

**REAL ESTATE COMMISSION**  
PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII  
1010 RICHARDS STREET  
P. O. BOX 3469  
HONOLULU, HAWAII 96801

**PRELIMINARY  
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)  
PUBLIC REPORT**

on  
HALE KINI  
Hauoli Street  
Wailuku, Maui, Hawaii

REGISTRATION NO. 308  
**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, 1969  
Expires: January 24, 1971

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 is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED NOVEMBER 28, 1969. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. HALE KINI is a proposed leasehold condominium project consisting of thirty-two (32) apartments arranged throughout two 3-story and two 2-story buildings, constructed principally of wood on a concrete slab. The Developer will sell direct apartment leases from I. Allen Brown, Trustee for Layman Lumber Company, Inc., Profit Sharing Trust, the fee simple owner, to purchasers of the condominium units.
2. The Developer of the project has submitted to the Commission for examination a filing of documents and exhibits which are complete except for some particular requirement, or requirements, which can be expected to be completed as part of this registration.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a copy of the approved Floor Plans) have not yet been filed in the office of the recording officer.
4. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. If a Final Public Report is not issued within one year from the date of this Preliminary Report, December 24, 1969, purchasers shall be entitled to refund of moneys paid, less escrow charges, without further obligations.
7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, December 24, 1969, unless a Supplementary Public Report issues or the Commission upon review of the registration issues an order extending the effective period of this report.

NAME OF PROJECT: HALE KINI

LOCATION: The 1.296 acres of land committed to the project is located on Hauoli Street, Wailuku, Island and County of Maui, State of Hawaii.

TAX KEY: SECOND DIVISION 3-8-14, Lot 19

ZONING: A-2 Maui County

DEVELOPER: HALE KINI PROPERTIES, INC., a Hawaii corporation, whose principal place of business and post office address is R. R. 1, Box 500, Lahaina, Maui, Hawaii.

ATTORNEY REPRESENTING DEVELOPER: Henshaw, Conroy & Hamilton, (Mr. Michael F. McCarthy), 1410 First Hawaiian Bank Building, 161 South King Street, Honolulu, Hawaii, Telephone 536-1002.

DESCRIPTION: This will be a leasehold condominium complex. The plan is to build thirty-two (32) apartment units in two three-story buildings and two two-story buildings. All buildings will be constructed principally of wood on a concrete slab, designated on the floor plans which are to be recorded.

The buildings contain the number of stories and type of apartment unit according to its respective plan as shown on the project plans as follows:

1. Building B. Three stories, twelve one-bedroom units; apartments No. 101 to 104, inclusive, are located on the ground floor; apartments No. 201 to 204, inclusive, are located on the second floor; apartments No. 301 to 304, inclusive, are located on the third floor.
2. Building C. Three stories, twelve one-bedroom units; apartments No. 105 to 108, inclusive, are located on the ground floor; apartments No. 205 to 208, inclusive, are located on the second floor; apartments No. 305 to 308, inclusive, are located on the third floor.
3. Building G. Two stories, four two-bedroom units; apartments No. 109 and 110 are located on the ground floor; apartments No. 209 and 210 are located on the second floor.
4. Building H. Two stories, four two-bedroom units; apartments No. 111 and 112 are located on the ground floor; apartments No. 211 and 212 are located on the second floor.

Each apartment contains the number of rooms and approximate square foot area according to its respective plan as shown on the floor plans as follows:

1. One Bedroom Units. (All apartments in Buildings B and C on said project plan.) Each one-bedroom unit contains five rooms, including one bedroom, two bathrooms, one kitchen and one living room. The floor area of each of the apartments is approximately 829 square feet, including a lanai and storage area of approximately 224 square feet.
2. Two-Bedroom Units. (All apartments in Buildings G and H on said project plan.) Each two-bedroom unit contains six rooms, including two bedrooms, two bathrooms, one kitchen and one living room. The floor area of each two-bedroom apartment is approximately 937 square feet, including a lanai and storage area of approximately 224 square feet.

The Specimen Declaration states that the Lessor or Hale Kinj Properties, Inc. reserves the right to submit additional land to the project, namely, Tax Key, 3-8-14, Lots 20 and 21, and construct thereon additional buildings described as follows:

- (a) Building A. Three stories, fifteen one-bedroom units; apartments No. 113 to 117, inclusive, are located on the ground floor; apartments No. 213 to 217, inclusive, are located on the second floor; apartments No. 313 to 317, inclusive, are located on the third floor.
- (b) Building D. Two stories, four two-bedroom units; apartments No. 118 and 119 are located on the ground floor; apartments No. 218 and 219 are located on the second floor.
- (c) Building E. Two stories, four two-bedroom units; apartments No. 120 and 121 are located on the ground floor; apartments No. 220 and 221 are located on the second floor.
- (d) Building F. Two stories, six one-bedroom units; apartments No. 122 to 124, inclusive, are located on the ground floor; apartments No. 222 to 224, inclusive, are located on the second floor.

The additional apartments will be substantially similar to the one-and two-bedroom units in Buildings B, C, G and H.

Each apartment has immediate access to the walkways across the face of the respective building and the stairways between the upper and ground floors of the building connecting them to the grounds and parking areas of the project.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utilities or service lines running through such apartments which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all walls and partitions which are not load-bearing within its perimeter walls, floors and ceilings, doors and door frames, windows and window frames and all fixtures originally installed, including range, refrigerator, garbage disposal and dishwasher.

There will be thirty-two parking stalls located throughout the project. The project plan indicates that there will be a kidney-shaped swimming pool situated towards the center of Buildings B, C, G and H.

COMMON ELEMENTS: The specimen Declaration states that one freehold estate is to be designated of all remaining portions of the project, called "common elements", including but not limited to: (a) said land in fee simple; (b) all foundations, floor slabs, beams, supports, unfinished perimeter and load-bearing walls, roofs, chases, stairways and walkways of said building; (c) all yards, grounds, landscaping, the swimming pool and other recreational facilities, all refuse facilities; all roads, driveways and parking areas; and (d) all ducts, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities and installations over, under and across the project, for services such as power, light, water, gas, sewer and telephone, if any.

LIMITED COMMON ELEMENTS: The specimen declaration states that certain parts of the common elements called "limited common elements" are set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto an exclusive easement for the use of such limited common elements. The limited common elements so set aside and reserved are as follows: (a) the stairways and walkways in any residential building of the project shall be appurtenant to and for the exclusive use of the apartments of such building; and (b) the walkways on any floor of any residential building on the project shall be appurtenant to and for the exclusive use of the apartments on such floor.

INTEREST TO BE CONVEYED TO PURCHASERS: According to the specimen Declaration, each apartment shall have appurtenant thereto an undivided percentage interest of 3.125% (a 1/32 fractional interest) in all of the common elements of the project and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting.

If the Lessor or Developer submits additional land to the Horizontal Property Regime, and the above described buildings and apartments are constructed, then the common interest appurtenant to all apartments of the project will be a 1.639+ percentage interest or a 1/61 fractional interest in all of the common elements of the project, and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The specimen Declaration states that the apartments shall be occupied and used as private dwellings by the respective owners thereof, tenants, families, domestic servants and personal guests. The apartments may also be used for hotel use or occupation by transients. The apartments may not be used for any purpose contrary to the intent of the foregoing unless the express written consent of the Board of Directors is secured. The owners of the respective apartments shall have the absolute right to lease the same subject to the limitations, restrictions, covenants and conditions of the Declaration.

OWNERSHIP TO TITLE: The Developer has filed with the Commission a preliminary report of title dated November 13, 1969 prepared by Title Guaranty of Hawaii, Inc., which reports that the title to the land committed to the regime is vested in I. Allen Brown (Trustee for the Layman Lumber Company, Profit Sharing Trust).

ENCUMBRANCES AGAINST TITLE: The November 13, 1969 preliminary report discloses that Tax Key 3-8-14, Lot 19 is encumbered by the following: real property taxes for the fiscal year 1969-1970. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent Grant No. 3152. Mortgage acknowledged January 29, 1959 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and recorded in Liber 3563 on Page 365, in favor of Bank of Hawaii in the sum of \$26,800.00. Mortgage dated December 30, 1968 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, recorded in Liber 3661 on Page 81, in favor of Elvira F. Lindberg in the amount of \$146,000.00.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement identifies Title Guaranty Escrow Services, Inc., a Hawaii corporation, as the Escrow Agent. On examination the specimen Reservation Agreement, Deposit Receipt and Contract and executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes. The language in the specimen contract illustrates compliance with the requirements of Section 514-36 through 514-40, Hawaii Revised Statutes.

Among other provisions the Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to purchaser, without interest and less Escrow's \$10.00 cancellation fee, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred: (1) Escrow receives a written request from the proper Seller to return to purchaser the funds of such purchaser then held by Escrow; or (2) if purchaser's funds were obtained prior to the issuance of a final report and if there is any change in the building plans, subsequent to the execution of purchaser's contract, requiring the approval of a County officer having jurisdiction over the issuance of permits for construction, unless the purchaser has given written approval or acceptance of the change; or (3) if the request is prior to the time the Final Public Report is issued, or if after such time, if the Final Report differs in

any material respect from the Preliminary Report, unless the purchaser has given written approval or acceptance of the difference; or (4) if the Final Report is not issued within one year from the date of issuance of the Preliminary Report.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Reservation Agreement, Deposit Receipt and Contract and the executed Escrow Agreement. The latter document, Escrow Agreement, establishes how the proceeds from the sale of the apartment units and all sums received from any source are placed in trust, as well as the retention and disbursement of said trust funds.

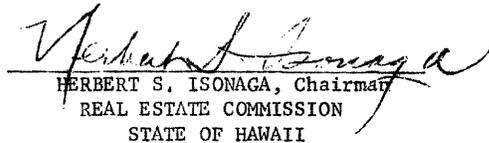
MANAGEMENT AND OPERATIONS: The declarant discloses that the administration of the project shall be vested in the Association of Apartment Owners. The proposed By-Laws of the Association place the responsibility of employing a responsible Managing Agent to manage and control the project subject at all times to direction by the Board. HALE KINI PROPERTIES, INC., a Hawaii corporation, R. R. 1, Box 500, Lahaina, Maui, Hawaii, has been tentatively identified as the initial Managing Agent.

STATUS OF PROJECT: The developer has not commenced construction of the project.

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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 on November 28, 1969.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 308 filed with the Commission on November 28, 1969.

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.

  
HERBERT S. ISONAGA, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

REB:sw

Distribution:

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

Registration No. 308  
December 24, 1969

