

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

on
KAHANA BEACH RESORT CONDOMINIUM
Kahana, Lahaina, Maui, Hawaii

REGISTRATION NO. 440

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

It was prepared as a supplement to an earlier Report dated October 17, 1972, 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: November 16, 1973
Expires: December 16, 1974

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:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MARCH 14, 1972, AND INFORMATION SUBSEQUENTLY FILED AS OF NOVEMBER 12, 1973. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES..

1. Since the issuance of the Commission's Preliminary Public Report of July 31, 1972, and the Final Public Report of October 17, 1972, on Kahana Beach Apartment Hotel, Registration No. 440, the Developer reports that changes have been made in the management of the project as presented in the March 14, 1972, 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 (pink paper stock) amends the Final Public Report (white paper stock), becoming a part of the Kahana Beach Apartment Hotel 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 (RECO Form 25) signifying that he has had an opportunity to read the two reports.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration and the updating of information disclosed therein.
3. The Commission, in its Final Public Report of October 17, 1972, noted that the basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners, and a copy of the approved Floor Plans) have been filed in the office of the recording officer.
4. Since the issuance of the Final Public Report, the Developer has executed a Third Amendment to Declaration of Horizontal Property Regime dated September 28, 1973, and recorded in the Bureau of Conveyances, State of Hawaii, in Liber 9538, on Page 440, showing the correction on the management of the condominium project.
5. The purchaser or 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, COMMON ELEMENTS, PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE, ENCUMBRANCES AGAINST TITLE, and MANAGEMENT AND OPERATIONS in the Preliminary Public Report dated July 31, 1972, has been amended. Information disclosed in the remaining topical headings of the said Preliminary Public Report and the said Final Public Report have not been disturbed.

NAME OF PROJECT: KAHANA BEACH RESORT CONDOMINIUM, formerly known as KAHANA BEACH APARTMENT HOTEL.

COMMON ELEMENTS: The Third Amendment to the Declaration reflects that the clerk counter and key rack have been deleted from the common elements.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration states that the "apartment spaces" shall be occupied and used by the respective owners as and for living accommodations and for such other use as may be approved by the Board of Directors of the Association of Unit Owners.

ENCUMBRANCES AGAINST TITLE: Since the issuance of the Commission's Final Public Report dated October 17, 1972, additions and deletions of encumbrances were made. The following are up-to-date encumbrances as noted in the Preliminary Title Report issued by Title Guaranty of Hawaii, Incorporated, on November 2, 1973:

1. Real property taxes - information pending. Tax Key: 4-3-10-1 (2).

2. The reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. To the location of the seaward boundary in accordance with the law of the State of Hawaii.
4. Covenants, conditions and restrictions and other provisions set forth in Declaration of Horizontal Property Regime dated May 1, 1972, recorded in the Bureau of Conveyances in Liber 8288 at Page 301 and by the By-Laws attached thereto as the same are or may hereafter be amended in accordance with law, said Declaration or By-Laws. (Project covered by Condominium Map No. 228). Said Declaration was amended by instruments dated June 30, 1972, and recorded in Liber 8450 at Page 277, dated November 28, 1972, and recorded in Liber 8790 at Page 129, and dated September 28, 1973, and recorded in Liber 9538 at Page 440.
5. Mortgage between Myron A. Resnick, husband of Suzann L. Resnick, as Mortgagor, and Yoshito Horiuchi and Amelia Horiuchi, husband and wife, as tenants by the entirety, as Mortgagee, dated January 18, 1972, and recorded in Liber 8232, Page 441, in the amount of \$79,340.28 on the fee simple interest in and to the property herein.
6. Mortgage between San Diego-Maui Group, a general partnership, and Myron A. Resnick, as Mortgagor, and Union Bank, as Mortgagee, dated May 30, 1973, and recorded in Liber 9195, on Page 394, in the amount of \$2,312,500.00.

By instrument dated May 30, 1973, recorded in Liber 9195, at Page 402, Myron A. Resnick assigns to Union Bank, all of his right, title and interest in and to the property herein as additional security to said above mortgage.

By instrument dated June 1, 1973, recorded in Liber 9195, at Page 404, Yoshito Horiuchi and Amelia Horiuchi, husband and wife, have agreed and consented to subordinate that certain mortgage recorded in Liber 8232, at Page 411, to and in favor of Union Bank "for the mortgage loan advanced to the Kahana Beach Apartment Hotel for the construction loan only, and the mortgage shall not exceed five years."

MANAGEMENT AND OPERATIONS: Administration of the project, as proposed in the Declaration will be vested in the Association of Apartment Owners. The By-Laws of the Association of Apartment Owners grant the Board of Directors the powers and duties necessary for the administration of the affairs of the Association. The By-Laws, however, have been amended to delete the requirement that all units shall be utilized for a hotel. Instead, the By-Laws state that the use of the apartment units shall be for living accommodations or for such other use as may be designated by the Board of Directors of the Association. Thus, the Board of Directors shall employ for the Association a management agent or manager, but there is no designated management agent at this time. The Management Agreement dated January 29, 1971, under which Ramada Inns, Inc., would operate the project as a hotel has been cancelled.

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 March 14, 1972, and information subsequently filed as of November 12, 1973.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 440 filed with the Commission on March 14, 1972.

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



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

Distribution:

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REGISTRATION NO. 440
November 16, 1973