

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 NAPILI APARTMENTS
Napili, Lahaina, Maui, Hawaii

REGISTRATION NO. 319

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: March 23, 1970
Expires: April 23, 1971

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 January 16, 1970. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, HAWAII REVISED STATUTES, CHAPTER 514.

1. HALE NAPILI APARTMENTS is a proposed leasehold condominium project consisting of eighteen (18) residential apartments arranged throughout a single building of two (2) stories and one (1) commercial apartment located in a separate building. The common elements include a separate "office and laundry" building, and the washer and dryer therein, parking area, sewage disposal system and outdoor lighting.
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 Hawaii Revised Statutes, Chapter 514, and the rules and regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, March 23, 1970, 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 NAPILI APARTMENTS

LOCATION: The approximate 0.4788 acre of land to be committed to the regime is situated at Napili, Lahaina, Island and County of Maui, State of Hawaii.

TAX KEY: SECOND DIVISION 4-3-02-24

ZONING: Napili Civic Improvement District

DEVELOPER: HALE NAPILI DEVELOPMENT COMPANY, a limited partnership organized under the laws of the State of Hawaii, consisting:

General Partners: Samuel V. Eastman, Napili, Lahaina, County of Maui
Dale McGowan, Napili, Lahaina, County of Maui
Charles Mathewson, Los Angeles, California

Limited Partners: Samuel V. Eastman
Dale McGowan
Charles Mathewson
Howard Lee Matlow
Kenfield Edward Kenneday

Business and post office address of developer is:

Napili, Lahaina, Maui, Hawaii
Telephone 669-6323 or 661-0071

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

DESCRIPTION: The proposed Declaration of Horizontal Property Regime reflects that the project is to consist of eighteen (18) residential apartments located within a single building of two (2) stories and one (1) commercial apartment, located in a separate building, situate upon the 0.4788 acre of land hereinbefore described. Each residential 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 lanais of each apartment with a lanai; and measured vertically by the distance between the topside surface of the concrete floor and the underside surface of the ceiling. The commercial apartment shall consist of the space measured horizontally by the distances between the surfaces of the exterior walls of the cabana building; and measured vertically between the underside surface of the concrete floor and the exterior surface of the roof of the cabana building.

The central residential apartment building consists of two integrated sections: an "existing" section, the construction of which is substantially complete, and a "new addition" section, to be constructed on the south side of the said parcel of land. The principal materials of which the said existing section of the central residential apartment building is constructed are as follows: the exterior walls are of reinforced concrete block; the exterior walls of the second story shall be covered with rough sawn redwood siding; the ground floor slab is

of reinforced concrete; the floor of the second story is of wood; the existing asbestos shingle roof shall be covered with wood shakes; the interior walls are of concrete block. The principal materials of which the said new addition section of the central residential apartment building shall be constructed are as follows: the exterior walls of the ground floor shall be of reinforced concrete block; the exterior walls of the second story shall be of wood studs covered with rough sawn redwood siding, on the exterior, and sheet rock and painted on the interior; the ground floor slab shall be of reinforced concrete covered with carpet; the floor of the second story shall be of wood frame with a plywood subfloor, covered with carpet; the roof shall be of wood frame with wood shakes over building paper; the interior walls between apartments shall be of concrete block covered with plywood veneer; the interior walls within each apartment shall be of wood studs covered with sheetrock and painted.

The principal materials of which the cabana building shall be constructed are as follows: the floor slab shall be of reinforced concrete; the walls shall be of drywall construction, painted; the roof shall be of wood frame with wood shakes.

The principal materials of which the office and laundry building shall be constructed are as follows: the floor slab shall be of reinforced concrete; the walls shall be of single wall redwood construction; the ceiling shall be of drywall construction, painted; the roof shall be of wood frame with wood shakes.

There are nine (9) residential apartments located on each of the two stories of the central residential apartment building. Apartments 1 through 9 are located on the ground floor of the central residential apartment building, and apartments 10 through 18 are located on the second story of the central residential apartment building. (Residential apartments 1 through 5, and 10 through 14, and portions of residential apartments 6 and 15, are located in the existing section of the central residential apartment building. Residential apartments 7, 8, 9, 16, 17 and 18, and portions of residential apartments 6 and 15, are located in the new addition section of the central residential apartment building.)

The residential apartments are of two types: "One Bedroom Units", and "Studio Units." Residential apartments 1, 7, 10 and 16 are "One Bedroom Units." Residential apartments 2, 3, 4, 5, 6, 8, 9, 11, 12, 13, 14, 15, 17 and 18 are "Studio Units."

Each one bedroom unit shall consist of a bedroom, living room, bath, dressing room, and kitchen. The approximate enclosed floor space for each one bedroom unit is as shown below:

<u>Apartment</u>	<u>Floor Space</u>
1	572 square feet
7	462 square feet
10	572 square feet
16	473 square feet

Residential apartments 1 and 10 shall each have a lanai of approximately 112 square feet; apartment 16 shall have a lanai of approximately 52 square feet. Residential apartment 7 shall not have a lanai.

Each studio unit shall consist of a living room, bath and kitchen. The approximate enclosed floor space for each studio is as shown below:

<u>Apartment</u>	<u>Floor Space</u>
2	401 square feet
3	386 square feet
4	401 square feet
5	401 square feet
6	383 square feet
8	406 square feet
9	404 square feet
11	401 square feet
12	386 square feet
13	401 square feet

<u>Apartment</u>	<u>Floor Space</u>
14	401 square feet
15	389 square feet
17	410 square feet
18	418 square feet

Each of the following studio units shall have lanais with the approximate space as shown below:

<u>Apartment</u>	<u>Floor Space</u>
2	112 square feet
3	103 square feet
4	112 square feet
5	112 square feet
11	112 square feet
12	108 square feet
13	112 square feet
14	112 square feet
15	92 square feet
17	49 square feet
18	91 square feet

Residential apartments 6, 8 and 9 shall not have a lanai.

Residential apartments 1 through 9 shall each have immediate access to the land heretofore described. All of the other residential apartments shall each have immediate access to the open corridor immediately adjacent to and connecting the residential apartments on the second story, and the stairways.

The commercial apartment is the cabana building situated approximately thirty-five (35) feet northwest of the central residential apartment building. The commercial apartment shall have an approximate enclosed floor space of forty-five (45) square feet.

The commercial apartment shall have immediate access to the land heretofore described.

COMMON ELEMENTS: The proposed Declaration reflects that the common elements include: (a) the land heretofore described, except such portions hereinafter described as limited common elements, and the superadjacent airspace above the roof, and next to the exterior walls, of the said buildings; (b) all foundations, columns, beams and supports, girders, roof, walks, stairways, exterior walls, partition walls between each apartment, floors and ceilings of the central residential apartment building, and the open corridors immediately adjacent to and connecting the residential apartments on each story of the central residential apartment building; (c) the separate "office and laundry building," and washer and dryer installed therein, parking area, sewage disposal system and outdoor lighting; (d) all central and appurtenant installations and 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 area 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; (f) all other apparatus and installations existing in the said central residential apartment 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 the apartments of the horizontal property regime hereby established.

LIMITED COMMON ELEMENTS: That portion of the land heretofore described upon which the cabana building is situated, including the surrounding concrete walls,

with an approximate total diameter of twelve (12) feet, shall be a limited common element appertaining to and reserved for the exclusive use of the commercial apartment.

There shall be respectively appurtenant to residential apartments 6, 7, 8 and 9, as a limited common element, appertaining to, and reserved for the exclusive use of each such apartment, those several portions of the land heretofore described adjacent to the respective living rooms of residential apartments 6, 8 and 9, and adjacent to the bedroom of residential apartment 7, and shown on the condominium map filed simultaneously herewith as "yard space", with the following approximate areas:

<u>Apartment</u>	<u>Yard Space</u>
6	92 square feet
7	52 square feet
8	49 square feet
9	91 square feet

INTEREST TO BE CONVEYED PURCHASER: The proposed Declaration reflects that the percentage of undivided interest in the common elements appertaining to the apartments is as follows:

Apartments 1 and 10	6.4%
Apartments 7 and 16	6.3%
Apartments 2, 3, 4, 5, 6, 8, 9, 11, 12, 13, 14, 15, 17 and 18	5.2%

The percentage of undivided interest in the common elements appertaining to the commercial apartment is as follows: 1.8%.

The undivided interests established and to be conveyed with the respective "apartments" cannot be changed, and the Developer/Owner covenants and agrees that the undivided interests in the "common areas and facilities" and the leasehold titles to the respective "apartments" to be 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 leasehold 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 shall be the undivided interest shown above.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration reflects that the "residential apartments" shall be used for residential purposes, and the "commercial apartment" shall be used for accessory business or service establishments which supply commodities or perform services primarily for the occupants of the residential apartments, in accordance with the terms of the proposed Declaration of Horizontal Property Regime, and the proposed Declaration of Covenants, Conditions and Restrictions and By-Laws of the Association of Apartment Owners of Hale Napili Apartments.

OWNERSHIP OF TITLE: Hale Napili Development Company, a limited partnership organized under the laws of the State of Hawaii, has title to the land committed to the project under deed dated December 31, 1969, from William F. Crockett, the trustee upon dissolution for the creditors and stockholders of KELOWNA MAUI, LIMITED, a dissolved Hawaii corporation, recorded with the Bureau of Conveyances of the State of Hawaii in Liber 6842 on Page 455.

ENCUMBRANCES AGAINST TITLE: Mortgage from Hale Napili Development Company to Joseph Paul Charpentier, et al., dated December 31, 1969, recorded in Liber 6842 on Page 458; Reservation in favor of State of Hawaii of all mineral and metallic mines; and Taxes that may be due and owing and a lien on the land under search, reference is hereby made to the Office of the Tax Assessor of the Second Division.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated January 16, 1970, 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 Hawaii Revised Statutes, Chapter 514, and particularly Hawaii Revised Statutes, Sec. 514-35 and 514-36 through Sec. 514-40.

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) If funds were obtained from an apartment purchaser prior to the issuance of a final public report upon the project by the Real Estate Commission, and 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 Developer obtains the written approval or acceptance of such specific change in building plans by such apartment purchaser; (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; (4) Upon the occurrence of any other event which, under Haw. Rev. Stat., Chapter 514, gives an apartment purchaser under a contract of sale the right to a refund of his purchase money deposited in escrow.

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: Ten (10) of the eighteen (18) apartments have been constructed. Construction of the remaining eight (8) apartments will commence after eleven (11) apartments have been sold.

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 January 16, 1970.

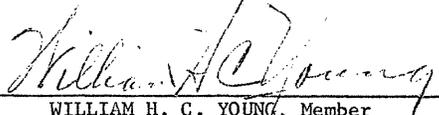
This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 319 filed with the Commission on January 16, 1970.

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DHO:bym

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ESCROW AGENT


WILLIAM H. C. YOUNG, Member
REAL ESTATE COMMISSION
STATE OF HAWAII

Registration No. 319
March 23, 1970