



REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
424 SO. BERETANIA STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT

on
HALE KAI
Honokaiwai, Lahaina
Island and County of Maui
Hawaii

REGISTRATION NO. 115

IMPORTANT — Read This Report Before Buying

This Report Is Not an Approval or Disapproval of This Condominium Project

It reflects information obtained by the Real Estate Commission in its investigation of the project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project until

- (1) A copy of this Report has been given to the prospective purchaser.
- (2) The latter has been given an opportunity to read same, and,
- (3) His receipt taken therefor.

January 6, 1966

SPECIAL ATTENTION

A comprehensive reading of the report by prospective purchasers is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

1. HALE KAI is a proposed fee simple condominium project consisting of forty (40) dwelling units.
2. The Developer has filed the following documents or specimen documents with the Commission for examination: Notice of Intention; Joint Venture Agreement; Declaration of Trust; Power of Attorney; Certificate of Title; Declaration of Horizontal Property Regime; By-Laws of the Association of Apartment Owners; Statement of Program of Financing; Proposed Schedule of Selling Prices; Contract of Sale; Escrow Agreement (Executed); Apartment Deed; Lender's Construction Mortgage Commitment Letter; Lender's Individual Apartment Mortgage Commitment Letter; Cost Estimates for Construction of Improvements; Construction Contracts (Three); Performance and Payment Bonds (Three); Specifications for Project; Building Permits (County of Maui); Working Drawings and Building Plans; Certification of Architect; Sales Agency Contract; Memorandum of Property Management and Agency Agreement; House Rules; and Estimate of Monthly Maintenance Expenses.

Advertising and promotional matter, required to be filed with the Commission pursuant to Condominium Rules and Regulations, has been submitted as part of this registration.

3. The Developer in his Statement of Financing indicates that the commitment funds for construction and other project costs are subject to the pre-sale of not less than twenty-six (26) units and that the Developers have reserved an option to declare the sales contract null and void if such pre-sale is not completed on or before March 31, 1966. The Developer, by the Statement of Financing also advises of its intention to utilize purchasers' down payments for the purpose of financing construction as permitted by Act 8 of the Session Laws of Hawaii 1964. The Escrow Agreement provides that no purchaser's funds shall be utilized until the escrow agent shall have received actual cash and permanent loan commitments for individual purchasers sufficient to cover all expenses for construction and other costs, and specifically prohibits disbursements out of the escrow account of any monies in excess of the proportion of the total of purchasers' funds and construction funds to the valuation of work completed by contractors as certified by the supervising architects. It allows payment for architectural, construction engineering and like fees only upon certification by First National Bank of Hawaii. An executed copy of the Escrow Agreement, dated October 26, 1965 has been submitted with the Notice of Intention.
4. The prospective purchaser is advised to acquaint himself with the provisions of Chapter 170-A, Revised Laws of Hawaii 1955, as amended, which relates to horizontal property regimes.

NAME OF PROJECT: HALE KAI

LOCATION: The property is located on the makai (westerly) side of Honoapiilani Highway near Honokawai Stream on the northwest side of the Island of Maui at Honokawai, approximately six (6) miles from the town of Lahaina and thirty-eight (38) miles from the county seat at Mailuku along State Highway Number 30, a paved principal island road.

TAX KEY: SECOND DIVISION 4-4-01-42,43,44

ZONING: R-3 (Multi-family apartment)

DEVELOPER: The Notice of Intention identifies the Developer as Kaanapali Condominium Venture, a Joint Venture, a Joint Venture consisting of Kaanapali Hotel Corporation, Harold S. Singleton, Dick Yin Wong as Trustee for himself, Clifford Yee, Mun On Chun, Daniel B. T. Lau, Edward Matsumoto, Wadsworth Yee, Sheridan Ing and Kenneth Char. The Joint Venture has designated Sheridan C. F. Ing as its attorney in fact by Power of Attorney dated October 15, 1965 and recorded at the Bureau of Conveyances, State of Hawaii, in Liber 5174, at Page 313. Pursuant to oral authority, Finance Investment Company, Limited serves as coordinator on the project. The address of the Joint Venture and its attorney in fact and agent is 195 South King Street, Honolulu, Hawaii, Telephone 504-441.

ATTORNEY REPRESENTING DEVELOPER: Fong, Miho, Choy and Robinson, (Attention: Mr. Edward Y. C. Chun), Fourth Floor, Finance Factors Building, 195 South King Street, Honolulu, Hawaii 96813, Telephone 576-977.

DESCRIPTION: The Developer advises that the building site contains 55,348.4 square feet, more or less, with forty (40) apartment units located in two two-store buildings. There are six (6) type A two-bedroom apartments, each containing a net floor area of approximately 942 square feet, thirty-two (32) type B one-bedroom apartments, each containing approximately 691 square feet and two (2) type C one-bedroom apartments, each containing approximately 691 square feet.

Each apartment contains a living room, kitchen and bathroom. Included in the area of each apartment is a 91 square feet patio/lanai. The patio/lanai areas are for the exclusive use of the adjoining apartment owners.

Each first floor apartment is designated by a three digit number, the first digit being a "1" and the last two digits running consecutively from "01" through "20". The same numbering system applies to second floor apartments except that the first digit is a "2".

The Developer states in the Notice of Intention that each apartment is equipped with refrigerator, built-in range-oven, water heater, and garbage disposal and contains living room and bedroom drapes and wall to wall carpeting.

COMMON ELEMENTS: These are: the land in fee simple; foundations; floor slabs; columns; girders; beams; supports; exterior walls; inner bearing walls; lanai railings; roofs; grounds; landscaping; mail boxes; refuse and laundry facilities; walkways; swimming pool; all parking area and driveways; all ducts, electrical equipment, wiring and other central and appurtenant installations for services for the use of more than one apartment, including power, light, water, sewer, telephone lines and conduits; and all other portions of the land and improvements not specifically designated as an apartment or a limited common element, but which are intended for common use and all other devices and installations existing for or rationally of common use or necessary to the existence, upkeep and safety of the project.

LIMITED COMMON ELEMENTS: Easement for parking as indicated on the condominium file plan; stairway and stairwells serving the second floor apartments are common elements limited to the use of such serviced apartments; entries of each apartment; and all other common elements of the project which are rationally related to less than all of said apartments which common elements shall be limited to the use of apartments to which such limited common elements are rationally related.

INTEREST TO BE CONVEYED PURCHASER: The Declaration of Horizontal Property Regime states that the common interest in the common elements appertaining to each two-bedroom apartment (Apartment Nos. 101, 112, 120, 201, 212 and 220) and its owner for all purposes, including voting is a 67/2000th (3.3%) common interest; and, for each other apartment, is a 47/2000th (2.35%) common interest.

OWNERSHIP TO TITLE: The Developers advise in the Notice of Intention that they are vested in fee simple title to the land and that such fee simple title shall be a common element which shall be conveyed to the Purchasers in the same undivided percentage as the common interests. A reproduction of the Certificate of Title issued by Security Title Corporation has been filed with the Commission showing the Developers as the fee simple owners of the land.

ENCUMBRANCES AGAINST THE LAND: The Notice of Intention states that there are no encumbrances other than noted on the Certificate of Title regarding mineral and metallic reservation in favor of the State of Hawaii and restriction on use for residence purposes. The Developer notes that it is contemplated that a construction mortgage in favor of First National Bank of Hawaii will be placed on the property in order to secure the repayment of construction funds. This mortgageshall contain provision for partial release upon sale.

PURCHASE MONEY HANDLING: An Escrow Agreement dated October 26, 1965 has been executed between Security Title Corporation as Escrow Agent and Developer:

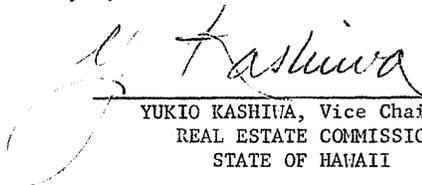
Note: It is incumbent upon the purchaser and prospective purchaser before executing the Sales Contract to read and understand the Escrow Agreement in order to determine the arrangement under which the proceeds from the sale of a dwelling unit are placed in trust, as well as the retention and disbursement of the trust fund.

MANAGEMENT AND OPERATION: The Property Management and Agency Agreement filed with the Notice of Intention identifies Aaron M. Chaney, Inc. as the agent vested with the responsibilities to manage the project subject to the direction and control of the Association of Apartment Owners. Said Agreement is for an indeterminate term but is subject to cancellation at any time after the date of the first occupancy, upon thirty (30) days' notice by the Managing Agent or the Board of Directors of the Association of Apartment Owners.

STATUS OF PROJECT: The Developers report that initial site work has commenced and that such represents 70% of the total work. The Developers have also advised that their projection contemplate completion by March 5, 1966; however,

as is indicated by the Developer's financing program statement, the release of construction funds is conditioned upon pre-sale of sufficient number of units to assure repayment of the construction mortgage. In this regard, the prospective Purchasers' attention is invited to the Developer's option to declare the contract of sale null and void, upon refund of all payments made, if not less than 26 apartment units are sold on or before March 31, 1966.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 115 dated January 6, 1966.


YUKIO KASHIMA, Vice Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

cc: DEPARTMENT OF TAXATION
DEPARTMENT OF REGULATORY AGENCIES
(Business Registration Division)
BUREAU OF CONVEYANCES
PLANNING AND TRAFFIC COMMISSION, COUNTY OF MAUI
FEDERAL HOUSING ADMINISTRATION