

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

MAALAEA SURF, PHASE III/IV
Kihei, Maui, Hawaii

REGISTRATION NO. 479

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: October 9, 1972
Expires: November 9, 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 purchase is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED AUGUST 16, 1972. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514, HAWAII REVISED STATUTES.

1. MAALAEA SURF is a proposed fee simple condominium project which when completed shall consist of fifty-nine (59) residential apartments arranged throughout eight (8) separate apartment buildings, shown upon the Condominium Map as "Building A", "Building B", "Building C", "Building D", Building E", Building F", "Building G", and "Building H", from east to west in alphabetical order, and a Maintenance Building to be located near the north-west corner of the land submitted to the said horizontal property regime.

Each apartment building will when complete consist of two (2) stories, including the ground floor, and the following number of apartments:

Building A:	six apartments
Building B:	six apartments
Building C:	ten apartments
Building D:	ten apartments
Building E:	six apartments
Building F:	five apartments and office/manager apartment
Building G:	ten apartments
Building H:	six apartments

The common elements include the Maintenance Building, Manager's Apartment/Office, tennis courts, swimming pools and their separate filtration plants, shuffleboard courts, the laundry and maid rooms (including the washer and dryer installed within each laundry and maid room) located on the ground floors, and the maid rooms located on the second story of each apartment building and parking area containing a total of 60 parking stalls.

2. The Developer of the project advises that the project has been divided into four (4) phases. This report covers only Phase III/IV of the entire condominium project (combination of two Phases). Phase III/IV includes the construction and sale of the twenty-seven (27) apartments located in Buildings E, F, G and H and certain common elements shown on the Condominium Map.
3. 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.
4. The basic Documents (Declaration of Horizontal Property Regimes, By-Laws 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 5, 1971, with the By-Laws attached, was recorded in the Bureau of Conveyances of the State of Hawaii in Liber 7939, page 102. The Registrar has designated Condominium Map No. 210 to the project.
5. Advertising or promotional matter has been submitted pursuant to rules and regulations promulgated by the Commission.
6. 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.
7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, October 9, 1972, unless a Supplementary Public Report is published or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: MAALAEA SURF

LOCATION: The approximate 225,255 square feet of land committed to the regime is situated at Kihei, Maui, Hawaii.

TAX KEY: SECOND DIVISION 3-8-13-6

ZONING: H-M

DEVELOPER: PORTLAND ALII OREG., LTD., an Oregon limited partnership by:
MAUI ALII CORPORATION, an Oregon corporation, General Partner, whose officers
are:

Rolph B. Fuhrman, President
P. O. Box 128
Oregon City, Oregon

Edwin T. Ige, Vice-President
P. O. Box 7
Kahului, Maui, Hawaii

Address of Portland Alii Oreg., Ltd., and Maui Alii Corporation in the State
of Hawaii is 38 S. Market Street, Wailuku, Maui, Hawaii. Telephone 244-3796.

ATTORNEY REPRESENTING DEVELOPER: Crockett & Crockett (Attention: Mr. William
F. Crockett), 38 S. Market Street, Wailuku, Maui, Hawaii. Telephone 244-3796.

DESCRIPTION: The Declaration of Horizontal Property Regime reflects that the
project when completed is to consist of fifty-nine (59) residential apartments
arranged throughout eight (8) separate apartment buildings, and a Maintenance
Building, situate upon the 225,255 square feet of land submitted to the said
horizontal property regime.

The principal materials of which the eight apartment buildings shall be con-
structed are as follows: the ground floor slabs shall be of poured standard
weight aggregate concrete; the floor construction above the ground floor shall
be of wood joists, plywood decking, and a poured 1-1/2 inch thick light-
weight concrete topping (the "balcony" floor construction shall be of wood
joists and plywood decking); the structural perimeter walls between apartments
shall be of light-weight, reinforced aggregate concrete blocks finished with
textured painted gypsum plaster; the walls within each apartment shall be of
wood studs covered with textured painted gypsum board; the stairs shall be
of wood frame construction; the roof shall be of heavy cedar shakes with
exposed beams at the eaves. The interior concrete floors of the apartments
shall be covered with carpet or vinyl.

The Maintenance Building shall have a poured standard weight aggregate concrete
floor slab, a wood frame, and a roof of heavy cedar shakes.

Apartments A-1 through A-4 are located on the ground floor of Building A, and
are numbered, in ascending order, from west to east. Apartments A-5 and A-6
are located on the second story of Building A, and are numbered, in ascending
order, from west to east.

Apartments B-1 through B-4 are located on the ground floor of Building B, and
are numbered, in ascending order, from north to south. Apartments B-5 and
B-6 are located on the second story of Building B, and are numbered in
ascending order, from north to south.

Apartments C-1 through C-6 are located on the ground floor of Building C,
and are numbered, in ascending order, from west to east. Apartments C-7
through C-10 are located on the second story of Building C, and are numbered,
in ascending order, from west to east.

Apartments D-1 through D-6 are located on the ground floor of Building D, and
are numbered, in ascending order, from west to east. Apartments D-7 through
D-10 are located on the second story of Building D, and are numbered, in
ascending order, from west to east.

Apartments E-1 through E-4 are located on the ground floor of Building E, and are numbered, in ascending order, from north to south. Apartments E-5 and E-6 are located on the second story of Building E, and are numbered, in ascending order, from north to south.

Apartments F-1, F-2 and F-3 are located on the ground floor of Building F, and are numbered, in ascending order, from north to south. (The Office/Manager's Apartment, a common element, is located at the southeast corner of the ground floor of Building F.) Apartments F-5 and F-6 are located on the second story of Building F, and are numbered, in ascending order, from north to south.

Apartments G-1 through G-6 are located on the ground floor of Building G, and are numbered, in ascending order, from west to east. Apartments G-7 through G-10 are located on the second story of Building G, and are numbered in ascending order, from west to east.

Apartments H-1 through H-4 are located on the ground floor of Building H, and are numbered, in ascending order, from west to east. Apartments H-5 and H-6 are located on the second story of Building H, and are numbered, in ascending order, from west to east.

The apartments will of three types: "Ground Floor Two-Bedroom Apartments"; "Second Story Two-Bedroom Apartments"; and "One-Bedroom Apartments".

The following Fifteen (15) apartments are "Ground Floor Two-Bedroom Apartments": A-1, A-4, B-1, B-4, C-1, C-6, D-1, D-6, E-1, E-4, F-1, G-1, G-6, H-1 and H-4.

Each "Ground Floor Two-Bedroom Apartment" shall consist of two bedrooms, dressing room, two baths, kitchen, dining area, living area, and lanai, and each such apartment shall have an approximate enclosed floor space of 1,086 square feet, a lanai of approximately 192 square feet, and an approximate total floor area of 1,278 square feet.

The following twenty-two (22) apartments are "Second Story Two-Bedroom Apartments": A-5, A-6, B-5, B-6, C-7, C-8, C-9, C-10, D-7, D-8, D-9, D-10, E-5, E-6, F-5, F-6, G-7, G-8, G-9, G-10, H-5 and H-6.

Each "Second Story Two-Bedroom Apartment" shall be located on two levels: The second floor and the second floor balcony (third level of the apartment building), and shall consist of a bedroom, bath, kitchen, storage area, dining area, living area, and lanai, on the second floor, an internal circular stair connecting the second floor and the second floor balcony, and a bedroom, bath, dressing room, and attic storage on the second floor balcony, and each such apartment shall have an approximate enclosed floor space of 1,101 square feet, a lanai of approximately 160 square feet, and an approximate total floor area of 1,261 square feet.

The following twenty-two (22) apartments are "One-Bedroom Apartments": A-2, A-3, B-2, B-3, C-2, C-3, C-4, C-5, D-2, D-3, D-4, D-5, E-2, E-3, F-2, F-3, G-2, G-3, G-4, G-5, H-2 and H-3.

Each one-bedroom apartment shall consist of a bedroom, bath, kitchen, living area, dining area, and lanai, and each such apartment shall have an approximate enclosed floor area of 759 square feet, a lanai of approximately 160 square feet, and an approximate total floor area of 919 square feet.

All of the apartments, except the Second Story Two-Bedroom Apartments, shall each have immediate access to the land heretofore described. Each Second Story Two-Bedroom Apartment shall have immediate access to an adjacent exterior second floor entry balcony and stairway.

Each apartment shall consist of the space measured horizontally by the distances between the interior surfaces of the perimeter walls of each apartment, and the space measured by the lanai of each apartment, and measured vertically by the distances between the topside surface of the concrete floor topping and the underside surface of the ceiling of each apartment (in the case of each Second Story Two-Bedroom Apartment, "concrete floor topping" shall mean the floor of the second floor, and "ceiling" shall mean the ceiling over the second floor balcony and over the dining area and living area of the second floor.)

COMMON ELEMENTS: The Declaration reflects that the common elements include: (a) the land heretofore described, and the super-adjacent airspace above the roof and next to the exterior walls, of the said building; (b) all foundations, columns, beams and supports, girders, roof, exterior walls, partition walls between apartments, floors and ceilings (except the floor of the second floor balcony of each Second Story Two-Bedroom Apartment), and second floor entry balconies and stairways of the said apartment buildings; (c) the Maintenance Building, Manager's Apartment/Office, tennis courts, swimming pools and their separate filtration plants, shuffleboard courts, the laundry and maid rooms (including the washer and dryer installed within each laundry and maid room) located on the ground floors, and the main rooms located on the second story of each apartment building and parking area; (d) all central and appurtenant installations for 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 areas 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 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: None

INTEREST TO BE CONVEYED TO PURCHASER: The Declaration discloses that the percentage of undivided interest in the common elements appertaining to each apartment is as follows:

<u>Apt. No.</u>	<u>Percentage</u>	<u>Apt. No.</u>	<u>Percentage</u>
A-1	1.90	C-1	1.90
A-2	1.37	C-2	1.37
A-3	1.37	C-3	1.37
A-4	1.90	C-4	1.37
A-5	1.88	C-5	1.37
A-6	1.88	C-6	1.90
		C-7	1.88
B-1	1.90	C-8	1.88
B-2	1.37	C-9	1.88
B-3	1.37	C-10	1.88
B-4	1.90		
B-5	1.88		
B-6	1.88		

<u>Apt No.</u>	<u>Percentage</u>	<u>Apt. No.</u>	<u>Percentage</u>
D-1	1.90	F-5	1.88
D-2	1.37	F-6	1.88
D-3	1.37		
D-4	1.37	G-1	1.90
D-5	1.37	G-2	1.37
D-6	1.90	G-3	1.37
D-7	1.88	G-4	1.37
D-8	1.88	G-5	1.37
D-9	1.88	G-6	1.90
D-10	1.88	G-7	1.88
		G-8	1.88
E-1	1.90	G-9	1.88
E-2	1.37	G-10	1.88
E-3	1.37		
E-4	1.90	H-1	1.90
E-5	1.88	H-2	1.37
E-6	1.88	H-3	1.37
		H-4	1.90
F-1	1.90	H-5	1.88
F-2	1.37	H-6	1.88
F-3	1.37		

The undivided interests established and to be conveyed with the respective "apartments" cannot be changed, and the Developer covenants and agrees that the undivided interests in the "common areas and facilities" and the fee simple 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 of encumbrance may refer only to the fee simple 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 Declaration reflects that the apartments are intended to be used as residential apartments, but such apartments may be leased or rented from time to time to transients.

OWNERSHIP TO TITLE: A title insurance policy issued by Title Insurance and Trust Company, dated June 19, 1972, and a Preliminary Report dated September 14, 1972, issued by Title Guaranty of Hawaii, Inc., shows title to the property in Portland Alii Oreg., Ltd., a limited partnership organized under the laws of the State of Oregon, subject to mortgages held by the Security Bank of Oregon.

ENCUMBRANCES AGAINST TITLE: 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. The definitions and prohibitions of "SHORELINE SETBACK" as enacted by Act 136, Session Laws of Hawaii 1970. Easement Agreement between Portland Alii Oreg., Ltd. and Maui Electric Company, Limited, dated May 31, 1972, recorded in Liber 8373 on pages 433-440. Mortgage from Portland Alii Oreg., Ltd. to Security Bank of Oregon dated September 22, 1971, recorded in Liber 7877 on page 421. Mortgage from Portland Alii Oreg., Ltd. to Security Bank of Oregon dated May 31, 1972, recorded in Liber 8375 on page 398. Declaration of Horizontal Property Regime recorded in the Bureau of Conveyances in Liber 7939 on page 102. Condominium Map No. 210 filed in the Bureau of Conveyances. Deed dated October 5, 1971 and recorded in Liber 7877 at page 416, by and between Rolph B. Fuhrman and Robert G. Fitzgerald as "Grantors" and Maui-Alii Corporation as "Grantee".

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated June 1, 1972, identifies Title Guaranty Escrow Services, Inc., 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, Sections 514-35 and 514-36 through 514-40. Among other provisions, the executed Escrow Agreement states that an apartment purchaser under a contract of sale shall be entitled to a refund of all money deposited with Escrow, and Escrow shall return such funds to such purchaser, without interest, and less a cancellation fee of FIFTEEN and 00/100 DOLLARS (\$15) to be kept by Escrow, if a purchaser shall file with Escrow a written request for the refund of such funds, and if any of the following events shall have occurred: (i) If funds were obtained from an apartment purchaser prior to the issuance of a final public report upon Phase III/IV by the Hawaii Real Estate Commission, and there is a change in the plans for the said buildings 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; (ii) the Final Public Report for Phase III/IV differs from the Preliminary Public Report for Phase III/IV issued by the Hawaii Real Estate Commission in any material respect; (iii) The Final Public Report for Phase III/IV is not issued within one year from the date of issuance of the Preliminary Public Report for Phase III/IV; (iv) Upon the occurrence of any other event which, under Hawaii Revised Statutes, 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. The specimen Contract of Sale also states that the vendor (seller) shall have the absolute right to rescind the Contract of Sale, before the issuance of a Final Public Report upon Phase III/IV by the Hawaii Real Estate Commission, if it fails to sell twenty-two (22) Phase III/IV apartments within twelve months after the issuance of a preliminary public report upon Phase III/IV by the Hawaii Real Estate Commission.

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 sale of apartments 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. The Board of Directors of the Maalaea Surf Association of Apartment Owners has employed W. M. Sandercock as Manager.

STATUS OF PROJECT: No building contract has been executed. In the notice of intention to sell, Developer states that no date has been set for construction of Phase III/IV.

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, 1972. This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 479, filed with the Commission August 16, 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 white in color.



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

YH/f

Distribution:

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

October 9, 1972
REGISTRATION NO. 479