REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
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FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
NAPILI SHORES
Napili, Maui, Hawaii

REGISTRATION NO. 365

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: May 18, 1972
Expires: June 18, 1973

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 and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED FEBRUARY 3, 1971, AND INFORMATION SUBSEQUENTLY FILED AS OF MAY 2, 1972. 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, AS AMENDED.

1. The Developer has fulfilled all the requirements of Chapter 514, Hawaii Revised Statutes, for the issuance of a final public report.

2. Since the issuance of the Commission's Preliminary Public Report on March 5, 1971, on the Napili Shores, Registration No. 365, the Developer reports that changes have been made in the plan or setup as presented in the Preliminary Public Report. The changes subsequently made are determined to be a material revision to the information disclosed earlier. This Final Public Report (white paper stock) amends the Preliminary Public Report (yellow paper stock), becoming a part of the Napili Shores registration. The Developer is responsible for placing a true copy of this Final

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

NOTE: All purchasers entering into sales contract prior to the issuance of this Final Public Report are entitled to a refund of all moneys paid by the purchasers, since the Final Report was not issued within one year from the date of issuance of the Preliminary Public Report.

3. The Developer has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report.

4. The Developer advises that the Declaration of Horizontal Property Regime and attached Bylaws are recorded in the Bureau of Conveyances of Hawaii, in Book 8195, Page 370, and that the Condominium Map has been filed in the Bureau as Map No. 220.

5. Advertising and promotional materials have been submitted pursuant to the rules and regulations promulgated by the Commission.

6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, as amended, and the condominium rules and regulations which relate to Horizontal Property Regimes.

7. This Final Public Report automatically expires thirteen (13) months from the date of issuance, May 18, 1972, unless a Supplementary Public Report issues or the Commission, upon review of this registration, issues an order extending the effective period of this report.

The information in the topical headings of the Preliminary Public Report of March 5, 1971, with the exception of DEVELOPER, DESCRIPTION, COMMON ELEMENTS, PERCENTAGE OF UNDIVIDED OWNERSHIP TO BE CONVEYED, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING, and STATUS OF PROJECT have not been disturbed.

DEVELOPER: Shelter Corporation has formed a partnership for the purchase of developing the project with RGN Housing, Inc., a California corporation, with its principal place of business located at 475 El Camino Real, Suite 201, Millbrae, California. Shelter Corporation is designated as the General Manager of the development of the project.

DESCRIPTION: Information submitted by the Developer revises the proposed Declaration of Horizontal Property Regime previously filed with the Commission, and generally concerns an increase in the number of one-bedroom apartments, an increase in the size of the residential apartments, a reduction in the size of the proposed commercial building, a change in the common interests appurtenant to the apartment, and other changes all as hereinafter described. The following is a new description of the project:

The project consists of 9 buildings containing a total of 90 studio apartments and 62 one-bedroom apartments, and contains 152 parking stalls, subject to the right to add a commercial building and additional parking stalls as hereinafter described. All buildings are two stories high and are constructed of concrete block covered by plaster and have a wood trim with a sheet metal shake roof. Each building contains the following apartments:

Building A	12 Studio Apartments
Building B	10 One-Bedroom and 6 Studio Apartments
Building C	16 Studio Apartments
Building D	24 Studio Apartments
Building E	20 One-Bedroom Apartments
Building F	16 One-Bedroom Apartments

Building G	16 Studio Apartments
Building H	16 One-Bedroom Apartments
Building I	16 Studio Apartments

The 62 one-bedroom apartments each contain approximately 675 square feet and include a bathroom, a kitchen, a bedroom, a living-dining room and a lanai. The studio apartments each contain approximately 540 square feet, including a bathroom, a kitchenette area, a living-dining-bedroom area and a lanai. Apartments 101 through 176 inclusive are located on the ground floor of the respective buildings and Apartments 201 through 276 inclusive are located on the second floor of the respective buildings as shown on the Condominium Map.

Each residential apartment will be fully furnished with twin beds, a four-drawer dresser, a dining table with chairs, a rattan lounge chair, and a rattan coffee table. All residential apartments will include carpeting and drapes, and will have an air conditioner, a refrigerator, a range with oven and a garbage disposal. In addition, each residential one-bedroom apartment will include two additional twin beds, or one queen size bed, one night table and a dishwasher.

NOTE: The Developer shall have the right until December 31, 1975, to construct a commercial building on the property containing three apartments, one located in the basement containing approximately 392 square feet, two located on the ground floor containing approximately 3,415 and 1,770 square feet, respectively. The building would also contain common elements consisting of a storage area of approximately 4,580 square feet in the basement and a lobby, offices, restrooms and a manager's apartment altogether occupying approximately 2,800 square feet on the ground floor. If more than 152 parking stalls are included in the project, the Developer reserves the right to assign any of these additional stalls to the commercial apartments, which stalls shall be limited common elements reserved for the exclusive use of the commercial apartments.

COMMON ELEMENTS: The common elements will include all of the project except the apartments, specifically, but not limited to the following: (a) the land in fee simple for the term of the Declaration; (b) all foundations, supports, bearing walls, corridors, entry halls, stairs, walkways, entrances and exits of the building; (c) the roof; (d) all yards and refuse areas; (e) two swimming pools and a cabana; (f) all ducts, electrical equipment, wiring and other central and appurtenant installations for services, including power, light, cold and hot water, refuse and telephone; (g) all parking stalls which will not be specifically assigned to any apartment; (h) all other devices or installations upon the property existing for or rationally of common use to all the owners of the apartments within the project.

PERCENTAGE OF UNDIVIDED OWNERSHIP TO BE CONVEYED: The percentage of undivided interest in all of the common elements appurtenant to each apartment and its owner for all purposes shall be as follows:

Studio Apartments	.622%
One-Bedroom Apartments	.71%

NOTE: If the commercial building is constructed, the common interest will be changed by reducing the percentage interest appurtenant to the one-bedroom apartments to .69% and appurtenant to the studio apartments to .61% and allocating the remaining 2.32% among the four commercial apartments. Otherwise, the undivided interest established and to be leased with the respective apartments cannot be changed and the Developer covenants and agrees that the undivided interest in the common areas and facilities and the title to the respective apartments to be leased shall not be separated or separately leased and each said undivided interest shall be deemed to be leased or encumbered with its respective apartment even though the description in the instrument of conveyance may refer only to one or other of the interests. The voting rights of the apartment owners, as well as their share of the common expenses shall also be in proportion to their common interests.

ENCUMBRANCES AGAINST TITLE: A Preliminary Report by Security Title Corporation of March 29, 1972, states that in addition to the encumbrances listed in the Preliminary

Report issued March 5, 1971, the property is subject to the terms and provisions of (i) the unrecorded Development Agreement made by and between Robert A. Clarkin and Shelter Corporation, which Development Agreement is subject to a Mortgage dated October 28, 1971, recorded in the Bureau of Conveyances in Book 7902, Page 443, to secure the repayment of $4,500,000. By instrument dated December 20, 1971, recorded on January 3, 1972 in the Bureau of Conveyances in Book 8038, Page 261, the foregoing mortgage was amended, (ii) an Additional Security Mortgage dated October 26, 1971, recorded in said Bureau in Book 7902, Page 456, (iii) a Release and Subjection of Dower and Fee Subordination dated June 7, 1965, recorded in said Bureau in Book 7317, Page 59, and (iv) the Declaration of Horizontal Property Regime, Bylaws and Condominium Map described above.

PURCHASE MONEY HANDLING: Security Title Corporation has been substituted for Bank of Hawaii as the Escrow Agent. Executed copies of a Cancellation of Escrow Agreement with Bank of Hawaii and an Escrow Agreement with Security Title Corporation, dated December 9 and 10, respectively, and a revised specimen Sales Contract have been submitted as part of the registration. The Escrow Agreement provides that after certain conditions have been met down payments made by purchasers may be used by the Developer to pay construction costs, finance and legal fees and other incidental expenses of the condominium project. Upon examination, the specimen sales contract and executed escrow agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly with Section 514-35 and Section 514-36 through 514-40, Hawaii Revised Statutes.

NOTE: The right of the Developer to cancel a sales contract if a minimum number of presales are not received has been eliminated from the sales contract.

STATUS OF PROJECT: A construction contract for the project was executed on October 20, 1971, with Pacific Construction Co. as the contractor. The Developer has obtained written commitments for the interim and permanent financing for the project from U. S. Guaranty Capital and U. S. Mortgage, respectively, both are California corporations. A building permit has been issued for the project and construction has started. The estimated date of completion of the project is December 31, 1972.

A purchaser or prospective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required notice of intention submitted February 3, 1971, and additional information filed as of May 2, 1972.

THIS FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 365, filed with the Commission on February 3, 1971.

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

Douglas R. Sodetani

DOUGLAS R. SODETANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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Distribution:

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

Registration No. 365
May 18, 1972