

REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
1010 HICHAHUS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT

on
KULAKANE APARTMENTS
Kaanapali, Lahaina, Maui, Hawaii

REGISTRATION NO. 313

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.

Issued: April 20, 1970
Expires: May 20, 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 and prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 12, 1969, SUPPLEMENT TO NOTICE OF INTENTION SUBMITTED MARCH 16, 1970, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS LATE AS APRIL 17, 1970. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514 OF THE HAWAII REVISED STATUTES.

1. KULAKANE APARTMENTS is a leasehold condominium project consisting of forty-two (42) residential apartments arranged throughout a single building of three (3) stories. The common elements include a utility building, and the washer and dryer therein, swimming pool and filtration plant, parking area, sewage disposal system and outdoor lighting.
2. No promotional and advertising materials have been submitted pursuant to the rules and regulations promulgated by the Commission.

3. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514 of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
4. Since the issuance of the Commission's Preliminary Public Report on Kulakane Apartments, Registration No. 313, dated February 9, 1970, the Developer has prepared and forwarded additional information to that filed in the December 12, 1969 submittal.

This Final Public Report is made a part of the registration on the KULAKANE APARTMENTS condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers including those receiving the Preliminary Public Report. Securing a signed copy of the Receipt for the Final Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

5. The Developer has submitted to the Commission all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report prior to the completion of construction.
6. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the approved Floor Plans) have been filed in the office of the recording officer.

The Declaration of Horizontal Property Regime executed on February 18, 1970, with the By-Laws attached, was recorded in the Bureau of Conveyances of the State of Hawaii in Liber 6922, page 1. The Registrar has designated Condominium Map No. 163 to the project.
7. This Final Public Report automatically expires thirteen (13) months after date of issuance, April 20, 1970, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

This Final Public Report supersedes the Preliminary Public Report of February 9, 1970 in its entirety.

The information in the topical headings of the Preliminary Public Report with the exception of DESCRIPTION, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING, FINANCING OF PROJECT, and STATUS OF PROJECT, has not been disturbed.

NAME OF PROJECT: KULAKANE APARTMENTS

LOCATION: The approximate 1.16 acres of land to be committed to the regime is situated at Kaanapali, Lahaina, Island and County of Maui, State of Hawaii.

TAX KEY: SECOND DIVISION 4-3-06-11

ZONING: B-2 Community Business District

DEVELOPER: KULAKANE DEVELOPMENT CORP., Lahaina, Maui, Hawaii. Telephone 669-6363. A Hawaii corporation registered with the Department of Regulatory Agencies, State of Hawaii, on August 1, 1968. The officers are:

| | | |
|---------------------|---------------------|--|
| Leonard Goldman | President | 1014 North Second St. Phoenix, Arizona |
| Patricia Goldman | Vice President | 1014 North Second St. Phoenix, Arizona |
| William F. Crockett | Secretary-Treasurer | 38 S. Market Street Wailuku, Maui, Hawaii |

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

DESCRIPTION: The specimen Declaration of Horizontal Property Regime and Developer's floor plans reflect that the proposed condominium submitted to the regime, situated on 1.16 acres of land, will when complete consist of forty-two (42) residential apartments located within a single building of three (3) stories. The principal materials of which the central residential apartment building shall be constructed are as follows: the footings shall be of reinforced concrete; the walls shall be of wood stud, plaster board on the interior and cedar shingles on the exterior; the beams shall be of wood; the ground floor slab shall be of reinforced concrete; the floors of the second and third stories shall be of plywood covered with cement topping; the walls between apartments, and between rooms within each apartment, shall be of wood studs with plaster board; the stairs and lanais of the apartments on the second and third stories shall be of wood; the floors of the apartments shall be covered with vinyl asbestos tile or carpets; the roof shall be of cedar shakes.

The principal materials of which the utility building shall be constructed are as follows: the floor slab shall be of reinforced concrete; the walls shall be of concrete block with skim coat stucco; the roof shall be of cedar shakes.

There are fourteen (14) residential apartments located on each of the three stories of the apartment building. Apartments 101 through 114 are located on the ground floor. Apartments 201 through 214 are located on the second story. Apartments 301 through 314 are located on the third story and mezzanine. The apartments will be of nine (9) types: (1) "Ground Floor/One-Bedroom Unit/End"; (2) "Ground Floor/One-Bedroom Unit/Typical"; (3) "Second Story/One-Bedroom Unit/End"; (4) "Second Story/One-Bedroom Unit/Typical"; (5) "Second Story/One-Bedroom Unit/Passage"; (6) "Third Story/Two-Bedroom Unit/End"; (7) "Third Story/Two-Bedroom Unit/Typical"; (8) "Third Story/Two-Bedroom Unit/Passage"; (9) "Third Story/Two-Bedroom Unit/Small Passage."

Apartments 101 and 114 are "Ground Floor/One-Bedroom Unit/End" apartments. Apartments 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112 and 113 are "Ground Floor/One-Bedroom Unit/Typical" apartments.

Apartments 201 and 214 are "Second Story/One-Bedroom Unit/End" apartments. Apartments 202, 203, 204, 205, 206, 207, 208, 210, 211, 212 and 213 are "Second Story/One-Bedroom Unit/Typical" apartments. Apartment 209 is a "Second Story/One-Bedroom Unit/Passage" apartment.

Apartments 301 and 314 are "Third Story/Two-Bedroom Unit/End" apartments. Apartments 302, 303, 304, 305, 306, 307, 308, 311, 312 and 313 are "Third Story/Two-Bedroom Unit/Typical" apartments. Apartment 309 is a "Third Story/Two-Bedroom Unit/Passage" apartment. Apartment 310 is a "Third Story/Two-Bedroom Unit/Small Passage" apartment.

Each One-Bedroom Unit apartment on the ground floor (apartments 101 through 114) shall consist of a living room, kitchen, bath, bedroom and a lanai. Each "Ground Floor/One-Bedroom Unit/End" apartment shall have an approximate enclosed floor space of 661 square feet and a lanai of approximately 114.2 square feet. Each "Ground Floor/One-Bedroom Unit/Typical" apartment shall have an approximate enclosed floor space of 499.4 square feet and a lanai of approximately 30.9 square feet.

Each One-Bedroom Unit apartment on the second story (apartments 201 through 214) shall consist of a living room, kitchen, bath, bedroom, wardrobe and lanai. Apartments 201 and 214 shall each also have a storage area included within each apartment. Each "Second Story/One-Bedroom Unit/End" apartment shall have an approximate enclosed floor space of 671.9 square feet and a lanai of approximately 116 square feet. Each "Second Story/One-Bedroom Unit/Typical" apartment shall have an approximate enclosed floor space of 567.6 square feet and a lanai of approximately 89.9 square feet. The "Second Story/One-Bedroom Unit/Passage" apartment shall have an approximate enclosed floor space of 848.6 square feet and a lanai of approximately 152.1 square feet.

Each Two-Bedroom Unit apartment on the third story and mezzanine (apartments 301 through 314) shall consist of a living room, kitchen, two baths, two bedrooms, gallery and lanai. The "Third Story/Two-Bedroom Unit/End" apartments (apartments 301 and 314), and the "Third Story/Two-Bedroom Unit/Passage" apartment shall each also contain a loft. Each "Third Story/Two-Bedroom Unit/End" apartment shall have an approximate enclosed floor space of 1074 square feet and a lanai of approximately 191.6 square feet. Each "Third Story/Two-Bedroom Unit/Typical" apartment shall have

an approximate enclosed floor space of 358 square feet and a lanai of approximately 89.9 square feet. The "Third Story/Two-Bedroom/Passage" apartment shall have an approximate enclosed floor space of 1287.4 square feet and a lanai of approximately 152.1 square feet. The "Third Story/Two-Bedroom Unit/Small Passage" apartment shall have an approximate enclosed floor space of 978 square feet and a lanai of approximately 39.9 square feet.

Apartments 101 through 114 shall each have immediate access to the land heretofore described. All of the other apartments shall each have immediate access to the respective stairways appurtenant to the various apartments as limited common elements.

Each apartment shall consist of the space measured horizontally by the distances between the surfaces of the interior walls of each apartment, and the space measured by the area of the lanai of each apartment; and measured vertically by the distance between the topside surface of the wood or concrete floor, as the case may be, and the underside surface of the ceiling (or roof, in the case of the loft of the apartments on the third story and mezzanine).

Note: Purchasers purchasing prior to the issuance of this Final Horizontal Property Regime Public Report should be cognizant of the changes made in the floor plan and floor space of their respective apartments.

COMMON ELEMENTS: According to the specimen Declaration, the common elements shall include: (a) the land heretofore described, except such portions hereafter described as limited common elements, and the superadjacent airspace above the roof, and next to the exterior walls, of the said building; (b) all foundations, columns, beams, supports, main walls, roof, corridors, exterior walls, partition walls between each apartment, floors and ceilings; (c) the utility building, and the washer and dryer installed therein, swimming pool and its filtration plant, parking area, sewage disposal system, outdoor lighting; (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 tangible personal property, accounts, general intangibles, instruments and money, and any apartment of the regime, acquired and held by the association of apartment owners or the board of directors of the horizontal property regime, or their agents, for the administration, maintenance, safety and operation of the common elements of the regime, or for the common use and benefit of the apartment owners; and (f) all other apparatus and installations existing for, or rationally of common use to, or necessary or convenient to the existence, maintenance or safety of all the apartments of the horizontal property regime hereby established.

LIMITED COMMON ELEMENTS: There shall be appurtenant to apartments 101 and 114, individually, as a limited common element, appertaining to and reserved for the exclusive respective use of each such apartment, the portions of the land heretofore described immediately adjacent to the living room of each such apartment, shown upon the Condominium Map as the "private court," with the following approximate dimensions: length nineteen feet (19'); depth ten feet (10').

There shall be appurtenant to apartments 101, 201 and 301, jointly, as a limited common element, appertaining to and reserved for the joint exclusive use of such apartments, the common stairs, adjacent to the entry for each such apartment, shown upon the Condominium Map as "Stair A."

There shall be appurtenant to apartments 102, 202, 302, 103, 203 and 303, jointly, as a limited common element, appertaining to and reserved for the joint exclusive use of such apartments, the common stairs, adjacent to the entry for each such apartment, shown upon the Condominium Map as "Stair B."

There shall be appurtenant to apartments 104, 204, 304, 105, 205 and 305, jointly, as a limited common element, appertaining to and reserved for the joint exclusive use of such apartments, the common stairs, adjacent to the entry for each such apartment, shown upon the Condominium Map as "Stair C."

There shall be appurtenant to apartments 106, 206, 306, 107, 207 and 307, jointly, as a limited common element, appertaining to and reserved for the joint exclusive

use of such apartments, the common stairs, adjacent to the entry for each such apartment, shown upon the Condominium Map as "Stair D."

There shall be appurtenant to apartments 103, 208, 308, 109, 209 and 309, jointly, as a limited common element, appertaining to and reserved for the joint exclusive use of such apartments, the common stairs, adjacent to the entry for each such apartment, shown upon the Condominium Map as "Stair E."

There shall be appurtenant to apartments 110, 210, 310, 111, 211 and 311, jointly, as a limited common element, appertaining to and reserved for the joint exclusive use of such apartments, the common stairs, adjacent to the entry for each such apartment, shown upon the Condominium Map as "Stair F."

There shall be appurtenant to apartments 112, 212, 312, 113, 213 and 313, jointly, as a limited common element, appertaining to and reserved for the joint exclusive use of such apartments, the common stairs, adjacent to the entry for each such apartment, shown upon the Condominium Map as "Stair G."

There shall be appurtenant to apartments 114, 214 and 314, jointly, as a limited common element, appertaining to and reserved for the joint exclusive use of such apartments, the common stairs, adjacent to the entry for each such apartment, shown upon the Condominium Map as "Stair H."

INTEREST TO BE CONVEYED PURCHASER: The specimen Declaration discloses that the percentage of undivided interest in the common elements appertaining to each apartment is as follows:

| | | | |
|---------------|-------|---------------|-------|
| Apartment 101 | 2.34% | Apartment 203 | 1.96% |
| 102 | 1.75% | 209 | 3.39% |
| 103 | 1.75% | 210 | 1.96% |
| 104 | 1.75% | 211 | 1.96% |
| 105 | 1.75% | 212 | 1.96% |
| 106 | 1.75% | 213 | 1.96% |
| 107 | 1.75% | 214 | 2.30% |
| 108 | 1.75% | 301 | 3.90% |
| 109 | 1.75% | 302 | 2.97% |
| 110 | 1.75% | 303 | 2.97% |
| 111 | 1.75% | 304 | 2.97% |
| 112 | 1.75% | 305 | 2.97% |
| 113 | 1.75% | 306 | 2.97% |
| 114 | 2.34% | 307 | 2.97% |
| 201 | 2.30% | 308 | 2.97% |
| 202 | 1.96% | 309 | 4.30% |
| 203 | 1.96% | 310 | 2.97% |
| 204 | 1.96% | 311 | 2.97% |
| 205 | 1.96% | 312 | 2.97% |
| 206 | 1.96% | 313 | 2.97% |
| 207 | 1.96% | 314 | 3.90% |

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The specimen Declaration reflects that the apartments shall be used as residential apartments.

OWNERSHIP TO TITLE: Developer has submitted a copy of a title report prepared by Title Guaranty of Hawaii, Incorporated, which certifies that as of April 10, 1970 legal title to the land committed to the project is vested in Kazuo Kishi and Margaret Toshie Kishi.

The Developer, Kulakane Development Corp., has submitted to the Commission a copy of its Development Agreement entered upon with Leonard Goldman, Principal Stockholder of Developer, and Kazuo Kishi and Margaret Toshie Kishi, Owners of Fee. The Development Agreement, dated August 3, 1969, calls for Developer to construct forty-two (42) apartments upon the said property, and Owners of Fee agree to submit the said property, including the said buildings, to a horizontal property regime. The Development Agreement further provides for the sale of such apartments by the Developer and the issuance of appropriate apartment leases by Owners of Fee to the purchaser of each apartment. The Development Agreement shows that the apartment leases will be for terms of fifty-five (55) years.

ENCUMBRANCES AGAINST TITLE: Mortgage from Kazuo Kishi and Margaret Toshie Kishi to First Hawaiian Bank, dated September 3, 1969, recorded in Liber 6393, page 241;

Reservation in favor of State of Hawaii of all mineral and metallic mines; and Electric and Communications Easement 10 feet wide and 50 feet long to Maui Electric Co., Ltd., and Hawaiian Telephone Company by Grant dated February 20, 1970, recorded in Liber 6950, page 205.

Note: Developer discloses that the land is further encumbered by the Declaration of Horizontal Property Regime dated February 18, 1970, and recorded in Liber 6922, Page 1, being known as Kulakane Apartments, and Condominium Map No. 163.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement, dated December 15, 1969, between First Hawaiian Bank and Kulakane Development Corp., a Hawaii corporation, has been filed. On examination the specimen Contracts of Sale and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-15(5).

Among other provisions, the Escrow Agreement provides that upon approval of the lending institution for the project, or a financially disinterested person, Escrow shall from time to time disburse money from the escrow funds to pay for construction costs of the building in proportion to the valuation of the work completed by the contractor as certified by a registered architect or professional engineer. The Escrow Agreement further provides that after the completion of the building, and after Escrow receives satisfactory evidence that all mechanics' and materialmen's liens have been satisfied, and forty-five (45) days after Developer shall file with the Circuit Court of the Second Circuit a copy of an affidavit showing publication of a notice of completion of the building, and shall furnish a file-marked copy thereof to Escrow, Escrow shall disburse the remaining money held in escrow to Developer, or to whomever Developer shall appoint.

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

FINANCING OF PROJECT: In the Supplement to the Notice of Intention submitted March 16, 1970, the Developer gives an estimated total cost of \$1,127,856 to complete the project. The First Hawaiian Bank has made an interim loan for the project to Developer in the principal amount of SIX HUNDRED THOUSAND and 00/100 DOLLARS (\$600,000.00), secured by a mortgage of the property submitted to the horizontal property regime.

Apartment purchasers have deposited in escrow, in part payment of purchase price, the amount of FIFTY-SEVEN THOUSAND and 00/100 DOLLARS (\$57,000.00). Developer expects to receive and deposit in escrow from apartment purchasers the additional amount of THREE HUNDRED FORTY-FOUR THOUSAND TWENTY-FIVE and 00/100 DOLLARS (\$344,025.00) in payment of purchase price. The apartment purchase money deposited with the project escrow will be disbursed during the course of construction to pay for the construction of the project.

Developer has advanced from its funds (equity) the amount of FORTY-TWO THOUSAND and 00/100 DOLLARS (\$42,000.00) for the project. Developer expects to advance from its funds (equity) the additional amount of EIGHTY-FOUR THOUSAND EIGHT HUNDRED THIRTY-ONE and 00/100 DOLLARS (\$84,831.00) to complete the project.

MANAGEMENT AND OPERATIONS: The Declarant discloses that the administration of the project shall be vested in the Association of Apartment Owners. The Developer has not entered into any management contract as of the date of this Final Public Report.

STATUS OF PROJECT: The Developer has entered into a Construction Contract with Global Contractors, Inc., dated December 19, 1969, for the construction of the condominium apartment building, utility building and swimming pool deck. In the Supplement to the Notice of Intention the Developer advised the Commission that construction of the project had begun on January 2, 1970. The Construction Contract specifies completion within 210 calendar days upon Owners' written notice to proceed, and it is estimated that the project will be completed on August 2, 1970.

Performance Bond and Labor and Material Payment Bond in an amount equal to 100% of the contract price were issued on January 7 and 8, 1970, by First Insurance Company of Hawaii, Ltd., as Surety.

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 12, 1969, the Supplement to the Notice of Intention submitted March 12, 1970, and additional information subsequently filed as late as April 17, 1970.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 313, filed with the Commission December 12, 1969.

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

Herbert S. Isonaga
for HERBERT S. ISONAGA, Chairman
REAL ESTATE COMMISSION
State of Hawaii

YH:km

Distribution:

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

Registration No. 313
April 20, 1970

