

# 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

PRINCEVILLE SEALODGE

Princeville, Kauai, Hawaii

REGISTRATION NO. 488

### 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: December 7, 1972

Expires: January 7, 1974

#### SPECIAL ATTENTION

A comprehensive reading by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED OCTOBER 3, 1972, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF DECEMBER 3, 1972. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. PRINCEVILLE SEALODGE is a proposed fee simple condominium project consisting of five (5) three-story buildings without basements. There are a total of fifty (50) residential apartments and fifty-five (55) parking spaces.

2. Materials. The principal materials used in the construction of the building are wood and concrete.

3. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of this Preliminary Public Report.

4. 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 not yet been filed in the Bureau of Conveyances of the State of Hawaii.

5. No advertising or promotional matter has been filed 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 the Horizontal Property Act, Chapter 514 of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

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

8. This Preliminary Public Report is made a part of registration on Princeville Sealodge condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) in the hands of all purchasers. Securing a signed copy of the Receipt for the Preliminary Horizontal Property Regime Public Report from each purchaser is also the responsibility of the Developer.

NAME OF PROJECT: PRINCEVILLE SEALODGE

LOCATION: The approximate 5.017 acres of fee simple land committed to the regime is situated approximately 5,995 feet Northeast from the intersection of Kuhio Highway at Honu Road at (Princeville) Hanalei, Halelea, Kauai, Hawaii.

TAX MAP KEY: Fourth Division: 5-4-05: 1 (Portion)

ZONING: R-10 (Resort) - (County of Kauai Interim Zoning Code)

DEVELOPER: Lalakea Corporation, a Hawaii corporation, Suite 1110, Hawaii Building, 745 Fort Street, Honolulu, Hawaii, 96813, Phone 521-6995.

ATTORNEY REPRESENTING DEVELOPER: Conroy, Hamilton, Gibson, Nickelsen & Rush (Attention: Dwight M. Rush and Walter Beh), 20th Floor, Hawaii Building, 745 Fort Street, Honolulu, Hawaii, 96813, Phone 521-2611.

DESCRIPTION:

The proposed Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a fee simple condominium project consisting of five (5) three-story buildings without basements, containing a total of fifty (50) apartments.

Apartments A-1 and A-2 are located solely on the ground level of Building "A".

Apartment A-3 is located on the ground level of Building "A" with a bedroom-wardrobe located on the second level of Building "A", the two floors of the apartment being connected by an internal stairway.

Apartments A-5 and A-6 are located solely on the second level of Building "A".

Apartment A-4 is located on the second level of Building "A", with a bedroom-wardrobe located on the third level of Building "A", the two floors of the apartment being connected by an internal stairway.

Apartments A-7 and A-8 are located solely on the third level of Building "A".

Apartments B-1, B-2, B-3 and B-4 are located solely on the ground level of Building "B".

Apartments B-6, B-8 and B-9 are located solely on the second level of Building "B".

Apartments B-5 and B-7 are located on the second level of Building "B", with each apartment having a bedroom-wardrobe located on the third level of Building "B", the two floors of each apartment being connected by an internal stairway.

Apartments B-10, B-11 and B-12 are located solely on the third level of Building "B".

Apartments C-2, C-3 and C-4 are located solely on the ground level of Building "C".

Apartment C-1 is located on the ground level of Building "C", with a bedroom-wardrobe located on the second level of Building "C", the two floors of the apartment being connected by an internal stairway.

Apartments C-5 and C-6 are located solely on the second level of Building "C".

Apartment C-7 is located on the second level of Building "C", with a bedroom-wardrobe located on the third level of Building "C", the two floors of the apartment being connected by an internal stairway.

Apartments C-8 and C-9 are located solely on the third level of Building "C".

Apartments D-2, D-3 and D-4 are located solely on the ground level of Building "D".

Apartment D-1 is located on the ground level of Building "D", with a bedroom-wardrobe located on the second level of Building "D", the two floors of the apartment being connected by an internal stairway.

Apartments D-5 and D-6 are located solely on the second level of Building "D".

Apartment D-7 is located on the second level of Building "D", with a bedroom-wardrobe located on the third level of Building "D", the two floors of the apartment being connected by an internal stairway.

Apartments D-8 and D-9 are located solely on the third level of Building "D".

Apartments E-1, E-2, E-3 and E-4 are located solely on the ground level of Building "E".

Apartment E 5 is located on the ground level of Building "E", with a bedroom-wardrobe located on the second level of Building "E", the two floors of the apartment being connected by an internal stairway.

Apartments E-7, E-8 and E-9 are located solely on the second level of Building "E".

Apartment E-6 is located on the second level of Building "E", with a bedroom-wardrobe located on the third level of Building "E", the two floors of the apartment being connected by an internal stairway.

Apartments E-10, E-11 and E-12 are located solely on the third level of Building "E".

Each apartment contains the number of rooms and the approximate floor area according to the plans submitted by the Developer as follows:

(a) Apartments A-1, B-4, C-3, D-4 and E-1 each consist of five (5) rooms, including a bedroom, a living room, a dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 627 square feet, including the lanai of approximately 63 square feet.

(b) Apartments A-5, A-7, B-9, B-12, C-6 and C-9 each consist of five (5) rooms, including a bedroom, a living room, a dining room, a kitchen and a bathroom; each of these apartments contains a floor area of approximately 564 square feet.

(c) Apartment A-2 consists of five (5) rooms, including a bedroom, a kitchen, a living room, a bathroom, a dining room and a lanai; this apartment contains a floor area of approximately 633 square feet, including the lanai of approximately 63 square feet.

(d) Apartments A-6 and A-8 each consist of five (5) rooms, including a bedroom, a kitchen, a living room, a bathroom and a dining room; each of these apartments contains a floor area of approximately 571 square feet.

(e) Apartment A-3 consists of six (6) rooms, including a bedroom, a combined bedroom-wardrobe, a living room, a dining room, a kitchen, a bathroom and a lanai; this apartment contains a floor area of approximately 818 square feet, including the lanai of approximately 63 square feet.

(f) Apartment B-7 consists of six (6) rooms, including a bedroom, a combined bedroom-wardrobe, a living room, a dining room,

a kitchen and a bathroom; this apartment contains a floor area of approximately 755 square feet.

(g) Apartments A-4, C-1 and D-1 each consist of six (6) rooms, including a bedroom, a combined bedroom-wardrobe, a living room, a dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 809 square feet, including the lanai of approximately 63 square feet.

(h) Apartments D-7 and E-6 each consist of six (6) rooms, including a bedroom, a combined bedroom-wardrobe, a living room, a dining room, a kitchen, and a bathroom; each of these apartments contains a floor area of approximately 746 square feet.

(i) Apartments B-1 and E-4 each consist of five (5) rooms, including a bedroom, a living room, a dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 630 square feet, including the lanai of approximately 64 square feet.

(j) Apartments B-6, B-10, E-9 and E-12 each consist of five (5) rooms, including a bedroom, a living room, a dining room, a kitchen and a bathroom; each of these apartments contains a floor area of approximately 566 square feet.

(k) Apartments B-2, B-3, D-2, D-3, E-2 and E-3 each consist of five (5) rooms, including a bedroom, a living room, a dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 633 square feet, including the lanai of approximately 63 square feet.

(l) Apartments B-8, B-11, D-5, D-6, D-8, D-9, E-7, E-8, E-10 and E-11 each consist of five (5) rooms, including a bedroom, a living room, a dining room, a kitchen, and a bathroom; each of these apartments contains a floor area of approximately 570 square feet.

(m) Apartments B-5 and E-5 each consist of six (6) rooms, including a kitchen, a bathroom, a bedroom, a dining room, a living room, a combined bedroom-wardrobe, and a lanai; each of these apartments contains a floor area of approximately 812 square feet, including the lanai of approximately 64 square feet.

(n) Apartments C-2 and C-4 each consist of five (5) rooms, including a bedroom, a kitchen, a bathroom, a dining room, a living room and a lanai; each of these apartments contains a floor area of approximately 628 square feet, including the lanai of approximately 63 square feet.

(o) Apartments C-5 and C-8 each consist of five (5) rooms, including a bedroom, a kitchen, a bathroom, a dining room and a living room; each of these apartments contains a floor area of approximately 566 square feet.

(p) Apartment C-7 consists of six (6) rooms, including a kitchen, a bathroom, a dining room, a living room, a bedroom and a combined bedroom-wardrobe; this apartment contains a floor area of approximately 748 square feet.

NOTE: Developer has advised that a purchaser of a two-bedroom apartment shall have the option of adding a second bathroom on the second floor of such apartment at the time the purchaser enters into a Reservation Agreement for the apartment, provided, however, the construction of such apartment has not yet been completed; the purchaser exercising such option shall bear the additional cost of adding the second bathroom, such cost to be determined by Developer prior to the signing of the Reservation Agreement by the purchaser, based upon costs of construction (including type of fixtures selected by purchaser) at that time.

Each apartment has immediate access to a walkway which leads either to the grounds of the project or to a stairway, each stairway leading to the grounds of the project.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or interior load-bearing walls, the floors and ceilings surrounding each apartment, or any pipes, wires, conduits, or other utilities or service lines running through such apartments which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls, the inner decorated or finished surfaces of all walls, floors and ceilings, doors and door frames, windows and window frames, the lanai air space (if applicable), and all fixtures originally installed therein.

COMMON ELEMENTS: One freehold estate is designated in all of the remaining portions of the project, herein called "common elements", including specifically but not limited to:

1. The land in fee simple;
2. All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, chases, entries, stairways, walkways, entrances and exits of said buildings;
3. All yards, grounds and landscaping;
4. All roads, driveways and parking areas, including guest parking spaces numbered 1, 2, 3, 4, and 5;
5. All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any;
6. Swimming pool;
7. Laundry room located on the ground level of Building "A";
8. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called the "limited common elements", are designated and set

aside for the exclusive use of certain apartments, and such apartments having appurtenant thereto easements for the use of such limited common elements as follows :

One (1) parking space, as designated on said condominium file plan by a number, which number is also set forth opposite to the letter and number of each of the respective apartments in Exhibit "C" attached to the proposed Declaration, shall be appurtenant to and for the exclusive use of such apartment.

INTEREST TO BE CONVEYED TO PURCHASERS: The Declaration states that the purchasers will secure an apartment deed conveying an apartment together with the following appurtenant undivided percentage interests in the common elements of the project:

ONE-BEDROOM APARTMENTS:	1.88%
TWO-BEDROOM APARTMENTS:	2.48%

This same percentage interest for each apartment shall be used in determining each purchaser's proportionate share of all common profits and expenses of the project and shall be used for all other purposes including determining the proportionate representation for voting purposes in the Association of Apartment Owners of the project.

NOTE: The proposed Declaration provides that the Developer shall have the right at its sole option to amend the project at any time up to, but not later than July 1, 1975 by the addition of 3.053 acres of adjoining lands and/or by the construction and addition to the project of up to NINETY-NINE (99) additional apartments in one or two increments, together with supporting and servicing common elements which the Developer determines in its sole discretion are beneficial to the project, including up to one (1) commercial apartment and one (1) manager's apartment, both as common elements, on up to an additional 17.650 acres of adjoining land; provided, however, that the Developer shall not require the alteration or destruction of any existing apartments. Such additional apartments shall be located on said additional land, or part thereof, as determined by the Developer in its sole discretion, with reference however, to the advice of a registered architect or professional engineer. In connection with, and only to the extent necessary for the creation of such additional apartments and common elements, the Developer shall have the right to decrease, pro rata, the common interest appurtenant to each apartment to the extent necessary to effectuate an appropriate allocation of common interests between and among all apartments of the project, as amended, so that each apartment shall have a common interest after the addition of each such increment of additional apartments approximately equal to each apartment's net floor area (excluding any lanai floor area) divided by the total net floor area (excluding all lanai floor areas) of all apartments of the project, as then amended; to remove, amend or add common elements; to remove, amend or add parking spaces; to enter upon the project premises with employees, agents and contractors for all purposes reasonably necessary for or useful to constructing and completing said additional apartments and common elements; to connect the said apartments and additional common elements to utilities of the project; and to sell or designate grantees of the said additional apartments.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and personal guests. The apartments may also be used for hotel or transient purposes. The apartments may not be used for any other purpose unless consent of the Board of Directors is secured. The owners of the respective apartments shall have the absolute right to lease the same subject to the limitations, restrictions, covenants and conditions of the Declaration.

OWNERSHIP OF TITLE: The Developer in its Notice of Intention represents that it is the owner of the fee simple title to the property committed to the project, said property having been conveyed to the Developer by Eagle County Development Corporation, a Colorado corporation, by Deed dated October 6, 1972, and recorded in the Bureau of Conveyances of the State of Hawaii, in Liber 8653, at Page 348. The Developer will issue individual apartment deeds directly to the buyers.

ENCUMBRANCES AGAINST TITLE: A Certificate of Title dated October 18, 1972, issued by Long & Melone, Ltd., as submitted to the Commission, provides that the following are encumbrances against title to the property.

1. Reservations unto Eagle County Development Corporation, contained in Deed dated October 6, 1972, recorded as aforesaid in Liber 8653, at Page 348, to wit:

a. Easement "S-1" for sanitary sewer purposes over, under, and across the property, as shown on the plan attached to said deed, together with the right to enter on said property for the maintenance, repair and replacement of the sewer facilities, together with the right to grant to the Kauai County Public Improvement Corporation said easement under such terms and conditions required by the grantee of such easement.

b. Right to grant roadway easements over and across any and all roadway lots described in said deed, to the purchaser, purchasers, lessee, lessees, owner or owners of each of the lots within Princeville at Hanalei and to any purchaser, purchasers, lessee, lessees, owner or owners of lots hereinafter created within Princeville at Hanalei.

2. Declaration of Restrictions, Covenants and Conditions by Eagle County Development Corporation, dated March 1, 1971, and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 7444, at Page 93, as amended by instruments recorded in Liber 7663, at Page 264, Liber 8582, at Page 366, and Liber 8599, at Page 6.

NOTE: The proposed Declaration provides that all apartment owners and any other persons or entities having a fee simple title to or a leasehold interest in any apartment, including contract purchasers, but excluding those having such interest merely as security for the performance of an obligation, are subject to, bound by, and shall comply strictly with the provisions of said Declaration of Restrictions, Covenants and Conditions, which provides that such apartment owners and others shall be members of the Princeville at Hanalei Community Association.

3. Water and Sanitation Assessment and Lien by and between Kauai County Public Improvement Corporation and Eagle County Development Corporation, dated April 7, 1971, and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 7486, at Page 292, as amended.

NOTE: The Developer has advised that the said Assessment and Lien was amended by instrument dated November 13, 1972, recorded as aforesaid in Liber 8743, at Page 1, to provide that the balance of the allocated assessment charge and lien against the real property comprising the land of the project under the said Assessment and Lien be converted upon the filing of the Declaration for the project to individual liens on each apartment unit and its appurtenant common interest, each securing a prorated amount of the unpaid balance of the said assessment; the responsibility of paying each of the said prorated amounts will be that of the respective individual owners of each of the apartments. The Developer has advised that it estimates that the maximum amount of such individual lien for each type of apartment unit will be as follows:

ONE-BEDROOM APARTMENTS: \$ 772.90  
TWO-BEDROOM APARTMENTS: \$1,019.58

In the event that the Developer exercises its option to amend the proposed Declaration by adding an additional 3.053 acres to the land of the project, then the Developer has advised that it estimates that the maximum amount of such individual lien for each type of apartment unit will be as follows :

ONE-BEDROOM APARTMENTS: \$1,243.24  
TWO-BEDROOM APARTMENTS: \$1,640.01

4. For any taxes that may be due and owing and a lien on the land, reference is hereby made to the Office of the Tax Assessor of the Fourth Division.

5. Easement "W 1" (10 feet wide) for water pipeline purposes, as delineated on the map attached to that certain Deed dated October 6, 1972, recorded as aforesaid in Liber 8653, at Page 348.

6. Mortgage dated October 6, 1972, to secure an indebtedness of \$295,516.00, recorded as aforesaid in Liber 8653, at Page 362, in favor of Eagle County Development Corporation, as Mortgagee, made by Lalakea Corporation, as Mortgagor.

PURCHASER MONEY HANDLING: A copy of the executed Escrow Agreement dated October 2, 1972, between Security Title Corporation, as Escrow, and Developer has been filed with the Commission. On examination, the executed Escrow Agreement filed with the Commission is found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Sections 514-36 through 514-40, H.R.S. Among other provisions, the executed Escrow Agreement states that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to said purchaser, without interest, and less Escrow's \$15.00 cancellation fee, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

1. Escrow receives a written request from Developer to return to purchaser the funds of such purchaser then held under the Escrow Agreement by Escrow; or

2. If a purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the condominium plans, subsequent to the execution of purchaser's sales contract, requiring the approval of a County officer having jurisdiction over the issuance of permits for construction of buildings, unless the purchaser has given written approval or acceptance of the specific change; or

3. If a purchaser's funds were obtained prior to the issuance of a Final Public Report and the request is prior to the time the Final Public Report is issued; or

4. If the Final Public Report differs in any material respect from the Preliminary Public Report, unless the purchaser has given written approval or acceptance of the difference; or

5. If the Final Public Report is not issued within one (1) year of the date of issuance of the Preliminary Public Report.

The Specimen Reservation Agreement states that in the event less than 25 apartment units are sold prior to November 1, 1973, Seller may at its option cancel this contract and refund all moneys to buyers, without interest.

It is incumbent of the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the reservation agreement since the Escrow Agreement prescribes the procedure for receiving and disbursing the purchaser's funds. The Specimen Reservation Agreement specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided. Purchasers and prospective purchasers are advised to read with care the provisions of the reservation agreement.

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent. The Developer in its Notice of Intention indicates that it has not yet selected an initial managing agent; the reservation agreement to be signed by purchasers provides that Developer may appoint the initial managing agent for the project.

NOTE: Developer advises that no representations or references will be made to either purchasers or prospective purchasers concerning either rental services or management for profit to be provided directly or indirectly by the Developer or the Managing Agent of the project.

STATUS OF PROJECT: Complete and final plans and specifications are in the process of preparation. The Developer advises that construction on the project commenced on December 5, 1972, and estimates that construction will be completed in October 1973.

-----  
The purchaser and 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 October 3, 1972, and additional information subsequently filed as of December 3, 1972.

This is a PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 488 filed with the Commission October 3, 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 yellow.

  
(for) DOUGLAS R. SODEHANI, CHAIRMAN  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

DEPARTMENT OF TAXATION  
BUREAU OF CONVEYANCES  
PLANNING COMMISSION, COUNTY OF KAUAI  
FEDERAL HOUSING ADMINISTRATION  
ESCROW AGENT

December 7, 1972

Registration No. 488