

# REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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P. O. BOX 3469  
HONOLULU, HAWAII 96801

## PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on  
THE KULEANA, UNIT II  
Honoapiilani Highway in Mahinahina  
Maui, Hawaii

REGISTRATION NO. 242

### 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: January 14, 1969  
Expires: February 14, 1970

#### SPECIAL ATTENTION

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

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 13, 1968 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS LATE AS JANUARY 8, 1969. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW AND AMENDMENTS THERETO BY ACT 244 (L. 1967) EFFECTIVE JUNE 6, 1967.

1. The registration is in compliance with the requirements of the law and regulations. The Developer has given the Commission adequate information on his intention to offer the described and existing dwelling units for sale.
2. The Kuleana, Unit II, is a proposed fee simple residential cluster condominium having sixty-one (61) units arranged throughout 5 residential apartment buildings. Sixty (60) parking stalls are available.
3. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.

4. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 170A, Revised Laws of Hawaii 1955 (as amended, particularly by Act 244, L. 1967 and effective June 6, 1967) and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
5. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Preliminary Public Report.
6. The basic documents (the Declaration of Horizontal Property Regime and the covenants, restrictions and By-Laws and a copy of the approved Floor Plans) have not been filed in the office of the recording officer. The Developer reports that the basic documents will be filed in the Bureau of Conveyances, State of Hawaii, after the mortgage securing the construction loan is recorded.
7. This Preliminary Public Report is made a part of the registration on Kuleana, Unit II, condominium project. The Developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for the Final Horizontal Property Regime Public Report from each purchaser and prospective purchaser when it is issued is also the responsibility of the Developer.
8. This Preliminary Public Report automatically expires thirteen (13) months from the date of issuance, January 14, 1969, unless a supplementary report is published on the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: THE KULEANA, UNIT II

LOCATION: The project is located on the Honoapiilani Highway at Mahinahina on the Island of Maui and is situated on a lot adjoining the ocean and containing 2.668 acres or thereabouts.

TAX KEY: Second Division 4-3-08-4

ZONING: A-1 (Apartment)

DEVELOPER: The Notice of Intention reveals the Developer to be a limited partnership known as Haw-Port Development Co. It further reveals the general partner to be D. Donald Lonie, Jr., whose address is 625 S. W. Morrison Street, Portland, Oregon.

ATTORNEY REPRESENTING DEVELOPER: Smith, Wild, Beebe & Cades (Attention: James S. Campbell), 17th Floor, First National Bank Building, Honolulu, P. O. Box 939, Honolulu 96809, telephone 531-7232.

DESCRIPTION OF PROJECT: The specimen Declaration of Horizontal Property Regime reflects that this is a fee simple residential cluster condominium apartment complex consisting of five (5) buildings designated respectively as Building C, Building D, Building E, Building F and Building G. Each building shall consist of (1) a ground floor level, (2) a level other than the ground floor level, and (3) a second floor level. The buildings shall be erected with wood, glass and concrete.

Building C is located on Parcel B next to the ocean and between Buildings A and E. It has eight (8) apartments designated respectively as C-1, C-2, C-3, C-4, C-5, C-6, C-7 and C-8. C-1 and C-2 are type C apartments. C-3 and C-4 are type D apartments. C-5 and C-6 are type A apartments. C-7 is a type E apartment and C-8 is a type B apartment. Each one of the foregoing types of apartments is described below.

In Building C, behind apartment C-3 there is a laundry room containing 241 square feet. Behind apartment C-4 there is a storage room containing 241 square feet. These rooms are part of the common elements of the project.

Building D is located on Parcel B next to the Honoapiilani Highway and between Buildings B and F. It has thirteen (13) apartments plus a manager's apartment, designated respectively D-1 through D-13 and manager's apartment. D-1, D-2, D-4 and D-5 are type C apartments. D-3 and D-13 are type B apartments. D-6 and D-7 are type D apartments. D-8 and D-9 are type A apartments. D-10 is a type E apartment and D-11 and D-12 are type F apartments. Each one of the foregoing types of apartments plus the manager's apartment is described below.

Situated in Building D are various limited common elements for use by the occupants of the building. Behind apartment D-12 there is a laundry room containing 62 square feet and behind apartment D-11 there is a storage room containing 62 square feet.

Building E is located on Parcel B on the ocean between Buildings C and G. It has thirteen (13) apartments designated E-1 through E-13 respectively. E-1, E-2, E-4 and E-5 are type C apartments. E-3 and E-13 are type B apartments. E-6 and E-7 are type D apartments. E-8 and E-9 are type A apartments. E-10 is type E apartment and E-11 and E-12 are type F apartments. Each one of the foregoing types of apartments is described below.

Situated in Building E are various limited common elements for use by the occupants of the building. Behind apartment E-12 there is a laundry room containing 62 square feet. Behind apartment E-11 there is a storage room containing 62 square feet.

Situated in Building E, behind apartment E-7 there is a laundry room containing 241 square feet. Behind apartment E-6 there is a storage room containing 241 square feet. These rooms are part of the common elements of the project.

Building F is located on Parcel B next to the Honoapiilani Highway between Buildings D and G. It has thirteen (13) apartments designated F-1 through F-13 respectively. F-1, F-2, F-4 and F-5 are type C apartments. F-3 and F-13 are type B apartments. F-6 and F-7 are type D apartments. F-8 and F-9 are type A apartments. F-10 is a type E apartment and F-11 and F-12 are type F apartments. Each one of the foregoing types of apartments is described below.

Situated in Building F are various limited common elements for use by the occupants of the Building. Behind apartment F-12 there is a laundry room containing 62 square feet and behind apartment F-11 there is a storage room containing 62 square feet.

There is situated within Building F an office and mail room containing 482 square feet. This room is part of the common elements of the project.

Building G is located on Parcel B on the ocean next to Building F. It has thirteen (13) apartments designated G-1 through G-13 respectively. G-1, G-2, G-4 and G-5 are type C apartments. G-3 and G-13 are type B apartments. G-6 and G-7 are type D apartments. G-8 and G-9 are type A apartments. G-10 is a type E apartment and G-11 and G-12 are type F apartments. Each one of the foregoing types of apartments is described below.

Situated in Building G are various limited common elements for use by the occupants of the building. Behind apartment G-12 there is a laundry room containing 62 square feet. Behind apartment G-11 there is a storage room containing 62 square feet.

Situated in Building G, behind apartment G-7 there is a laundry room containing 241 square feet. Behind apartment G-6 there is a storage room containing 241 square feet. These rooms are part of the common elements of the project.

There are six (6) types of apartments, A through F, and one manager's apartment.

Type A apartments are one-bedroom ground floor apartments containing a living area of 768 square feet and a lanai with 65 square feet. Within the living area are a living room, kitchen, bedroom and bathroom. For a floor plan of this type of apartment see sheet A-1 of the aforesaid condominium map.

Type B apartments are two-bedroom ground floor apartments containing a living area of 1,212 square feet and a lanai containing 130 square feet. Within the

living area are two bedrooms, two baths, a living-dining room and a kitchen. For a floor plan of this type of unit, see sheet A-1 of the aforesaid condominium map.

Type C apartments are one-bedroom apartments containing a living area of 699 square feet and a lanai with 127 square feet. Within the living area there are one bedroom, a bathroom, a kitchen, and living room. For a floor plan of this type of unit, see sheet A-2 of the aforesaid condominium map.

Type D apartments are one-bedroom apartments built on other than the ground level, with a living area of 768 square feet and a lanai with 127 square feet. Within the living area there are one bedroom, a bathroom, kitchen and living room. For a floor plan of this type of unit, see sheet A-2 of the aforesaid condominium map.

Type E apartments are one-bedroom second floor units with a living area of 988 square feet and a lanai with an area of 254 square feet. Within the living area are a bedroom, bathroom, kitchen, and living room. For a floor plan of this type of unit, see sheet A-3 of said condominium map.

Type F apartments are one-bedroom apartments built on other than ground level, containing a living area of 772 square feet and a lanai with an area of 127 square feet. Within the living area are a bedroom, bathroom, kitchen and living room. For a floor plan of this type of units, see sheet A-3 of said condominium map.

The manager's apartment has no lanai. It contains 482 square feet of living area and contains a kitchen, bedroom, bathroom, and living area.

Each apartment shall have access to the common elements and limited common elements adjacent thereto.

COMMON ELEMENTS AND LIMITED COMMON ELEMENTS: The specimen Declaration states that within the condominium project, the owners of apartments in each building will have the use of certain common elements. There will be certain common elements within each building which will be reserved for the exclusive use of owners of apartments within that building. Thus, the "limited common elements" of each building shall be considered germane to the building within which they are situated.

Limited common elements germane to any building may be further restricted as to their use. An example is a particular storage locker which might be designated for the exclusive use by the owners of a particular apartment. These are in effect restricted limited common elements, which, as the case may be, shall be defined "restricted limited common elements germane to a particular building."

(a) The common elements of the project will include:

(i) The aforesaid land subject to the reservation set forth in the paragraph below, the parking area, exclusive of the parking stalls, and landscaped areas, including plants, grass and other vegetation and a swimming pool;

(ii) All water lines, electric and telephone lines, sewage facilities and other utilities on the ground level which may be required by government authorities to be constructed or installed; and

(iii) All other devices or installations upon the above-described land existing for or rationally of common use to all the owners of apartments within the project.

(b) Limited common elements. The parking stalls are limited common elements, the use of which is restricted to the apartment to which it is assigned. The limited common elements germane to each building are all portions of the building, exclusive of apartments therein contained, and the common elements above defined. These shall include, but shall not be limited to, the stairways, roof, store-rooms and some laundry rooms. The compartments and installations of all central services such as power, gas, water lines, pumps, drainage pipes and other utility lines within the building are also limited common elements.

Reservation and Owner-Developer, its successors and assigns. The specimen Declaration recites that the Owner-Developer intends to develop a substantially similar Horizontal

Property Regime on the adjoining property designated as Tract 4-3-01-1, hereinafter called "Parcel A", and as more fully delineated on Sheet C-3 affixed as Exhibit A to said condominium map which is on file with the Real Estate Commission. Owner-Developer hereby reserves to itself, its successors and assigns the sole and exclusive right to grant to the condominium owners and their tenants of Parcel A, a License to use all of the common elements (but not the limited common elements) set forth in paragraph 4 (a) above on the following conditions, however:

- (1) Such License shall be granted for a term not exceeding fifty-five (55) years;
- (2) Such License may be granted only if a similar License is granted to all of the owners and their tenants of this Horizontal Property Regime to use the common elements of the Horizontal Property Regime created on said Parcel B;
- (3) That Parcel B be developed in substantially the manner shown on said sheet C-3; and
- (4) That if and in the event such a Horizontal Property Regime on Parcel A is not created within five (5) years, no such License may be granted by the Owner-Developer without the written consent of the owners of this Horizontal Property Regime and their respective mortgagees.

The Owner-Developer further reserves to itself, its successors and assigns, the right to permit the Horizontal Property Regime on Parcel B to be known as "The Kuleana, Unit I" and upon a grant of the foregoing cross Licenses, the Owner-Developer shall have the right to designate as a joint name for this Horizontal Property Regime and the Horizontal Property Regime created on Parcel A the name "The Kuleana".

Percentage of Undivided Ownership to be Conveyed. The specimen Declaration reflects that the percentage of undivided interest in all the common elements of whatever kind appertaining to each apartment and its owner for all purposes shall be as follows:

Apartment C-1 (Type C)	1.385%	Apartment F-1 (Type C)	1.385%
C-2 (Type C)	1.385	F-2 (Type C)	1.385
C-3 (Type D)	1.522	F-3 (Type B)	2.402
C-4 (Type D)	1.522	F-4 (Type C)	1.385
C-5 (Type A)	1.522	F-5 (Type C)	1.385
C-6 (Type A)	1.522	F-6 (Type D)	1.522
C-7 (Type E)	1.958	F-7 (Type D)	1.522
C-8 (Type B)	2.402	F-8 (Type A)	1.522
		F-9 (Type A)	1.522
Apartment D-1 (Type C)	1.385%	F-10 (Type E)	1.958
D-2 (Type C)	1.385	F-11 (Type F)	1.530
D-3 (Type B)	2.402	F-12 (Type F)	1.530
D-4 (Type C)	1.385	F-13 (Type B)	2.402
D-5 (Type C)	1.385		
D-6 (Type D)	1.522	Apartment G-1 (Type C)	1.385%
D-7 (Type D)	1.522	G-2 (Type C)	1.385
D-8 (Type A)	1.522	G-3 (Type C)	2.402
D-9 (Type A)	1.522	G-4 (Type B)	1.385
D-10 (Type E)	1.958	G-5 (Type C)	1.385
D-11 (Type F)	1.530	G-6 (Type D)	1.522
D-12 (Type F)	1.530	G-7 (Type D)	1.522
D-13 (Type B)	2.402	G-8 (Type A)	1.522
Manager's Apartment	0.953	G-9 (Type A)	1.522
		G-10 (Type E)	1.958
Apartment E-1 (Type C)	1.385%	G-11 (Type F)	1.530
E-2 (Type C)	1.385	G-12 (Type F)	1.530
E-3 (Type B)	2.402	G-13 (Type B)	2.402
E-4 (Type C)	1.385		
E-5 (Type C)	1.385		
E-6 (Type D)	1.522		
E-7 (Type D)	1.522		
E-8 (Type A)	1.522		
E-9 (Type A)	1.522		
E-10 (Type E)	1.958		
E-11 (Type F)	1.530		
E-12 (Type F)	1.530		
E-13 (Type B)	2.402		

PURPOSE OF BUILDINGS AND RESTRICTION TO USE: The specimen Declaration reflects that Buildings C, D, E, F, and G shall be used primarily as a residential apartment building or a hotel. Each apartment will be used as a single family residence or as a hotel room and for no other purpose.

OWNERSHIP OF TITLE: The Developer reports that title is vested in Tzu Pei Chou and Ellen Leong Chou. The preliminary title report dated September 23, 1968, by Title Guaranty of Hawaii confirms such ownership.

ENCUMBRANCES AGAINST PROPERTY: The Developer has submitted a Preliminary Title Report dated September 21, 1968 prepared by Title Guaranty of Hawaii, a licensed abstractor. The report states that title to land is subject to Taxes - Real Property Taxes for the Fiscal Year - July 1, 1968 through June 30, 1969 now a lien. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent Grant No. 1166. The Developer reports that it holds an unrecorded option to acquire the property, which option must be exercised by March 1, 1969.

Note: The Developer reports to the Commission that they intend to borrow the necessary funds to purchase the property and the property will be paid for before the interim construction mortgage is placed of record. The Developer further reports that it is their intention to seek from the interim lender the right to have partial closings. Such would require partial releases from the blanket mortgage at such time as the units are conveyed, and in no event will Developer convey an Apartment Deed which is subject to interim mortgage.

PURCHASE MONEY HANDLING: A copy of the specimen sale agreement and the executed Escrow Agreement have been submitted as part of the registration. The Escrow Agreement made January 8, 1969 identifies Security Title Corporation as the "Escrow". On examination the specimen sale contract and the executed escrow agreement are found to be in compliance with Chapter 170A, Revised Laws of Hawaii 1955 (as amended), and particularly Sec. 170A-33, and Sec. 170A-33.1 through Sec. 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 provides the following which relates to refund of purchasers' monies:

If at any time subsequent to the issuance of a building permit for the project, the building plans for the project are changed to such an extent as to require reapproval by the county officer having jurisdiction over the issuance of building permits, any purchaser may have the funds deposited by him with Escrow refunded without interest by furnishing to Escrow a written statement from said county officer that the plans have been so changed and resubmitted, and an additional building permit requested. No refund shall be made to any purchaser who has previously approved such change in writing if a copy of such approval has been furnished to Escrow.

In the event that the final report is not issued within one (1) year from the date of the issuance of the preliminary report, purchasers shall be entitled to a refund of all monies paid into escrow. No sales contract shall be enforced unless the purchasers have had an opportunity to read and approve the final report of the Real Estate Commission and if the final report of such Commission contains any material change from the preliminary report, the purchaser may elect to obtain a refund of the money paid and the contract of sale shall be cancelled.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the sale agreement and the executed Escrow Agreement. The latter document, the Escrow Agreement, establishes how the proceeds from the sale of 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 specimen Declaration states that the Board of Directors shall, in accordance with the By-Laws of the Association of Apartment Owners, appoint a Managing Agent.

CONTRACTOR: The contractor shall be Inter-Island Builders & Developers, Ltd., and the Developer reports that the contractor is required to post a performance and payment bond equal to one hundred per cent (100%) of the cost of construction.

STATUS OF PROJECT: Construction has as yet not commenced, and the Developer reports it shall not commence until fifty (50) units are sold to qualified buyers and there is adequate interim and take out financing to assure success of the project. The Escrow Agreement specifies that in the event construction on the project does not begin by the 30th day of June, 1969, all monies received by Escrow from purchasers will be returned to said purchasers.

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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 December 13, 1968.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 242 filed with the Commission December 13, 1968.

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

  
JACK K. PALK, Chairman  
Real Estate Commission  
State of Hawaii

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January 14, 1969  
Registration No. 242

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