

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
KAHANA VILLA I
Honoapiilani Highway
Kahana, Maui

REGISTRATION NO. 499

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: February 9, 1973
Expires: March 9, 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 SUBMITTED NOVEMBER 22, 1972 AND INFORMATION SUBSEQUENTLY FILED AS OF FEBRUARY 8, 1973. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT (CHAPTER 514, HAWAII REVISED STATUTES).

1. KAHANA VILLA I is a proposed fee simple condominium project consisting of six buildings constructed primarily of wood and concrete block, containing thirty-two (32) one, two, and three bedroom apartment units, all of which will be offered for sale. There are twenty (20) carports and forty (40) uncovered parking spaces.
2. 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 the Preliminary Public Report.

3. Basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the Floor Plans) have not been filed in the Office of the Recording Officer.
4. The Developer has submitted its program of proposed financing of the building of the project. The Commission has been advised that Developer has obtained a commitment from Honolulu Federal Savings & Loan Association for construction financing and for long-term mortgage loans to individually qualified purchasers of apartment units.
5. The Developer has advised the Commission that advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public exposure.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Rules and Regulations promulgated thereunder which relate to Horizontal Property Regimes.
7. This Preliminary Public Report is made a part of the registration of KAHANA VILLA I 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 and prospective purchasers.
8. If the Final Public Report is not issued within one (1) year from the date of the Preliminary Report, February 9, 1973, purchasers and prospective purchasers shall be entitled to a refund of all monies without further obligation.

NAME OF PROJECT: KAHANA VILLA I

LOCATION: Kahana, Maui, Hawaii
The site, comprising 2.740 acres, is located along the mauka side of the Honoapiilani Highway.

TAX MAP KEY: A part of 4-3-10: and portions of 13 and 14

NOTE: The 2.740 acres of land upon which the project is situated is a portion of 6.960 acres of land owned by the Developer. The Developer is now in the process of dividing the land so that the project will be situated on a subdivided parcel of property comprising 2.740 acres.

ZONING: Medium Hotel

DEVELOPER: Quality Pacific, Ltd., a Hawaii corporation, 1105 Dillingham Boulevard, Honolulu, Hawaii. The officers are as follows:

President/Treasurer	Theodore M. Valdez	4615 Kahala Ave. Honolulu, Hawaii
Senior Vice-President	Donald Bixby, Jr.	46-033 Kumoo Place Kaneohe, Hawaii
Vice-President	George H. Cathcart	46-043 Puulau Place Kaneohe, Hawaii
Vice-President	Fritz Hewitt	229 Kuukama Street Honolulu, Hawaii
Secretary	Saburo Yamashita	554 Mapu Lane Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: Damon, Shigekane, Key & Char
(Attention: Charles W. Key), Suite 701, 333 Queen Street,
Honolulu, Hawaii. Phone No. 531-8031.

DESCRIPTION: The plans submitted by the developer indicate six
wooden frame and concrete block buildings, consisting of two
3-story and four 2-story buildings, containing 32 apartment spaces.

The description of the apartments and their locations in the
various buildings are set forth below:

MODEL A-1: A two-story apartment with an area of 1025 square
feet, more or less (excluding lanai and storage
compartment), containing two bedrooms, 1-1/2
baths, kitchen, a living-dining room, and lanai.

MODEL A-2: A one-story apartment with an area of 603 square
feet, more or less (excluding lanai), containing
one bedroom, one bath, kitchen, a living-dining
room, and lanai.

NOTE: These apartments (Models A-2) have a limited common
element adjoining the master bedroom, and owners
thereof have the option of making this limited
common element into an additional lanai.

MODEL B: A two-story apartment with an area of 1,210 square
feet, more or less (excluding lanai and carport),
containing three bedrooms, two baths, kitchen-
dining room, living room, family room, a lanai, and
attached single carport.

MODEL C: A two-story apartment with an area of 993 square
feet, more or less (excluding lanai and carport),
containing two bedrooms, 1-1/2 baths, a kitchen,
a living-dining room, a lanai and attached single
carport.

The apartment number of each apartment space, its location
and model, are as follows, and apartments designated below with
an "(R)" after the model number indicates a reverse floor plan
of such model:

BLDG. NO.	APT. NO.	MODEL NO.
A	A-10	A-1(R)
	A-11	A-1
	A-12	B (R)
	A-13	B
	A-14	C
	A-15	C (R)
	A-20	A-2(R)
	A-21	A-2
B	B-10	C
	B-11	C (R)
	B-12	C
	B-13	C (R)
	B-14	C
	B-15	C
C	C-10	B
	C-11	B (R)
	C-12	B
D	D-10	A-1(R)
	D-11	A-1
	D-12	A-1(R)
	D-13	A-1
	D-20	A-2(R)
	D-21	A-2
	D-22	A-2(R)
	D-23	A-2
E	E-10	C (R)
	E-11	C
	E-12	C (R)
F	F-10	B (R)
	F-11	B
	F-12	C (R)
	F-13	C

All apartments will be furnished with an electric range with range hood and hood fan, refrigerator, garbage disposal, water heater, carpeting and dishwasher.

COMMON ELEMENTS: The common elements will include the limited common elements herein described and all other portions of the land and improvements other than the apartments and they shall specifically include but not be limited to (a) the land in fee simple; (b) the foundations, columns, girders, beams, supports, perimeter walls, load bearing walls, roofs, walkways, boardwalks, ducts, pumps, pipes, wires, conduits, and generally all equipment apparatus, installations and personal property existing for common use in the buildings or located on the land hereinabove described; (c) all driveways, roads and other common ways, landscaping, yards, swimming pool and equipment, gardens, fenced garden areas, fences, retaining walls, refuse collection areas, mailbox areas, and parking areas; (d) community facilities and all utility installations; (e) all portions of the buildings not deemed to be included in an apartment space.

LIMITED COMMON ELEMENTS: Certain parts of the common elements called and designated "limited common elements" are set aside and reserved for the exclusive use of certain apartments and

such apartments shall have appurtenant thereto an exclusive easement for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

- (a) The area adjoining Model A-2 next to the master bedroom. This area can be made into a small lanai.
- (b) The fenced garden areas adjoining each apartment which is situate on the ground level.
- (c) Stairways and sidewalks or walkways utilized for ingress or egress to one or more apartments, but not all apartments, are restricted solely for the use of said one or more apartments.
- (d) Except for those apartments which have carports, at least one parking space shall be assigned to each apartment and the same shall constitute a limited common element appurtenant to said apartment. The assignment and designation of the parking spaces shall be made by an amendment to the Declaration.

PROPOSED MERGER OF CONDOMINIUM PROJECTS:

A. The Developer acquired 6.960 acres of land by Deed dated June 27, 1972, recorded in the Bureau of Conveyances at Honolulu, Hawaii, in Liber 8450, page 412. This 6.960 acres of land is being subdivided into three (3) lots. KAHANA VILLA I is to be situated on 2.740 acres of this land. The Developer intends to construct buildings containing an additional 58 units of apartments, more or less, on a portion of the remainder of the land acquired under said Deed and to submit said development to the Horizontal Property Regime. These buildings and apartments will be of the same architectural style and design, and will be known as KAHANA VILLA II. The Developer intends to construct a private sewage treatment plant on the remaining portion of this land (discussed below).

B. The Developer also acquired 2 acres of land by Deed dated June 29, 1971, recorded in the Bureau of Conveyances in Liber 7651, page 340, which adjoins the land upon which KAHANA VILLA I and KAHANA VILLA II will be situated. The Developer intends to construct a building thereon consisting of four (4) stories and containing 63 apartment units, more or less. The Developer may, but is not required to, submit this project to the Horizontal Property Regime and said project will be known as KAHANA VILLA III. If this building is not submitted to the Horizontal Property Regime, it will be operated as an apartment house.

C. As, when and if, KAHANA VILLA II and KAHANA VILLA III are developed and constructed and submitted to the Horizontal Property Regime, the additional projects will be merged with KAHANA VILLA I and the projects, as merged, will be treated as a single condominium project.

PRIVATE SEWAGE TREATMENT PLANT: KAHANA VILLA I and KAHANA VILLA II (when constructed) and KAHANA VILLA III (when constructed) will

be serviced by a private sewage treatment plant being constructed by the Developer on an adjoining parcel of property. The private sewage treatment plant will be owned, operated and maintained by a non-profit corporation to be formed by the Developer. The non-profit corporation shall be named KAHANA SERVICE ASSOCIATION, and each owner of an apartment within KAHANA VILLA I, KAHANA VILLA II and KAHANA VILLA III will be members of the non-profit corporation, and will be assessed by the non-profit corporation for an equitable pro rata share of the costs of the operation and maintenance of the sewage treatment plant. At such time as public sewage facilities become available, the private sewage treatment plant will be discontinued and the non-profit corporation is obligated to remove the waste from the plant and the ownership to the real property and improvements thereon will then revert to Quality Pacific, Ltd.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment includes the exterior of the lanai railing, or edge of the lanai if there is no railing, the exterior of the doors, windows and glass walls and the frames thereof, and the interior of the unfinished surfaces of the perimeter walls, the load bearing walls and the floors and ceilings. Each apartment includes all interior partition walls, and the paint, wallpaper, tile, enamel, stain or other finishing on all other interior surfaces, and includes the air space encompassed within said boundary lines, together with such fixtures and other improvements as may be located therein, excepting only common elements therein.

Each apartment shall have appurtenant thereto an undivided interest in the common elements of the project as set forth herein, for all purposes, including voting and representation in the Association of Apartment Owners, and shall have the same proportionate share in all common profits and expenses of the project.

MODEL	APT. NO.	PERCENTAGE
A-1	A-10	3.291%
	A-11	"
	D-10	"
	D-11	"
	D-12	"
	D-13	"
A-2	A-20	1.936%
	A-21	"
	D-20	"
	D-21	"
	D-22	"
	D-23	"
B	A-12	3.885%
	A-13	"
	C-10	"
	C-11	"
	C-12	"
	F-10	"
	F-11	"

MODEL	APT. NO.	PERCENTAGE
C	A-14	3.188%
	A-15	"
	B-10	"
	B-11	"
	B-12	"
	B-13	"
	B-14	"
	B-15	"
	E-10	"
	E-11	"
	E-12	"
	F-12	"
	F-13	"

CONVEYANCE: Purchasers will receive a fee simple deed to the Apartment and to the undivided interest in the common elements.

OWNERSHIP OF LAND AND ENCUMBRANCES AGAINST TITLE:

1. The fee simple title to the property is vested in the developer in a Deed dated June 27, 1972 from Lahaina Land Company, Limited recorded in the Bureau of Conveyances in Book 8450, Page 412.
2. The property is subject to a reservation of mineral and metallic mine rights in favor of the State of Hawaii.
3. The fee simple title is subject to a first mortgage in favor of the Honolulu Savings & Loan Company, Limited, dated July 14, 1972 and recorded in the Bureau of Conveyances in Book 8450, Page 420.
4. The fee simple title is subject to a second mortgage in favor of Lahaina Land Company, Limited, dated June 27, 1972 recorded in the Bureau of Conveyances in Book 8450, Page 431.

An undivided 50% interest of the foregoing second mortgage was assigned to the Bank of Hawaii by the Lahaina Land Company, Limited, dated July 13, 1972 recorded in the Bureau of Conveyances in Book 8450, Page 441.

Financing statement from Lahaina Land Company, Limited to the Bank of Hawaii as "Secured Party" recorded in the Bureau of Conveyances on July 21, 1972 in Book 8450, Page 448.

5. Easement 1 (44 feet wide) in favor of abutting property (Lot E) for road and utility purposes.
6. Taxes that may be due and owing.
7. Those certain covenants, conditions and restrictions of Kahana Service Association to be recorded in conjunction with the construction and operation of a sewage treatment facility to service the property.
8. Easements to be recorded for the sewage treatment plant.

9. Declaration Pertaining to Merger of Increments in a Condominium Project.

10. Such normal and usual utility easements necessary or desirable to service the project as Developer may create prior to the conveyance of the first apartment.

NOTE: Encumbrances Nos. 7 through 10 above shall be recorded prior to the conveyance of the first apartment.

PURCHASE MONEY HANDLING: An executed Escrow Agreement dated November 17, 1972, identifies Long & Melone Escrow, Limited as the escrow. Upon examination of the Escrow Agreement it is found to be in consonance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-35 through Section 514-40.

Among other provisions, the executed Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds without interest if purchaser shall in writing request refund of his funds, and any one of the following shall have occurred:

- (a) Developer has requested escrow in writing to return to Purchaser the funds of Purchaser then being held by escrow; or
- (b) Purchaser's funds were obtained prior to the issuance of a final public report, and there is a change in the condominium building 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 purchaser has given written approval or acceptance of the specific change; or
- (c) The final public report differs in any material respect from the preliminary public report unless the Purchaser approves of same in writing; or
- (d) If the final public report is not issued within twelve months from the date of issuance of the preliminary public report.

Among other provisions, the Sales Agreement provides that in the event less than Eighty Percent (80%) of the apartments within the project are sold prior to one (1) year from the date of issuance of a Preliminary Public Report by the Real Estate Commission of the State of Hawaii, Seller may at its option cancel this contract upon written notice to Buyer, in which event Seller shall cause Escrow Agent to refund to Buyer all monies paid without interest and Seller and Buyer shall be relieved and released of all liability hereunder.

It is incumbent upon the purchaser and prospective purchaser to read and understand the Escrow Agreement before executing the sales agreement, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchaser's fund, and the sales agreement specifically provides that the Purchaser approves said Escrow Agreement and assumes the benefit and obligations therein provided.

MANAGEMENT OF PROJECT: The By-Laws which are incorporated in the Declaration provides that the operation of the project shall be conducted by the Association of Owners under the direction of the Board of Directors, and the Board of Directors may appoint a responsible managing agent.

STATUS OF PROJECT: The Developer advises that construction was commenced on July 20, 1972. The Developer has estimated that construction will be completed on or about December 31, 1973. Construction will be financed by purchasers' money from escrow as well as construction loan money obtained by Developer.

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 22, 1972, and additional information subsequently filed as of February 8, 1973.

This is a Preliminary Horizontal Property Regimes Condominium Public Report which is made a part of Registration No. 499, dated February 9, 1973. 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. SODEANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

DISTRIBUTION:
DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY & COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

REGISTRATION NO. 499
FEBRUARY 9, 1973