

IMPORTANT - - Read This Developer Prepared Report Before Buying

This Report Is Not a Commission Approval or Disapproval of This Condominium Project

AMENDMENT 1 TO THE SIXTH AMENDED DEVELOPER'S PUBLIC REPORT FOR A CONDOMINIUM

| | |
|---------------------------|---|
| CONDOMINIUM PROJECT NAME: | KOLOA LANDING AT POIPU BEACH – PHASE II (Report covers Phase II consisting of 241 of 328 units) |
| PROJECT ADDRESS: | 2641 Poipu Road Koloa, Hawaii 96756 |
| REGISTRATION NUMBER: | 6616 |
| EFFECTIVE DATE OF REPORT: | July 12, 2022 |
| THIS AMENDMENT: | <input checked="" type="checkbox"/> Must be read together with <input type="checkbox"/> Developer's Public Report: Effective Date _____ <input checked="" type="checkbox"/> Amended Or Amendment Report: Effective date <u>July 22, 2021</u> <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: Effective Date _____ <input type="checkbox"/> Amended Report: Effective date _____ |
| DEVELOPER(S): | Poipu Beach Villas, LLC |

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 Hawaii Real Estate Commission ("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, as 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.

For all sales information, please contact the Developer and real estate broker on page 9 of the Developer's Public Report.

Individuals with special needs may request this material by calling the State of Hawaii Real Estate Commission at 586-2644.

The law defines "pertinent change", as determined by the commission, as 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.

This Amendment has not been prepared or issued by the 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" as 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 encouraged 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

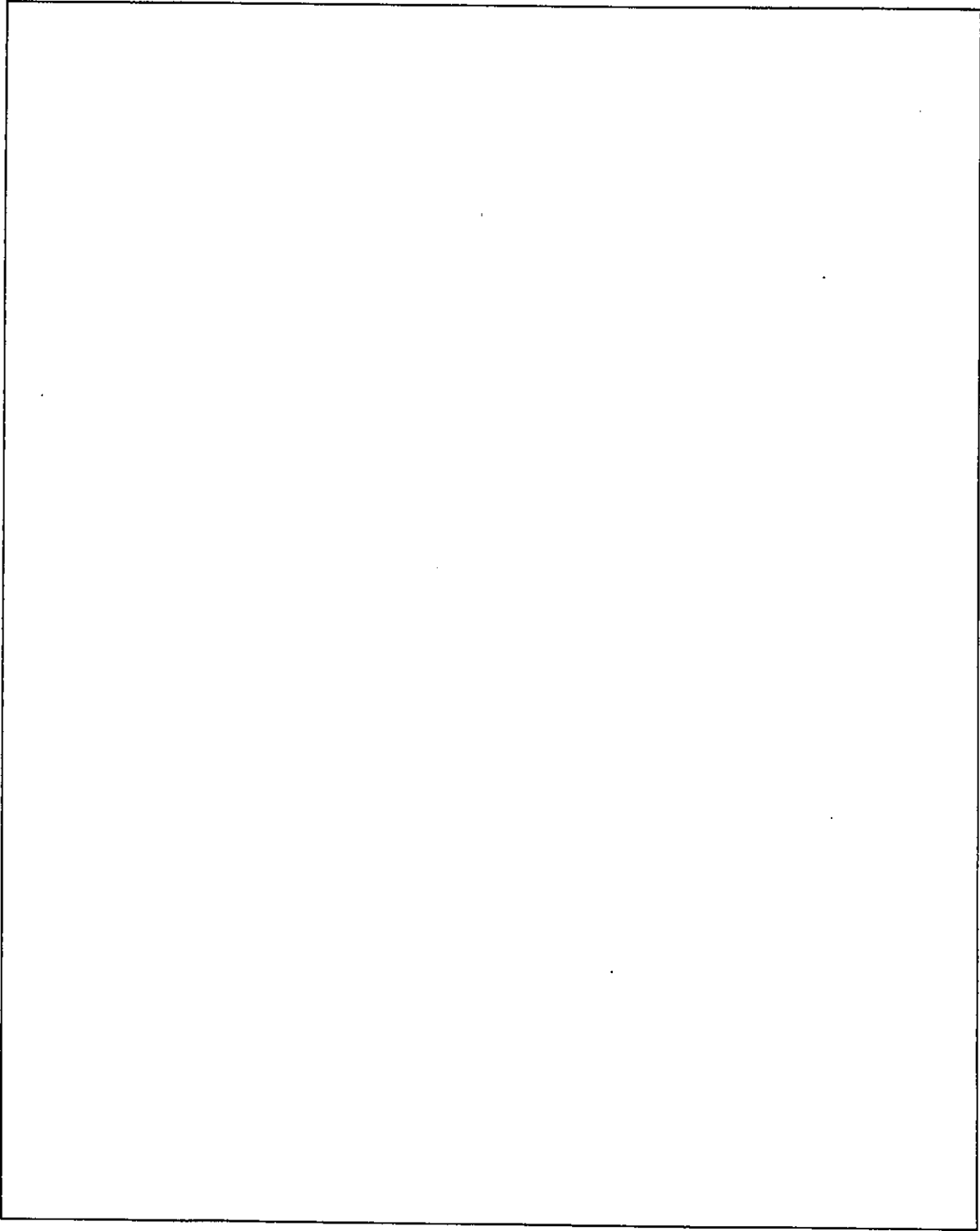
Summary of Changes from Earlier Developer's Public Report:

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. **Developer shall include the updated pages of the Developer's Public Report with the relevant changes as part of the amendment.**

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 budget and maintenance fees listed in Exhibit "I" have been updated.

Changes continued:

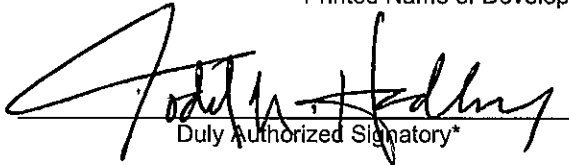


The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project continues to conform to the existing underlying county zoning for the project, zoning and building ordinances and codes, and all applicable permitting requirements adopted by the county in which the project 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. 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, belief, true, correct, and complete. The Developer hereby agrees to promptly 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 as amended at least 30 days prior to the anniversary date of the effective date of this report.

Poipu Beach Villas, LLC
Printed Name of Developer


Duly Authorized Signatory*

July 5, 2022
Date

Todd Hadley, Authorized Signatory of PBV Management Services LLC (Manager of Poipu Beach Villas, LLC)
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.

**In the event of multiple Developers, each Developer must sign on their own signature page.

EXHIBIT "I"

THE AMOUNTS SET FORTH BELOW ARE ESTIMATES ONLY AND MAY CHANGE FOR REASONS BEYOND THE CONTROL OF THE DEVELOPER.

INSURANCE, ENERGY AND LABOR COSTS ARE CURRENTLY IN FLUX AND CAN SUBSTANTIALLY INCREASE OVER A SHORT PERIOD OF TIME. THE DEVELOPER CANNOT PREDICT HOW CHANGES IN THE ECONOMIC, SOCIAL AND POLITICAL CONDITIONS IN HAWAII, THE U.S. AND/OR GLOBALLY MAY IMPACT SUCH COSTS. PURCHASERS ARE AWARE AND ACKNOWLEDGE THAT THE BUDGET, AND, AS A RESULT, EACH PURCHASER'S MAINTENANCE FEE, MAY INCREASE SUBSTANTIALLY DUE TO INCREASING COSTS, INCLUDING COSTS ATTRIBUTED TO THE INSURANCE COVERAGE AND ENERGY.

PURCHASER RECOGNIZES AND ACKNOWLEDGES THAT SUCH COMMON INTERESTS AND MAINTENANCE FEES ARE SUBJECT TO CHANGE AS THE PROJECT EVOLVES. SUCH ESTIMATES ARE NOT INTENDED TO BE AND DO NOT CONSTITUTE ANY REPRESENTATION OR WARRANTY BY THE DEVELOPER, INCLUDING BUT NOT LIMITED TO ANY REPRESENTATION OR WARRANTY AS TO THE ACCURACY OF SUCH ESTIMATES.

Association of Apartment Owners
Koloa Landing at Poipu Beach
Estimated Annual Budget for 2022 Phases One, Two, & Three

I, Doug Leiber, as an employee of Azul Hawaii Resorts, the condominium managing agent for the Association of Koloa Landing at Poipu Beach, hereby certify that the above estimated maintenance fee assessments and maintenance fee disbursements were prepared in accordance with general accounting principles on an accrual basis.



Signature

6/10/22

Date

Pursuant to 514B-148, 7b, Hawaii Revised Statutes, a new association need not collect estimated replacement reserves until the fiscal year, which begins after the association's first annual meeting. The Developer has conducted a reserve study for the project.

The amounts set forth in this budget are estimates only and are based on the current price index. The amounts may change for reasons beyond the control of the developer. Insurance, energy and labor costs are currently in flux and can substantially increase over a short period of time. The developer cannot predict how changes in the economic, social and political conditions in Hawaii, the US and/or globally may impact such costs. Purchasers are aware and acknowledge that the budget, and, as a result, each purchaser's maintenance fee, will likely increase due to the trend towards the increasing costs of insurance, energy and labor.

**Association of Koloa Landing at Poipu Beach
2022 Budget
Phase One, Two & Three**

| | Monthly Average | Annual 2022 |
|------------------------------------|----------------------------|------------------------|
| Revenue | | |
| Vending Income | 38 | 450 |
| General Assessment | 348,832 | 4,185,986 |
| Reserve Assessment | 19,167 | 230,008 |
| Reserve Assessment Transfer | (19,167) | (230,008) |
| Front Desk Services | 6,120 | 73,440 |
| Front Desk Services Transfer | (6,120) | (73,440) |
| C2 License Fee Assessment | 9,180 | 110,160 |
| C2 License Fee Assessment Transfer | (9,180) | (110,160) |
| Other Income | 5,554 | 66,650 |
| Total Revenue | 354,424 | 4,253,086 |
| Total Income | | |
| Expense | | |
| WAGES & BENEFITS | | |
| Administration-S&W | 16,549 | 198,593 |
| Engineering-S&W | 20,470 | 245,645 |
| Housekeeping-S&W | 24,772 | 297,265 |
| Pool-S&W | 14,618 | 175,414 |
| Vacation/Holiday/Sick | 7,259 | 87,107 |
| Payroll Taxes | 6,724 | 80,689 |
| Workers Comp | 2,292 | 27,508 |
| Health Insurance | 12,226 | 146,707 |
| 401k Match | 2,139 | 25,674 |
| Total WAGES & BENEFITS | 107,050 | 1,284,601 |
| OPERATING EXPENSES | | |
| Housekeeping Supplies | 1,505 | 18,059 |
| Office Supplies | 208 | 2,500 |
| Postage & Delivery | 67 | 801 |
| Telephone | 581 | 6,967 |
| Linens | 3,684 | 44,205 |
| Contract Services | 999 | 11,982 |
| Employee Relations | 3,667 | 44,000 |
| Bank Fees | 0 | - |
| Payroll Processing | 467 | 5,600 |
| IT | 315 | 3,780 |
| Flowers & Decorations | 604 | 7,250 |
| Printing | 42 | 500 |
| Automobile Expenses | 417 | 5,000 |
| Total OPERATING EXPENSES | 12,554 | 150,643 |

| | | |
|---------------------------------|----------------|------------------|
| MAINTENANCE | | |
| Uniforms | 292 | 3,500 |
| Maintenance Supplies | 271 | 3,250 |
| Repairs & Maint-Building | 8,363 | 100,351 |
| Contract Services-Maint | 698 | 8,375 |
| Elevator Maintenance | 9,202 | 110,428 |
| Security Services | 16,667 | 200,008 |
| Lighting/Lock & Key | 625 | 7,500 |
| Grounds & Landscaping | 35,700 | 428,400 |
| Furniture, Fixtures & Equipment | 2,094 | 25,125 |
| Pool Fixtures & Supplies | 4,833 | 58,000 |
| Pest Control | 3,714 | 44,570 |
| Swimming Pool Maintenance | 8,683 | 104,200 |
| Refuse Removal | 12,083 | 145,000 |
| Total MAINTENANCE | 103,226 | 1,238,706 |
| UTILITIES | | |
| Internet | 3,000 | 36,000 |
| Electricity | 59,049 | 708,590 |
| Solar Energy Credit | (15,583) | (187,000) |
| Gas/Propane | 15,851 | 190,215 |
| Cable/Internet | 6,319 | 75,828 |
| Water | 16,317 | 195,800 |
| Sewer | 7,738 | 92,851 |
| Total UTILITIES | 92,690 | 1,112,284 |
| OTHER | | |
| Property Management Fees | 5,000 | 60,000 |
| Insurance-General | 33,904 | 406,851 |
| Total OTHER | 38,904 | 466,851 |
| Total Expense | 354,424 | 4,253,086 |

Association of Koloa Landing at Poipu Beach

MONTHLY SUMMARY ASSESSMENT SCHEDULE - PHASE ONE, TWO, & THREE

January 2022 - December 2022

Updated: 12-31-21

| Unit Type | # of units | Front Desk Svs Fee | Jan-Feb | | | Jan-Feb | | Jan-Feb | | Effective March | |
|--------------------------|------------|--------------------|------------|------------|-----------------|-----------|---------------------|--------------------------|-----------|---------------------|--------------------------|
| | | | C2 License | Maint. Fee | Capital Reserve | Total | Maint. Fee Increase | Capital Reserve Increase | Total | Maint. Fee Increase | Capital Reserve Increase |
| SA | 80 | 20.00 | 30.00 | 445.72 | 14.58 | 510.30 | 460.30 | 29.16 | 539.46 | | |
| SB | 32 | 20.00 | 30.00 | 427.93 | 14.06 | 491.99 | 441.99 | 28.11 | 520.10 | | |
| A1 | 80 | 20.00 | 30.00 | 869.32 | 27.04 | 946.35 | 896.35 | 54.08 | 1,000.43 | | |
| B2 | 32 | 20.00 | 30.00 | 1,221.76 | 37.40 | 1,309.16 | 1,259.16 | 74.81 | 1,383.97 | | |
| C2 | 16 | 20.00 | 30.00 | 1,330.71 | 40.61 | 1,421.32 | 1,371.32 | 81.22 | 1,502.54 | | |
| D2 | 12 | 20.00 | 30.00 | 1,434.11 | 43.65 | 1,527.76 | 1,477.76 | 87.30 | 1,615.06 | | |
| E2 | 8 | 20.00 | 30.00 | 1,511.94 | 45.94 | 1,607.88 | 1,557.88 | 91.88 | 1,699.76 | | |
| F2 | 8 | 20.00 | 30.00 | 1,702.05 | 51.53 | 1,803.59 | 1,753.59 | 103.06 | 1,906.65 | | |
| G3 | 30 | 20.00 | 30.00 | 1,917.74 | 57.87 | 2,025.62 | 1,975.62 | 115.75 | 2,141.37 | | |
| J3 | 6 | 20.00 | 30.00 | 2,082.29 | 62.71 | 2,195.00 | 2,145.00 | 125.43 | 2,320.43 | | |
| PH-2 | 2 | 20.00 | 30.00 | 3,360.86 | 100.32 | 3,511.18 | 3,461.18 | 200.64 | 3,711.82 | | |
| C1- Snack Bar | 1 | 0.00 | 0.00 | 1,061.77 | 31.23 | 1,093.00 | 1,093.00 | 62.46 | 1,155.46 | | |
| C2- Spa | 1 | 0.00 | 0.00 | 3,876.85 | 114.02 | 3,990.87 | 3,990.87 | 228.05 | 4,218.92 | | |
| C3- Office/Front Desk | 1 | 0.00 | 0.00 | 2,568.26 | 75.54 | 2,643.80 | 2,643.80 | 151.07 | 2,794.87 | | |
| C4- Convenience Store | 1 | 0.00 | 0.00 | 738.24 | 21.71 | 759.95 | 759.95 | 43.43 | 803.38 | | |
| C5- Multipurpose Space | 1 | 0.00 | 0.00 | 22,297.15 | 655.80 | 22,952.95 | 22,952.95 | 1,311.60 | 24,264.55 | | |
| C6- Maintenance Building | 1 | 0.00 | 0.00 | 10,625.47 | 312.51 | 10,937.99 | 10,937.99 | 625.03 | 11,563.02 | | |
| | | | | | | | | | | | 312 |

In Accordance with Hawaii condominium law, only those units with certificate of occupancy in the project are currently being assessed maintenance fees.