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
PUNA II
Lahaina, Maui, Hawaii

REGISTRATION NO. 495

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: March 1, 1973
Expires: April 1, 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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED NOVEMBER 13, 1972. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, HAWAII REVISED STATUTES, CHAPTER 514.

1. PUNA II is a leasehold condominium project consisting of twenty (20) apartments arranged throughout a single building of two (2) stories. The common elements include the swimming pool, and its filtration plant, trash collection area, parking area, a partial basement, including a lounge, storage area, laundry and lavatories, and housekeeping area, driveway, and outdoor lighting.

2. 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.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved Floor Plans) have not been filed in the office of the recording officer.

4. No advertising or promotional matter has been submitted pursuant to rules and regulations promulgated by the Commission.

5. 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.

6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, March 1, 1973, unless a Supplementary Public Report issues or the Commission, upon review of registration, issues an order extending the effective period of this report.

NAME OF PROJECT: PUNA II

LOCATION: The approximate 34,140 square feet of land to be committed to the regime is situated at Napili 2 and 3, Kaanapali, Lahaina, Maui, Hawaii.

TAX KEY: SECOND DIVISION 4-2-02-5

ZONING: Hotel (Napili Bay Civic Improvement District)

DEVELOPER: PUNA DEVELOPMENT COMPANY, a registered Hawaii joint venture, whose principal place of business is Napili, Lahaina, Hawaii. The members of the joint venture are:

FOUNDERS FINANCIAL CORPORATION, a California corporation, and J. C. MILLAR HAWAII, INC., a Hawaii corporation, whose address is Napili, Lahaina, Hawaii. The officers of the corporation are:

J. C. Millar, President
Margaret R. Millar, Vice President
Dorothy Millar, Secretary-Treasurer

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

DESCRIPTION: The proposed Declaration of Horizontal Property Regime reflects that the project is to consist of twenty (20) apartments arranged throughout a single building of two (2) stories with a partial basement situate upon the 34,140 square feet of land hereinbefore described.

The principal materials of which the building shall be constructed are as follows: the foundation shall be of reinforced concrete; the floor slabs shall be of concrete; the structural perimeter bearing walls, and the walls between apartments, shall be of eight inch thick reinforced concrete block; the walls within each apartment shall be of metal studs with plasterboard finish on each side; the roof will be framed and covered with cedar shakes.

Apartments 221 through 230 are located on the ground floor, and are numbered, in ascending order, from southeast to northwest. Apartments 231 through 240 are located on the second floor, and are numbered, in ascending order, from southeast to northwest.

The apartments are of three (3) types: "A-Studio Apartments"; "B-One Bedroom Apartments", and "C-Studio Apartments".

The following two (2) apartments are "A-Studio Apartments": 221 and 231.

Each "A-Studio Apartment" shall consist of a bath, kitchenette, dressing-room, living room, and lanai, and each such apartment shall have an approximate enclosed floor space of 543 square feet, a lanai of approximately 115 square feet, and an approximate total floor area of 658 square feet.

The following eight (8) apartments are "B-One Bedroom Apartments": 222, 223, 227, 228, 232, 233, 237, and 238.

Each "B-One Bedroom Apartment" shall consist of a bedroom, foyer, two baths, dressing-room, kitchenette, living room, and lanai, and each such apartment shall have an approximate enclosed floor space of 746 square feet, a lanai of approximately 137 square feet, and an approximate total floor area of 883 square feet.

The following ten (10) apartments are "C-Studio Apartments": 224, 225, 226, 229, 230, 234, 235, 236, 239, and 240.

Each "C-Studio Apartment" shall consist of a kitchenette, bath, dressing-room, living room, and lanai, and each such apartment shall have an approximate enclosed floor space of 418 square feet, a lanai of approximately 112 square feet, and an approximate total floor area of 530 square feet.

Each apartment located on the ground floor (apartments 221 through 230) shall have immediate access to the land submitted to the Horizontal Property Regime. Each apartment located on the second story (apartments 231 through 240) shall have immediate access to an adjacent exterior second story entry balcony and a connecting stairway between the second story and the ground floor.

Each apartment shall consist of the space measured horizontally by the distance 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 and the underside surface of the ceiling of each apartment.

COMMON ELEMENTS: The proposed Declaration reflects that the common elements include: (a) The land submitted to the Horizontal Property Regime, 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, perimeter walls between apartments, floors and ceilings, and exterior second story entry balconies and connecting stairways between the second story and ground floor; (c) The swimming pool, and its filtration plant, trash collection area, parking area, a partial basement, including a lounge, storage area, laundry and lavatories, and housekeeping area, driveway and outdoor lighting; (d) All central and appurtenant installations for services such as power, light, telephone, gas, hot and cold water, refrigeration, television, air-conditioning, 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 proposed Declaration reflects that the percentage of undivided interest in the common elements appertaining to the apartments is as follows:

Apartment No.	221	4.893%
	222	5.873%
	223	5.873%
	224	4.323%
	225	4.323%
	226	4.323%
	227	5.873%
	228	5.873%
	229	4.323%
	230	4.323%
	231	4.893%
	232	5.873%
	233	5.873%
	234	4.323%
	235	4.323%
	236	4.323%
	237	5.873%
	238	5.873%
	239	4.323%
	240	4.323%

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 leasehold 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 or encumbrance may refer only to the leasehold 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 proposed Declaration reflects that the apartments shall be used as residential apartments, but such apartments may be leased or rented from time to time to transients.

OWNERSHIP OF TITLE: A Preliminary Report dated February 15, 1973, prepared by Security Title Corporation, certifies that MARGARET FRASER TOMPKIN has title to the land committed to the project.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report, prepared February 15, 1973, by Security Title Corporation, certifies that there are no liens or encumbrances of whatever kind or nature of record against said title, save and except the following: 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 Second Division; Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent No. 1663; Rights of Native Tenants as contained in said Royal Patent No. 1663; Grant dated June 29, 1970, recorded on August 28, 1970, in the Bureau of Conveyances in Book 7160, Page 174, in favor of MAUI ELECTRIC COMPANY, LIMITED, and HAWAIIAN TELEPHONE COMPANY; Lease dated June 9, 1972, recorded in the Bureau of Conveyances in Book 8447, Page 96, made by and between MARGARET FRASER TOMPKIN, as Lessor, and J. C. MILLAR HAWAII, INC., as Lessee; and the effect of that certain Bill of Sale dated June 9, 1972 recorded in the Bureau of Conveyances in Book 8447, Page 117.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated October 31, 1972, identifies Bank of Hawaii, 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, Section 514-35 and Section 514-36 through Section 514-40.

Among other provisions the executed Escrow Agreement states that a 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 $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 the project by the Hawaii Real Estate Commission, and there is a change in the plans for the said building 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 upon the project differs from the Preliminary Public Report upon the project issued by the Real Estate Commission of the State of Hawaii in any material respect; (iii) Such Final Public Report is not issued within one year from the date of issuance of such Preliminary Public Report; (iv) Upon the occurrence of any event which, under Haw. Rev. Stat., Chapter 514, gives an apartment purchaser under a contract of sale the right to a refund of his purchase money deposited in escrow.

Among other provisions the Contract of Sale provides that the Vendor shall have the absolute right to rescind this Contract of Sale, before the issuance of a final public report upon the project by the Hawaii Real Estate Commission, if it fails to sell sixteen (16) apartments within twelve (12) months after the issuance of a preliminary public report upon the project by the Hawaii Real Estate Commission. In such event Vendor shall give Purchaser and Escrow written notice of rescission.

The specimen Contract of Sale states that the terms of the Escrow Agreement are made a part of the Contract of Sale by reference. 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 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. No property manager has been identified in the notice of intention to sell.

STATUS OF PROJECT: No building contract has been executed.

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 November 13, 1972.

This PRELIMINARY HORIZONTAL PROPERTY (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 495 filed with the Commission on November 13, 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. SODETANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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

REGISTRATION NO. 495
March 1, 1973