

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII
1010 RICHARDS STREET
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HONOLULU, HAWAII 96801

PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
HALE HUI KAI
Kihei, Maui, Hawaii

REGISTRATION NO. 229

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 but may only take reservations therefore after

- (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.

Issued: December 24, 1968
Expires: January 24, 1970

SPECIAL ATTENTION

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

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED OCTOBER 14, 1968. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT AND AMENDMENTS THERETO BY ACT 244 (L. 1967) EFFECTIVE JUNE 6, 1967.

1. HALE HUI KAI is a fee simple condominium project consisting of forty (40) dwelling units arranged throughout a single building of three (3) wings connected by exterior covered walks. Each apartment shall have a parking stall located in the parking area as an appurtenant limited common element. The common elements include a swimming pool, a manager's apartment and the community area located on the ground floor of the building.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and issuance of this Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved Floor Plans) have not been filed in the office of the recording officer.

4. No advertising or promotional matter has been submitted pursuant to rules and regulations promulgated by the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 170A, Revised Laws of Hawaii 1955 (as amended, particularly ACT 244, L. 1967, effective June 6, 1967) and the Condominium Rules and Regulations which relate to Horizontal Property Regime.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, December 24, 1968, unless a Supplementary Public Report issues or the Commission, upon review of registration, issues an order extending the effective period of this report.

NAME OF PROJECT: HALE HUI KAI

LOCATION: The approximate 1 acre and 2,188 square feet, acquired by the developer under a deed from LEONARD REGO, dated July 15, 1968, recorded with the Bureau of Conveyances, State of Hawaii, in Liber 6137, Page 446, is situated at Kamaole, Kula, Island and County of Maui, State of Hawaii.

TAX KEY: SECOND DIVISION 3-9-04-25

ZONING: Hotel (H-2)

DEVELOPER: KEAWAKAPU HUI, a joint venture, consisting of: Ronald M. Brown, Lucille E. Brown, Ian McMillan, Vera L. McMillan, Glenn E. McLean, Eva R. McLean, Walter C. Witte, Margaret G. Witte, Helen J. Bailey, Sharon M. Bailey, George L. Schafer, William D. Zeratsky and Geraldine F. Zeratsky, represented by Walter C. Witte, their attorney-in-fact. Telephone: GR. 4-0548, Tacoma, Washington.

ATTORNEY REPRESENTING DEVELOPER: Crockett & Crockett (Attention: Mr. William F. Crockett), 38 South Market Street, Wailuku, Maui, Hawaii. Telephone: 33-796.

DESCRIPTION: The specimen Declaration of Horizontal Property Regime reflects that the project is to consist of forty (40) fee simple apartments, separately designated and legally described, arranged throughout the three (3) connected wings of the building situated upon the land hereinbefore described. Each apartment shall consist of the space or area contained in the perimeter walls of each apartment unit in this multifamily structure, together with an undivided interest in the common and limited elements appertaining thereto.

The three (3) wings of the building are described by the specimen Declaration of Horizontal Property Regime as the "North Wing," "South Wing" and "West Wing." The North Wing and South Wing shall each contain three (3) stories, including the ground floor. The North Wing shall contain fourteen (14) apartments. The South Wing shall contain fifteen (15) apartments. The West Wing shall contain four (4) stories, including the ground floor. The West Wing shall contain eleven (11) apartments. The North Wing shall also contain the premises for the lodging or use of persons employed for the operation of the said horizontal property regime, a portion of the common elements of the said horizontal property regime, situated on the northeast corner of the ground floor, called the "Manager's Apartment."

The principal materials of which the said building shall be constructed are as follows: the ground floor (including the walks of the ground floor) will be of poured, reinforced concrete; the second, third and fourth story floors shall be of light weight concrete over wood joist and plywood sub-floorings; the exposed interior floor surfaces of the said building shall be covered with vinyl asbestos floor tile and floor carpeting; the outside exterior walls of the second, third and fourth stories of the North and South Wings, and of the first story of the West Wing, shall be of rough sawn cedar of exterior grade plywood over structural wood studs; the first story of the North and South Wings shall be of structural wood studs covered by asphalted felt under a rock veneer; the inside exterior walls between the wings of the

said building shall be of rough sawn cedar of exterior grade plywood, wood louvers and louvered glass; the interior walls between apartments, and between rooms of each apartment, shall be of structural wood studs covered by gypsum board and wood panels; the exterior walls, and the interior walls between apartments, shall contain two inches of fiberglass insulation; the roof shall be of structural wood frame (wooden roof cords and trusses) covered by thick butt cedar shakes; the walks between the second, third and fourth stories of the three wings shall be of wood.

The apartments are of two types: "A" and "B". Apartments 1 through 9; 12 through 21; 25 through 34; are type B apartments. Apartments 10, 11, 22, 23, 24, 35, 36, 37, 38, 39 and 40 are type A apartments.

Each type B apartment shall be a two-bedroom apartment, consisting of a lanai, living room, kitchen, dining area, foyer, dressing room, two bedrooms, and two bathrooms, and each shall have an approximate floor space of 866 square feet of living area and 77 square feet of lanai area. Each type A apartment shall be a two-bedroom apartment, consisting of a lanai, living room, kitchen, dining area, foyer, dressing room, two bedrooms, and two bathrooms, and each shall have an approximate floor space of 997 square feet of living area and 388 square feet of lanai area.

Apartments 1 through 11, inclusive, shall each have immediate access to the land heretofore described. The remaining apartments shall each have immediate access to the exterior covered walks connecting the wings of the said building.

COMMON ELEMENTS: The specimen Declaration reflects that the common elements include (a) the land heretofore described and the super-adjacent airspace above the roof, and next to the exterior walls, of the said building; (b) all foundations, columns, beams and supports, girders, roof, walks, stairways, exterior walls, partition walls between each apartment, floors and ceilings, elevator and elevator shaft, trash chute, and community trash area of the ground floor; (c) the manager's apartment, swimming pool, and its filtration system, community area of the ground floor, sewage disposal units, outdoor lighting, the washer and dryer and hot water heater installed in the manager's apartment; (d) all central and appurtenant installations for services such as power, light, telephone, gas, hot and cold water, refrigeration, air conditioning, television, sewage disposal, and other utilities (including all pipes, ducts, wires, cables, and conduits used in connection therewith, whether located in common areas or in apartments), and all tanks, pumps, motors, fans, compressors, ducts and other apparatus and installations existing for common use; (e) all other apparatus and installations existing in the said building or on the said land hereinbefore described existing for, or rationally of common use to, or necessary or convenient to the existence, maintenance or safety of all of the apartments of the horizontal property regime hereby established.

PERCENTAGE OF UNDIVIDED INTEREST. The percentage of undivided interest in the common elements appertaining to each apartment is as follows:

Apartments 1 - 4 inclusive:	2.054%
Apartment 5:	1.833%
Apartments 6 and 7:	2.024%
Apartments 8 and 9:	2.054%
Apartments 10 and 11:	3.318%
Apartments 12 - 21 inclusive:	2.140%
Apartments 22 - 24 inclusive:	3.476%
Apartments 25 - 34 inclusive:	2.211%
Apartments 35 - 37 inclusive:	3.568%
Apartments 38 - 40 inclusive:	3.539%

LIMITED COMMON ELEMENTS: Each apartment shall have a parking stall located in the parking area. Each such parking stall shall be marked by a number corresponding to the apartment to which it appertains. Each such parking stall shall be a limited common element to the apartment to which it appertains.

INTEREST TO BE CONVEYED PURCHASER: The undivided interest in the "common areas and facilities" established by the Declaration conveys with each respective apartment space, the above mentioned limited common element (parking stall) and the percentage of undivided interest in the common elements shown above. The above undivided interests established and to be conveyed with the respective "apartments" as above, cannot be changed, and the Developer/Owner covenants and agrees that the undivided interests in the "common areas and facilities" and the fee titles to the respective "apartments" conveyed, shall not be separated or separately conveyed, and each said undivided interest shall be deemed to be conveyed or encumbered with its respective "apartment" even though the description in the instrument of conveyance or encumbrance may refer only to the fee title to the "apartment."

The proportionate shares of the separate owners of the respective "apartments" in the profits and common expenses in the "common areas and facilities" as well as their proportionate representation for voting purposes in the Association of Apartment Owners is the percentage of the undivided interest in the common elements shown above.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The specimen Declaration states that the "apartments" shall be used as residential apartments in accordance with the terms of the proposed Declaration of Horizontal Property Regime, the proposed Declaration of Covenants, Conditions and Restrictions and By-Laws of Association of Apartment Owners of Hale Hui Kai, the House Rules as they exist or as they may be amended from time to time.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report, prepared by the licensed abstractor, Security Title Corporation, certifies that there are no liens or encumbrances of whatever kind or nature of record against said title, save and except the following: Taxes that may be due and owing and a lien on the land; reference is hereby made to the Office of the Tax Assessor of the Second Division; Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent No. 1959; Reservation to the Territory of Hawaii in perpetuity all rights to ground but not surface waters which are or may be appertaining to the above described land or the ownership thereof," as reserved in Land Patent No. 13,225 dated November 15, 1956; Reservation also to the Territory of Hawaii in perpetuity all rights to clay, minerals, mineral substances, oils and natural gases of every sort and description that may be upon the surface or in or under the land above described, together with the right to enter upon said land for purposes of mining, drilling or otherwise capturing, collecting or extracting the same and of transporting such raw or processed materials off said land," as reserved in said Land Patent No. 13,225, dated November 15, 1956; Mortgage from Keawakapu Hui to Leonard Rego, dated May 21, 1968, recorded in Liber 6137, Page 453.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated October 11, 1968 identifies Security Title Corporation, a Hawaii corporation, as the Escrow Agent. On examination the specimen Contract of Sale and the executed Escrow Agreement are found to be in compliance with Chapter 170A, Revised Laws of Hawaii, and particularly Sec. 170A-33., and Sec. 170A-33.1 through 170A-33.5 as incorporated in the Horizontal Property Act through ACT 244 (L. 1967) effective June 6, 1967.

Among other provisions the executed Escrow Agreement states that a purchaser under contract of sale, upon written request, shall be entitled to a refund of all monies deposited with Escrow, without interest, and less a cancellation fee, if any of the following events shall have occurred: (1) There is a change in the plans for the said building requiring the approval of the official of the County of Maui having jurisdiction over the issuance of permits for the construction of buildings, unless the developer obtains the purchaser's written approval or acceptance of such specific change in building plans; (2) the Final Public Report upon the project differs from the Preliminary Public Report upon the project issued by the Real Estate Commission of the State of Hawaii in any material respect; (3) Such Final Public Report is not issued within one year from the date of issuance of such Preliminary Public Report.

The specimen Contract of Sale states that the terms of the Escrow Agreement are made a part of the Contract of Sale by reference. It is incumbent upon the purchaser and prospective purchaser that he reads with care the Contract of Sale and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the dwelling units and all sums received from any source are placed in trust, as well as the retention and disbursement of said trust funds.

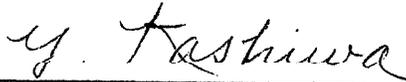
MANAGEMENT AND OPERATIONS: The By-Laws empower the Board of Directors with the authority to acquire and pay for the services of a person or firm to manage the Horizontal Property Regime. No property manager has been identified in the notice of intention to sell.

STATUS OF PROJECT: No building contract has been executed.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted October 14, 1968.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 229 filed with the Commission on October 14, 1968.

The report, when reproduced, shall be a true copy of the Commission's public report. The paper stock must be yellow in color.



YUKIO KASHIWA, Vice Chairman
REAL ESTATE COMMISSION
State of Hawaii

REB:hf

Distribution:
DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING COMMISSION, COUNTY OF MAUI
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

December 24, 1968
Registration No. 229

