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

SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
THE KULEANA
Honoapiilani Highway
Kaanapali, Maui, Hawaii

REGISTRATION NO. 348

This Report Is Not an Approval or Disapproval of This Condominium Project

It was prepared as a supplement to an earlier Report dated November 12, 1970 **issued by the Real Estate Commission on the above 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: December 15, 1971
Expires: January 15, 1973

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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION TO SELL SUBMITTED SEPTEMBER 10, 1970, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS LATE AS DECEMBER 9, 1971. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL AND SUBMITTING INFORMATION ON MATERIAL CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Final Public Report on November 12, 1970, on the KULEANA, the Developer reports that changes have been made in the plan or setup as presented in the September 10, 1970 Notice of Intention to Sell.

   The changes subsequently made are determined to be a material revision to the information disclosed earlier. This Supplementary Public Report amends the Final Public Report, becoming a part of the KULEANA registration. The Developer is responsible for placing a true copy of this

Supplementary Public Report in the hands of all purchasers and prospective purchasers, along with a copy of the Final Public Report. The buyer shall sign the required receipt signifying that he has had an opportunity to read both reports.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of the project and the updating of information disclosed therein.

3. The Developer advises the Commission that the Declaration of Horizontal Property Regime has been amended. The Developer has filed with the Commission a copy of the First Amendment to Declaration of Horizontal Property Regime of the Kuleana made November 22, 1971, recorded in the Bureau of Conveyances on December 2, 1971 in Liber 7978, Page 100.

4. Promotional matter has not been submitted pursuant to the rules and regulations promulgated by the Commission.

5. The specimen documents of conveyance reveals that Developer intends to sell to Buyer its interest in the apartment unit and lease to Buyer an undivided interest in the land. The undivided interest in the land shall be leased for a term ending December 31, 2031, in accordance with the terms and conditions of the form of Ground Lease filed with the Commission. Purchasers are advised to read with care the surrender clause on Page 9 of the specimen Ground Lease, and the second paragraph on Page 4 of the specimen Apartment Deed.

6. The purchaser and prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations promulgated thereunder, which relate to Horizontal Property Regimes.

The information in the topical headings, NAME OF PROJECT, LOCATION, TAX KEY, ZONING, ATTORNEY REPRESENTING DEVELOPER, PURPOSE OF BUILDINGS AND RESTRICTION AS TO USE, FINANCING OF PROJECT, CONTRACTOR, AND STATUS OF PROJECT of the Final Public Report of November 12, 1970, has not been disturbed.

DEVELOPER: The Commission has been informed that the Haw-Port Development Co., a Hawaii limited partnership, whose principal place of business and post office address is Route 1, Box 700, Lahaina, Maui, Hawaii, is now the Developer of the project. The General Partner of the Haw-Port Development Co. is D. Donald Lonie, Jr., the former Developer.

DESCRIPTION OF THE PROJECT: The amended Declaration of Horizontal Property Regime reflects that this is a leasehold residential cluster condominium apartment complex consisting of two (2) buildings designated respectively as Building A and Building B. Each building consists of a ground floor level, a level other than the ground floor level, and a second floor level. The buildings are constructed of wood, glass and concrete.

Building A is located next to the ocean, it has eight (8) apartments designated respectively as A-1 through A-8, inclusive. A-1 is a type D apartment, A-2 is a type B apartment, A-3 and A-4 are type C apartments, and A-5, A-6, A-7 and A-8 are type A apartments. Each one of the types of apartments is described below:

Situated in Building A are various limited common elements for use by the occupants of that building. Behind apartment A-5 there is a laundry room containing 241 square feet. Behind apartment A-6 is a storage room containing 241 square feet.

Building B is located next to Hanoapiilani Highway. It has ten (10) apartments designated respectively as B-1 through B-10, inclusive. B-1, B-2, B-5 and B-6 are type C apartments and B-3, B-4, B-7, B-8, B-9 and B-10 are type A apartments. Each one of the types of apartments is described on the next page.

Situated in Building B are various limited common elements for use by the occupants of that building. Behind apartment B-7 there is a laundry room containing 241 square feet. Behind apartment B-8 there is a store room containing 241 square feet.

There are four (4) types of apartments, A through D.

The ten (10) type A apartments each contain a living area of 768 square feet. Those on the ground floor have a lanai of 65 square feet and those on the second floor have a lanai of 207 square feet. In the living area are a living room, kitchen, bedroom and bathroom.

The type B apartment is on the ground floor and encloses a living area of 1,212 square feet. It has a lanai of 130 square feet. Two bedrooms, two baths, a living-dining room and kitchen comprise the living area.

The six (6) type C apartments each contain 699 square feet of living area and each has a lanai of 207 square feet. Within the living area are one bedroom, loft, bathroom, kitchen and living room.

The type D apartment is on the second floor, contains a living area of 988 square feet and a lanai of 414 square feet. The living area consists of a bedroom, bathroom, kitchen and living room.

COMMON ELEMENTS: The Amended Declaration of Horizontal Property Regime reflects that all of the common elements remain the same as listed in the Final Public Report of November 12, 1970, except that all parking stalls will now be common elements.

LIMITED COMMON ELEMENTS: All portions of each building exclusive of the apartments therein contained and the common elements above defined shall be limited common elements appurtenant to and for the exclusive use of the apartments in such building. These limited common elements shall include, but shall not be limited to, the stairways, roof, store rooms and laundry rooms of each building. The compartments and installation of all central services and other utility lines within each building are also limited common elements.

PERCENTAGE OF UNDIVIDED OWNERSHIP TO BE CONVEYED: The Amended 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	A-1	(Type D)	7.026%
	A-2	(Type B)	8.618%
	A-3	(Type C)	4.966%
	A-4	(Type C)	4.966%
	A-5	(Type A)	5.456%
	A-6	(Type A)	5.456%
	A-7	(Type A)	5.456%
	A-8	(Type A)	5.456%
	B-1	(Type C)	4.966%
	B-2	(Type C)	4.966%
	B-3	(Type A)	5.456%
	B-4	(Type A)	5.456%
	B-5	(Type C)	4.966%
	B-6	(Type C)	4.966%
	B-7	(Type A)	5.456%
	B-8	(Type A)	5.456%
	B-9	(Type A)	5.456%
	B-10	(Type A)	5.456%

MERGER: The Developer reports that if and in the event that a condominium project of 100 units known as the Kuleana II is completed on the lot adjacent to this project, the two comdominiums will be merged. Upon completion of the merger, the two condominiums will be for all purposes treated as one single project. The owners of each will have free access to and use of the common elements of the other, the

common expenses will be pooled and the merged condominium will be governed by a single Board of Directors. The owners of apartments located in this project will bear 20% of the total common expenses and will also be entitled to cast 20% of the votes at any meeting of the Association of Apartment Owners.

OWNERSHIP OF TITLE: The Developer reports that title is still vested in Byron Broms. The Continuation of Title Report dated October 27, 1971 by Title Guaranty of Hawaii, Inc. confirms such ownership.

ENCUMBRANCES AGAINST TITLE: The Continuations of Title Report dated June 21, 1971 and October 27, 1971, prepared by Title Guaranty of Hawaii, Inc., a licensed abstractor, states that title to the land is subject to:

Reservation in favor of the State of Hawaii of all mineral and metallic mines as Reserved in Royal Patent Grant No. 1166.

Declaration of Horizontal Property Regime dated September 12, 1970, recorded in Book 7212 at Page 204 and the Bylaws attached thereto as amended by the First Amendment to Declaration of Horizontal Property Regime dated November 22, 1971, recorded in Book 7978, at Page 100, all of which are designated as Condominum Map No. 175.

Easement granted March 9, 1970 in favor of Maui Electric Company, Ltd. for utility lines across the property.

Mortgage and Financing Statement dated August 30, 1971 from Byron Broms to First Hawaiian Bank recorded in Book 7771, at Page 312.

Lis Pendens, dated July 19, 1971, recorded in Book 7702, at Page 149, giving notice of suit filed in the Second Circuit of the State of Hawaii, Civil No. 1804, by Robert M. Stampley and Margaret D. Stampley, Plaintiffs, against The Haw-Port Development Co., Defendant. The Lis Pendens reveals that this suit is concerned with title to only one apartment in the project, apartment B-10. (The Developer reports that this apartment will not be offered for sale to the public until the suit is concluded.) Note: The Developer further reports that said title to the land is subject to a Development Agreement between Byron H. Broms and The Haw-Port Development Co. recorded in Book 7873, at Page 101.

PURCHASE MONEY HANDLING: A copy of the revised Specimen Sales Contract and the new executed Escrow Agreement have been submitted as part of the registration. The Escrow Agreement dated December 3, 1971 identifies First American Title Company of Hawaii, Inc. as the "Escrow". On examination, the revised Specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, as amended.

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

MANAGEMENT AND OPERATIONS: The specimen Sales Contract specifies that purchaser shall cast his votes so that the Board of Directors of the Association of Apartment Owners shall execute and deliver a contract with Broms-Lo ie, Inc. as the initial managing agent.

The remaining headings of the Final Public Report of November 12, 1970 have not been disturbed.

The purchaser or prospective purchaser should be cognizant of the fact that this report represents information disclosed by the Developer in the required Notice of Intention submitted September 10, 1970 and information subsequently filed as late as December 9, 1971.

This SUPPLEMENTARY FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 348 filed with the Commission on September 10, 1970.

The Report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimilies must be pink in color.

Douglas R. Sodetani

DOUGLAS R. SODETANI, Chairman
Real Estate Commission
State of Hawaii

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Distribution:

Department of Taxation
Bureau of Conveyances
Planning Commission, County of Maui
Federal Housing Administration
Escrow Agent

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December 15, 1971