

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

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT

on
LOKELANI
Rural Route 1
Honokowai, Maui, Hawaii

Registration No. 403

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 30, 1972
Expires: June 30, 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 or prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED AUGUST 16, 1971, AND INFORMATION SUBSEQUENTLY FILED ON OCTOBER 7 AND 28, 1971, DECEMBER 10, 1971, JANUARY 21, 1972, FEBRUARY 11, 1972, AND MAY 26, 1972. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on Registration No. 403, dated October 28, 1971, the Developer has prepared, assembled and forwarded additional information to that filed in the August 16, 1971, submittal. This Final Public Report is made a part of the registration on the Lokelani condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers receiving the Preliminary Public Report (yellow paper stock). Securing a signed copy of the Receipt for Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

2. In the information disclosed in the Notice of Intention dated August 16, 1971, the Developer represented that the required 100% performance and mechanics' and materialmen's bond will be submitted prior to the issuance of the Final Report. In a subsequent communication, the Developer has informed the Commission that the contractor was not able to obtain a bond and that inasmuch as the construction had already commenced, the Developer had decided to complete the construction of the project with the same contractor notwithstanding the contractor's inability to obtain a bond. The Developer has submitted, however, an Indemnity Agreement wherein First American Title Company of Hawaii, Inc., has agreed to issue title policies for each unit sold, which policies will insure against mechanics' liens and the possibility of filing mechanics' liens. Section 514-15, Hawaii Revised Statutes, provides that a 100% performance and mechanics' and materialmen's lien bond must be filed in order that a Final Public Report may be issued "prior to completion of construction of the project." The construction of the subject project has been completed and a copy of the certificate of occupancy issued by the County of Maui has been submitted to the Commission.
3. The Developer has revised the basic documents (Declaration of Horizontal Property Regime and Bylaws of the Association of Owners) and also has revised the Apartment Deed and Ground Lease. The revised documents and all other documents deemed necessary for the Final Public Report have been submitted to the Commission.
4. The Developer has also submitted a revised plot plan showing the layout of the buildings and parking spaces. The revision consists of relocating the sewage treatment plant and revising the parking layout, the end result being the reduction of the number of parking spaces from 38 to 37. The further result of said revision is that while heretofore two (2) parking spaces (Parking Spaces No. 1 and 2) were set aside as common elements and for use of guests, there will be only one parking space (Parking Space No. 1) set aside as a common element and for the use of guests.
5. Advertising and promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
6. The construction of the buildings and installation of all appliances and fixtures were completed on May 23, 1972.
7. The basic documents (Declaration of Horizontal Property Regime, Bylaws 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 November 15, 1971, together with the Bylaws of the Association of Apartment Owners were recorded on January 24, 1972, in the Bureau of Conveyances of the State of Hawaii in Liber 8074, Page 364. The approved floor plans have been recorded, together with the Declaration and Bylaws and have been designated as Condominium Map No. 215.
8. 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 Regime.
9. This Final Public Report automatically expires thirteen (13) months after the date of issuance, May 30, 1972, unless a Supplementary Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

The information disclosed in the Commission's Preliminary Public Report of October 28, 1971, in the topical headings hereinafter set forth has been amended.

Information disclosed in the remaining topical headings has not been distributed. The amendments to the information disclosed and their respective topical headings are as follows:

COMMON ELEMENTS: The Declaration originally submitted provided that the common elements shall include, together with the land, the buildings, and other items listed therein, Parking Spaces No. 1 and No. 2, as shown on the Condominium Map which parking spaces are to be for the use of guests. The amended Declaration provides for the common elements to include all items set forth in the original Declaration except that only Parking Space No. 1 is set aside as a common element. The amendment in the common elements is the result of the revision in the plot plan hereinabove mentioned in Paragraph 4.

LIMITED COMMON ELEMENTS: Under the proposed Declaration, parking spaces are set aside as limited common elements and the respective apartments and the parking spaces which are appurtenant thereto are set forth therein. With the revision in the plot plan and the reduction by one (1) in the number of parking spaces, the Developer has revised the parking space assignments as to the respective apartments, the revision consists of Apartment No. A-102 being assigned Parking Space No. 2 instead of Parking Space No. 38. As amended, the Declaration provides, as to the parking space assignments, as follows:

(a) Parking Spaces. Each apartment will have as an appurtenance thereto one (1) parking space for the exclusive use of such apartment. The respective apartments and the parking spaces which are appurtenant thereto are as follows:

<u>Apartment No.</u>	<u>Parking Space No.</u>	<u>Apartment No.</u>	<u>Parking Space No.</u>
A-101	37	B-201	28
102	2	202	27
103	30	203	26
104	29	204	25
105	3	205	24
106	4	206	23
A-201	34	C-101	11
202	35	102	12
203	36	103	13
204	33	104	14
205	32	105	15
206	31	106	16
B-101	5	C-201	22
102	6	202	17
103	7	203	18
104	8	204	19
105	9	205	20
106	10	206	21

Each of the foregoing parking spaces is shown on said Condominium Map.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration and other proposed documents originally submitted to the Commission reflected that no apartment shall be rented by the owners for transient or hotel purposes as defined in the proposed Declaration. The recorded Declaration and other documents were amended to permit owners to lease or rent their apartments for profit and for such periods as such owners may determine so long as such leasing or renting is for use of such apartments as a place to reside and not as a place to conduct business or trade.

OWNERSHIP OF TITLE: The Notice of Intention states that the ownership to the fee title of the land submitted to the Horizontal Property Regime is vested in Lokelani Construction Co., Inc., the developer herein.

A Certificate of Title prepared by First American Title Company of Hawaii, Inc., dated May 24, 1972, certifies that the fee simple title to the land is vested in said Lokelani Construction Co., Inc.

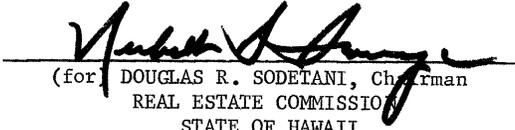
ENCUMBRANCES AGAINST TITLE: Said Certificate of Title as of May 24, 1972, certifies that the records reveal no liens or encumbrances against said title,

save and except the following: (a) Construction Loan Mortgage in favor of the Trustees of Fidelity Mortgage Investors, a Massachusetts trust, dated April 27, 1971, recorded in the Bureau of Conveyances in Liber 7511, Page 360; (b) Financing Statement made by Lokelani Construction Co., Inc., as Debtor, and Bank of Hawaii, as the secured party, recorded on December 30, 1971, in said Bureau of Conveyances in Liber 8034, Page 272, covering equipment, inventory, documents of Title, etc., also specific assignment of proceeds of escrow funds from First American Title Company of Hawaii, Inc., to Lokelani Construction Co., Inc.; (c) The reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent Grant No. 1166; (d) The decision of the Supreme Court of the State of Hawaii in In Re Application of Ashford, 50 Haw. 314 (1968), as the same affects the seaward boundary of the land submitted to the Horizontal Property Regime; (e) Taxes for the fiscal year 1970 - 1971 have been paid in full.

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 August 16, 1971, and information subsequently filed on October 7 and 28, 1971, December 10, 1971, January 21, 1972, February 11, 1972, and May 26, 1972. The information disclosed in the Commission's Preliminary Public Report of October 28, 1971, should be carefully reviewed by purchaser and prospective purchasers.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 403 filed with the Commission on August 16, 1971.

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


(for) DOUGLAS R. SODEVANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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Distribution:

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

Registration No. 403
May 30, 1972