.</u> (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.</p> <p>You should understand that, although the <u>Important Notice Regarding Your Deposits</u> 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.</p>

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.

N/A

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:

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. DISCLOSURE RE: NON SELECTION OF REAL ESTATE BROKER.

As of the effective date of this Developer's Public Report, the Developer has not executed a listing agreement for the sale of this condominium project with any duly licensed Hawaii real estate broker.

Thus, the developer cannot offer to sell or sell any units in this registered condominium project until: 1) the developer executes a listing agreement for the sale of this condominium project, 2) amends this developer's public report to reflect the new information, and 3) delivers this public report and amendment to the prospective purchaser. The conditions for a binding sales contract are listed on pages 16-17 paragraph 5.8.1.

2. WASTEWATER SYSTEM. There is no sewer system available. Each unit, at the expense of the unit owner, shall maintain its own wastewater system in accordance with the Hawaii Department of Health regulations.

3. EACH BUYER IS ADVISED TO CONTACT THE APPROPRIATE GOVERNMENT AGENCIES TO DETERMINE SPECIFIC REQUIREMENTS FOR THIS PROPERTY, AND TO CONSULT WITH HIS OR HER LEGAL COUNSEL AND OTHER APPROPRIATE PROFESSIONALS FOR ADDITIONAL INFORMATION.

4. NOTICE OF DEDICATION TO AGRICULTURE. On October 27, 2003 the owner of the Project real property dedicated it to agricultural use for a minimum period of 10 years, thereby receiving special tax assessment privileges. Failure to observe this restriction on the use of the land will cancel the dedication retroactive to its inception. The taxes previously saved, plus penalties, will then become due and payable. The Real Property Assessment Division, Department of Finance, County of Kauai should be consulted for details.

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.

Gary Alfred Victorino

Printed Name of Developer

By: Gary Victorino
Duly Authorized Signatory*

9/25/08
Date

Gary Alfred Victorino, 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.**

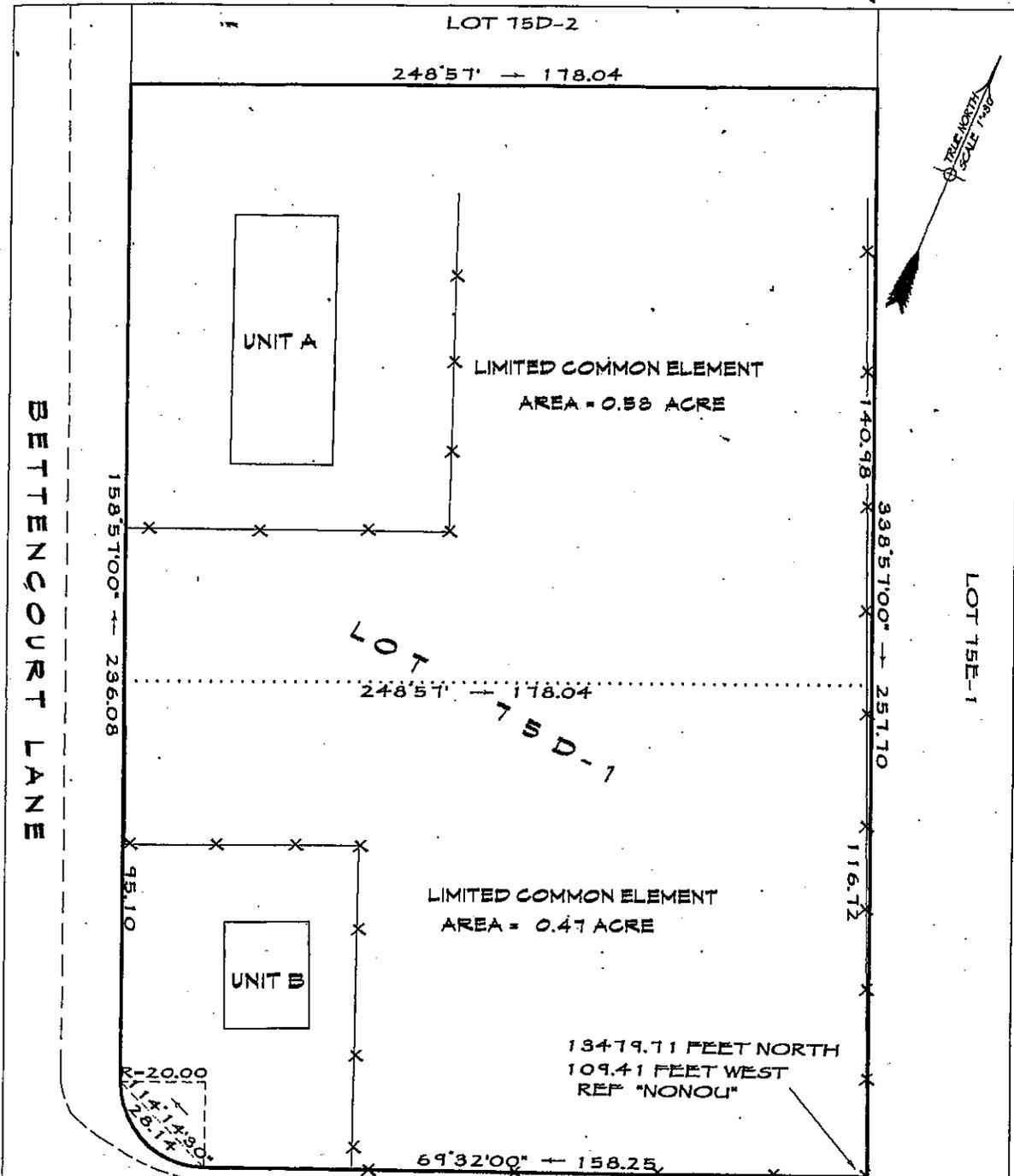
EXHIBIT A

DESCRIPTION OF UNITS

The Project is the sole project in the condominium property regime and consists, or will consist, of two dwelling units only, designated "Unit A" and "Unit B" as follows:

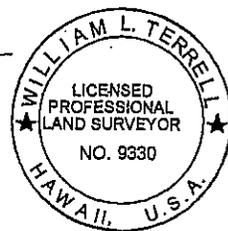
1. Unit A is single story single family dwelling constructed of wood framing and walls on concrete foundation with composition shingle roof. The structure contains 912 square feet of living area consisting of kitchen, living room, three bedrooms and one bathroom, plus a 480 square foot garage which contains a shower, water closet and laundry area. Said building comprises a single unit and is located on the southwesterly portion of this unit's 0.58 acre limited common element. Architectural plans for Unit A are attached to the Condominium Map and entitled "A-1".

2. Unit B is single story single family dwelling constructed of wood framing and walls on concrete foundation with composition shingle roof. The structure contains 500 square feet of living area consisting of kitchen, living room, one bedroom and one bathroom, plus a 68 square foot of storage/entry area. Said building comprises a single unit and is located on the westerly portion of this unit's 0.47 acre limited common element. Said building comprises a single unit. Architectural plans for Unit B are attached to the Condominium Map and entitled "A-2".



KAWAIHAU ROAD TO KAPAA →

MAP SHOWING
UNITS A & B
OF
"VICTORINO ESTATES" CONDOMINIUM
OF
LOT 75D-1
FORMERLY
LOT 75D
OF
KAPAA HOMESTEADS FIRST SERIES
at
KAPAA, (PUNA), KAUAI, HAWAII
AREA = 1.05 ACRES



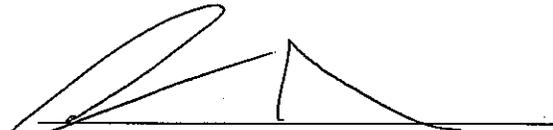
LIC EXP 4/30/10
THIS MAP WAS PREPARED BY ME OR
UNDER MY SUPERVISION
William L. Terrell
WILLIAM TERRELL
REGISTERED PROFESSIONAL LAND SURVEYOR
CERTIFICATE NO. 9330

Exhibit "B" - Condominium Map

SURVEYOR'S CERTIFICATION

STATE OF HAWAII)
) SS.
COUNTY OF KAUAI)

360SITE LLC being a limited liability company within the State of Hawaii having a licensed surveyor directly in charge, bearing Registration Number 9330, hereby certifies that the attached Condominium Map for the condominium project "**Victorino Estates Condominium**", situate at Kapaa, Hanalei, Kauai, Hi, and identified by Tax Map Key No. (4) **6-03:33:36**, accurately reflects the location and division of the apartment units and the dimensions of the limited common elements. To the best of our knowledge, the map depicts the layout, location, dimensions and numbers of the units substantially as built, and is consistent with the plans of the condominium's buildings as filed with the County of Kauai. Floor plans and elevations of the structures comprising the project are subject to a separate certification by a registered Hawaii architect or engineer.


Samuel Noble (General Partner)

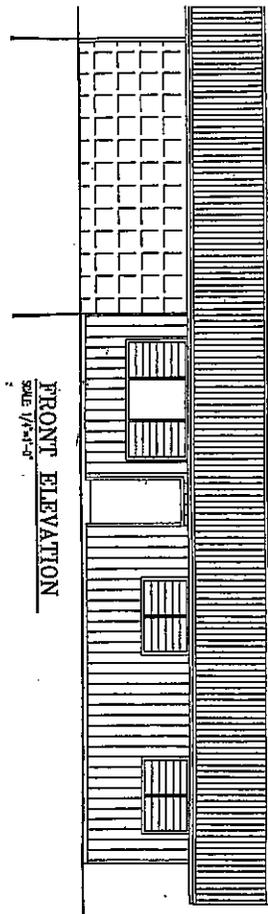


Subscribed and sworn to before me
this 10 day of May, 2008.

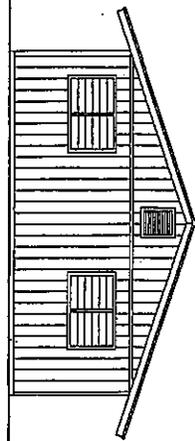

NOTARY PUBLIC, State of Hawaii
Printed Name: Sally J. Psaila

My commission expires: 12/30/08

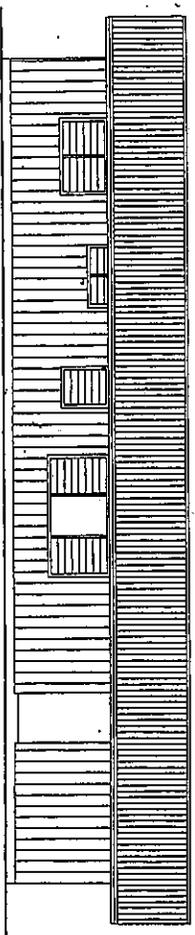




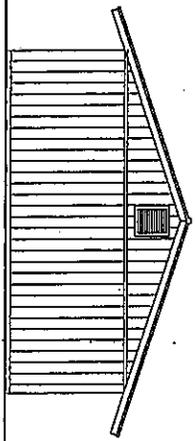
FRONT ELEVATION
SCALE 1/8"=1'-0"



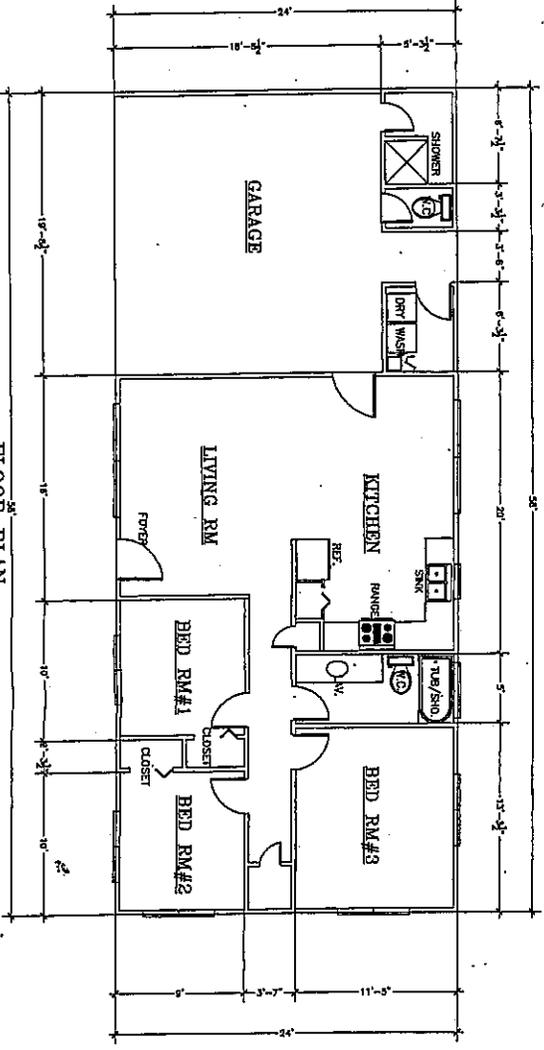
RIGHT ELEVATION
SCALE 1/8"=1'-0"



REAR ELEVATION
SCALE 1/8"=1'-0"



LEFT ELEVATION
SCALE 1/8"=1'-0"

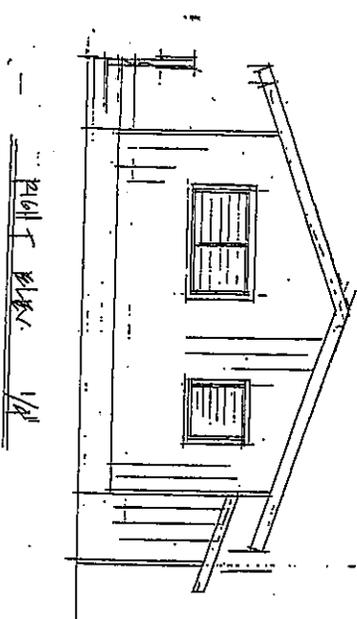
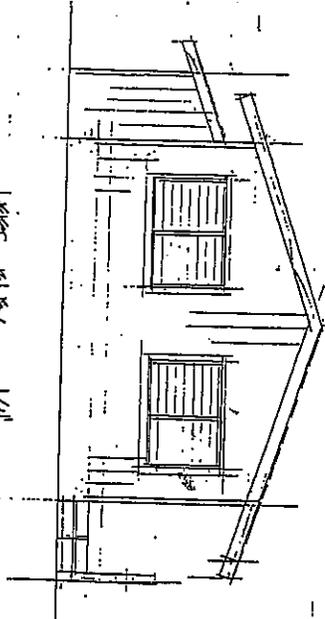
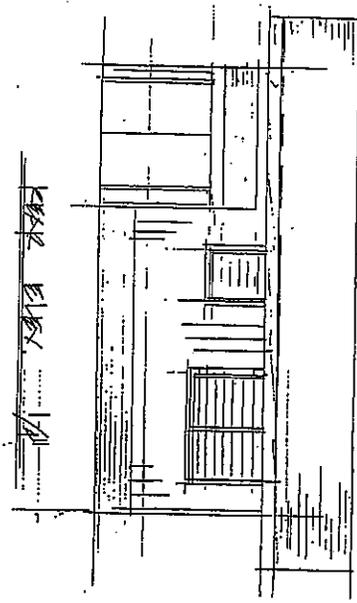


FLOOR PLAN
SCALE 1/8"=1'-0"

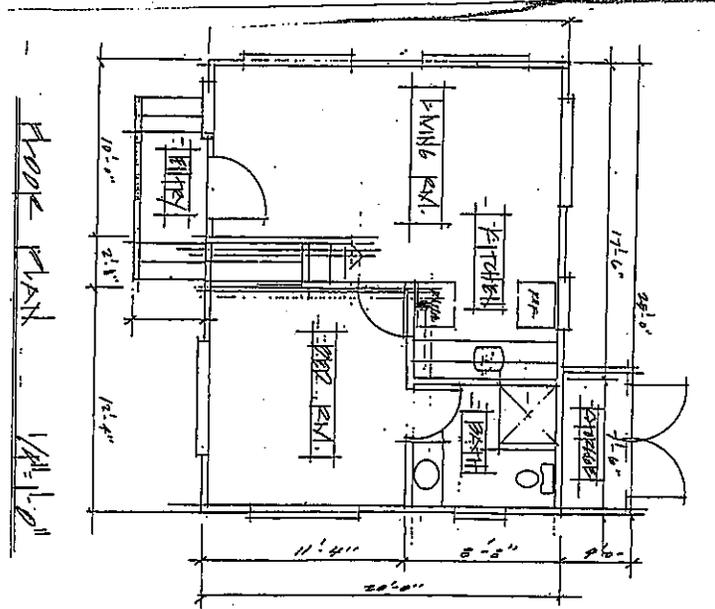
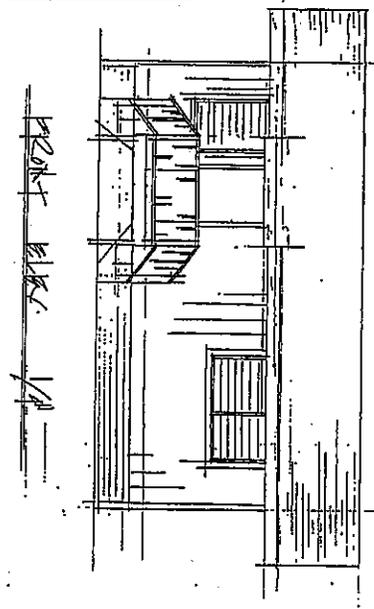
LIVING AREA: 212 sq ft
 KITCHEN AREA: 180 sq ft
 BATH: 42 sq ft
 10/12/12

VICTORINO ESTATES CONDOMINIUM
 T.M.K.: 4-6-33:36
 KAPAA HMSTDS., KAUALI, HI.

A-1



LIVING AREA: 500 S.F.
 KITCHEN AREA: 100 S.F.
 BATH AREA: 50 S.F.
 BED AREA: 50 S.F.
 PORCH AREA: 50 S.F.



VICTORINO ESTATES CONDOMINIUM
T.M.K.: 4-6-33:36
KAPAA HMSTDS., KAUAI, HI.

A-2

Unit A

All of that certain parcel of land (being a portion of LOT 75 D-1, also formerly being Lot 75 D of the " KAPAA HOMESTEADS FIRST SERIES" Subdivision), being **Unit A**, situate, lying and being at Kapaa, Puna, Island and County of Kauai, State of Hawaii, and thus bounded and described:

Beginning at the Northwest corner of Lot 75 D-1, the coordinates of said point of beginning referred to Government Survey Triangulation Station "Nonou" being 13,656.27 feet north and 368.12 feet west, thence running by azimuths measured clockwise from true South:

- | | | | | |
|----|------|-----|--------|---|
| 1. | 248° | 57' | 178.04 | feet along Lot 75D-2; |
| 2. | 338° | 57' | 140.98 | feet along Lot 75E-1; |
| 3. | 68° | 57' | 178.04 | feet along Unit B of Lot 75D-1; |
| 4. | 158° | 57' | 140.98 | feet along Bettencourt Lane to the point of beginning and containing an area of 0.58 Acre |



360 SITE LLC

Licensed Professional Land Surveyor #9330

PO Box 1458 Kilauea, HI 96754

808-828-2000

Unit B

All of that certain parcel of land (being a portion of LOT 75 D-1, also formerly being Lot 75 D of the " KAPAA HOMESTEADS FIRST SERIES" Subdivision), being Unit B, situate, lying and being at Kapaa, Puna, Island and County of Kauai, State of Hawaii, and thus bounded and described:

Beginning at the southeast corner of Lot 75 D-1, the coordinates of said point of beginning referred to Government Survey Triangulation Station "Nonou" being 13,479.71 feet north and 109.41 feet west, thence running by azimuths measured clockwise from true South:

1. 69° 32' 00" 158.25 feet along Kawaihau Road;

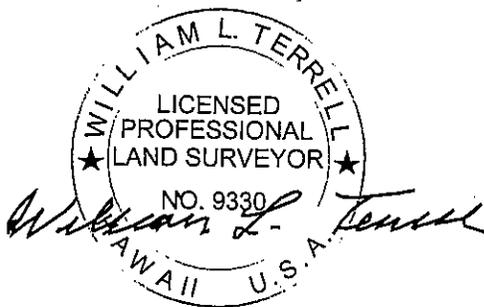
Thence along the west side of Bettencourt Lane on a curve to the right with a radius of 20.00 feet, the direct azimuth and distance being:

2. 114° 14' 30" 28.14 feet;

3. 158° 57' 95.10 feet along Bettencourt Lane;

4. 248° 57' 178.04 feet along Unit A of Lot 75D-1;

5. 338° 57' 116.72 feet along Lot 75E-1 to the point of beginning and containing an area of 0.47 Acre



360 SITE LLC

Licensed Professional Land Surveyor #9330

PO Box 1458 Kilauea, HI 96754

808-828-2000

EXHIBIT C

COMMON ELEMENTS OF THE PROJECT

The "common elements" include all other elements of the Project not included with any unit, including but not limited to:

1. The Land in fee simple;
2. Any other easements and rights appurtenant to the Land;
3. The limited common elements described below;
4. All other parts of the Project existing for the common use or necessary to the existence, maintenance and safety of the Project;
5. Any other interests in real estate for the benefit of all of the unit owners that are subject to this Declaration.

LIMITED COMMON ELEMENTS OF THE PROJECT

Certain parts of the common elements are designated "limited common elements" and are set aside each for the exclusive use of a single unit. They include, but not necessarily by way of limitation:

1. Unit A. The land area surrounding and under Unit A is a limited common element of Unit A and consists of 0.58 acres, more or less, shown on the Condominium Map and legally described in Exhibit "C" to the Declaration, and by this reference made a part hereof.
2. Unit B. The land area surrounding and under Unit B is a limited common element of Unit B and consists of 0.47 acres, more or less, shown on the Condominium Map and legally described in Exhibit "D" to the Declaration, and by this reference made a part hereof.

* Land areas referenced herein are not legally subdivided lots.

EXHIBIT D

Encumbrances Against Title

1. Real Property Taxes, if any, that may be due and owing.

Tax Key: (4) 4-6-033-036 Area Assessed: 1.050 ac.

Land Classification: AGRICULTURAL

2. DESIGNATION OF EASEMENT (3-foot)

PURPOSE : road widening, along Kawaihau Road
SHOWN : on said map prepared by Masami Murakami, registered Land Surveyor, dated September 1977

3. NOTICE OF DEDICATION

DATED : October 27, 2003
RECORDED : Document No. 2003-242748
BY : Gary A. Victorino
RE : dedication of land for Agriculture purposes
PERIOD : 10 years

4. MORTGAGE

MORTGAGOR : GARY ALFRED VICTORINO

MORTGAGEE : MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.,
solely as nominee for USAA FEDERAL SAVINGS BANK

DATED : August 25, 2005
RECORDED : Document No. 2005-182661
AMOUNT : \$152,440.00

Agricultural Restrictions on Uses

Pursuant to Act 13, Session Laws of Hawaii 1977, the use of the subject properties shall be primarily in pursuit of agricultural activities and only for those uses permissible in an agricultural district as contained in Chapter 205, Hawaii Revised Statutes, as amended, which provides as follows:

"Section 205-4.5 - Permissible Uses Within the Agricultural Districts.

(a) Within the agricultural district all lands with soil classified by the Land Study Bureau's Detailed Land Classification as Overall (Master) Productivity Rating Class A or B shall be restricted to the following permitted uses:

- (1) Cultivation of crops, including but not limited to flowers, vegetables, foliage fruits, forage and timber;
- (2) Game and fishing propagation;
- (3) Raising of livestock, including but not limited to poultry, bees, fish or other animal or aquatic life that are propagated for economic or personal use;
- (4) Farm dwellings, employee housing, farm buildings, or activity or uses related to farming and animal husbandry; Farming dwelling as used herein shall mean a single-family dwelling located on and used in connection with a farm or where agricultural activity provides income to the family occupying the dwelling.
- (5) Public institutions and buildings which are necessary for agricultural practices;
- (6) Public and private open area types of recreational uses including day camps, picnic grounds, parks, and riding stables, but not including dragstrips, airports, drive-in theaters, golf courses, golf driving ranges, country clubs, and overnight camps;
- (7) Public, private and quasi-public utility lines and roadways, transformer stations, communications equipment building, solid waste transfer stations and appurtenant small buildings such as booster pumping stations, but no including offices or yards for equipment, materials, vehicle storage, repair or maintenance, treatment plants and major storage tanks not ancillary to

agricultural practices, or corporation yards or other like structures.

- (8) Retention, restoration, rehabilitation or improvement of buildings or sites of historic or scenic interest;
- (9) Roadside stands for the sale of agricultural products grown on the premises;
- (10) Buildings and uses, including but not limited to mills, storage and processing facilities, maintenance facilities that are normally considered direct accessory to the above-mentioned uses; or
- (11) Agricultural parks."

EXHIBIT F

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months = Yearly Total</u>	
A	\$35	\$420
B	\$35	\$420
		\$840

Developer's Statement: Buyer will be obligated to commence payments of common expenses immediately after closing of Buyer's purchase.

RE: INSURANCE:

In the event that none of the structures comprising the improvements portion of the Project contain more than one apartment, but rather each of the individual units of the Project is comprised of a separate detached agricultural or single family dwelling set back within the boundaries of its own limited common element, the Association may, at its option, and subject to the requirements of law, elect to exempt the Project from Section IV B/ 1. of the Declaration and allow individual unit owners to provide for their own casualty and liability insurance; PROVIDED, HOWEVER, that any such decision to allow individual unit owners to insure themselves must be by unanimous agreement of all the unit owners of the Project. In that event, payment of any premiums pursuant hereto shall not be a common expense, but shall be the responsibility of each individual unit owner and neither the Association nor the other unit owners shall be responsible therefore. The Association shall, however, be named as an "additional insured" in all such policies.

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

Exhibit F - Estimate of Initial Maintenance Fees & Disbursements

EXHIBIT G

SUMMARY OF SALES CONTRACT

Each sales contract ("Contract" herein) for a Unit in VICTORINO ESTATES CONDOMINIUM project (the "Project") will be on the then latest version of the Hawaii Association of Realtors standard printed form of Purchase Contract ("Contract"), into which a Special Terms Addendum "A" is incorporated. The Contract will contain, among other provisions, the following (which may be modified or otherwise limited by provisions not summarized here):

1. The total purchase price and the timing and method of payment of it to the escrow agent, subject to other terms in the Contract. A buyer must obtain his/her own financing.

2. The additional costs and expenses not included in the purchase price to be paid respectively by Buyer and Seller relative to the purchase and sale of the Unit.

3. That all deposits and payments of Buyer shall be delivered to escrow and disbursed in accordance with the Condominium Escrow Agreement and the Buyer is subject to all of the terms of that agreement. Entitlement to any interest accruing on the deposits shall be subject to the terms of the Contract and the Condominium Escrow Agreement.

4. Whether, at the time of execution of the Contract, an effective date for a Developer's Public Report has been issued. If not, then the contract is merely a reservation agreement and may be cancelled at any time by either the Buyer or Seller and no deposit shall be accepted on behalf of the Seller.

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

(a) That buyer receive copies of the Developer's Public Report for the Condominium Property Regime, the Condominium Map, the Declaration of Condominium Property Regime, Bylaws of the Association of Condominium Owners, the form of Unit Deed, and the Condominium Escrow Agreement and be given a stated period of time to read those documents; it shall be required that Buyer acknowledge that he/she has had such opportunity and accepts those documents.

(b) Risk of loss to the apartment and percentage interest in the common elements will be borne by Seller until the date of closing as defined in the Contract. Buyer will not be entitled to possession of the apartment until the date of closing.

(c) Until the Unit Deed conveying title is delivered to Buyer, the Seller may exercise all of the powers of the Association and of the Buyer as a member thereof.

(d) After issuance of the Developer's Public Report and Buyer's waiver of its right to cancel under Hawaii Revised Statutes Section 514B-86, Buyer shall have the right to rescind the Contract only if there is a material change in the Project which directly, substantially and adversely affects the use or value of Buyer's apartment or appurtenant limited common elements or those amenities of the Project available for the Buyer's use,

subject to waiver by the Buyer pursuant to the terms set forth in the Contract and Hawaii Revised Statutes Section 514B-87.

- (e) The closing date for the purchase. Time shall be of the essence of the obligations of Buyer under the Contract.
- (f) The payment of commissions, if any.
- (g) Acknowledgement by Buyer that neither the Seller nor any of its representatives have made any representations as to the rental income or profit to be derived from the Unit.
- (h) Acknowledgement by Buyer that Seller makes no warranties of any kind regarding the Unit, the Project or any improvement, appliance or furnishing related thereto.
- (i) The Contract shall not be construed as a present transfer of any interest in the Property, but it is instead an agreement to transfer in the future, contingent upon issuance of an effective date by the Real Estate Commission of a Developer's Public Report for the Project.
- (j) In the event of default under the Contract by Buyer:
 - (i) Seller may bring an action against Buyer for breach of contract'
 - (ii) Seller may retain Buyer's deposit(s)'
 - (iii) Buyer shall be responsible for expenses incurred.
- (k) In the event of default under the Contract by Seller:
 - (i) Buyer may bring an action against Seller for breach of contract;
 - (ii) Buyer may bring an action compelling Seller to perform under the Contract;
 - (iii) Seller shall be responsible for expenses incurred.

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

Exhibit H

Summary of Escrow Agreement

The Escrow Agreement (the "Agreement") sets up an arrangement under which the deposits that a Buyer makes under a sales contract with Seller will be held by a neutral party ("Escrow"). Escrow is Title Guaranty Escrow Services, Inc., a Hawaii corporation. Under the Agreement (which may be modified or otherwise limited by provisions not summarized), these things will or may happen:

1. Whenever Seller enters into a sales contract for the sale of a unit, 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 sale. Funds held under the Agreement will be deposited in an account for the Project. Interest on all funds will be paid to Buyer.
3. Escrow will release from the trust fund and disburse Buyer's funds at closing, unless: (a) Buyer has elected to exercise Buyer's right to cancel the sales contract pursuant to Section 514B-86, Hawaii Revised Statutes (HRS) or right to rescind sales contract pursuant to Section 514B-87, HRS, and receive all funds paid, without deduction; or (b) the Real Estate Commission of the State of Hawaii (Real Estate Commission) has not issued an effective date for the 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 HRS Chapter 514B 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 or rescission and refund of monies under the sales contract or otherwise. 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 up to a maximum of \$300.00.
5. In the event of default by the Buyer, Buyer may forfeit his or her deposit, which will be paid to the Seller, less any cancellation fees charged by Escrow.
6. Escrow will arrange for and supervise the signing of all documents which are to be signed subsequent to and contemplated by the sales contract.
7. As Escrow's compensation for its performance under this Agreement, Escrow will receive its scheduled rate, plus tax, for each unit for which a unit deed of the project is handled by Escrow and recorded in the Bureau of Conveyances of the State of Hawaii.

Exhibit H
Summary of Escrow Agreement

Escrow will record all applicable documents. The cost of title insurance will be an additional amount, based upon schedule rates.

NOTE: THE ABOVE SUMMARY IS NOT INTENDED TO BE A THOROUGH 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.

Exhibit I

Developer's Statement of Condition

The undersigned Developer of VICTORINO ESTATES Condominium, based upon an Architect's Condition Report submitted by Hawaii-licensed Architect Ian K. Costa dated July 20, 2007, states as follows:

a. The systems and components of the structure that are material to the use and enjoyment of Units A & B, including the exterior roofs, foundations, and visible electrical and plumbing systems, appear to be in satisfactory and sound condition for their respective ages, being approximately 23 years for Unit A and 19 years for Unit B.

b. All structures on Units A and B appear to be in satisfactory condition for their respective ages. The structures and related systems and components have expected useful lives of approximately 27 years for Unit A and approximately 31 years for Unit B, but no representations are made by the Architect or Developer in that regard.

c. There are no outstanding notices of uncured violations of building code or other regulations.

Dated: 9/28, 2008

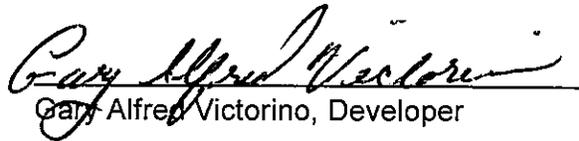

Gary Alfred Victorino, Developer

Exhibit I
Developer's Declaration of Condition

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 4444 Rice Street, Building A, Suite 473, Lihue, Hawaii 96766,
hereinafter called the "DEPARTMENT",

WITNESSETH:

WHEREAS, the APPLICANTS) 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 one guest house); 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 that certain parcel 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 parcel 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 parcel; 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 DEPARTMENTs execution of said Farm Dwelling Agreement; and

11. This Agreement shall be a covenant running with the portion of land described in Exhibit A, and shall be binding on APPLICANTS) 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 APPLICANTS) 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:

APPLICANTS)

Planning Director

APPROVED AS TO FORM
AND LEGALITY:

County Attorney

STATE OF)
) SS.
COUNTY OF)

On this ___ day of _____, 200__, before me personally appeared _____, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable, in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, said State and County
Type or Print Name of Notary:

My Commission expires: _____

STATE OF)
) SS.
COUNTY OF)

On this ___ day of _____, 200__, before me personally appeared _____, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable, in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, said State and County
Type or Print Name of Notary:

My Commission expires: _____

STATE OF)
) SS.
COUNTY OF)

On this ___ day of _____, 200__, before me personally appeared _____, to me personally known, who, being by me duly sworn or affirmed, did say that such person executed the foregoing instrument as the free act and deed of such person, and if applicable, in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, said State and County
Type or Print Name of Notary:

My Commission expires: _____

End of Exhibit "J"

BERNARD P. CARVALHO, JR.
MAYOR



COPY
IAN K. COSTA
DIRECTOR OF PLANNING

GARY K. HEU
ADMINISTRATIVE ASSISTANT

IMAICALANI P. AIU
DEPUTY DIRECTOR OF PLANNING

COUNTY OF KAUAI
PLANNING DEPARTMENT

4444 RICE STREET
KAPULE BUILDING, SUITE A473
LIHU'E, KAUAI, HAWAII 96766-1326

TEL (808) 241-6677 FAX (808) 241-6699

DATE: December 12, 2008

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

FROM: Imaikalani P. Aiu, Deputy Director of Planning

SUBJECT: Certification of Inspection of Existing Buildings

Project Name: VICTORINO ESTATES
Condominium Project (566)

Tax Map Key: (4) 4-6-033: 036

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 B-5 & B-6, Hawaii Revised Statutes, subject to the disclosures and waivers (item "5" below) specified herein, we certify the following:

1. The developer have contracted architect Ian K. Costa to certify that the buildings on the proposed project referred to as Victorino Estates 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.

**Exhibit K - Verified Statement
From County Official**

Senior Condominium Specialist
Victorino Estates Condominium
TMK: (4) 4-6-033: 036
December 12, 2008
Page two

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 violations of County building or zoning codes outstanding according to our records.
5. **WAIVER**
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 B-84, (a) and (2), Hawaii Revised Statutes.

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

cc: Peter Miller, Attorney at Law
Gary Victorino, Project Developer