

REAL ESTATE COMMISSION  
PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES  
STATE OF HAWAII  
1010 RICHARDS STREET  
P. O. BOX 3469  
HONOLULU, HAWAII 96801

FINAL  
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)  
PUBLIC REPORT

on  
MAKANI SANDS APARTMENTS  
Honokowai, Lahaina, Maui, Hawaii

Registration No. 511

**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 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 8, 1973  
Expires: December 8, 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 DECEMBER 29, 1972, AND INFORMATION SUBSEQUENTLY FILED ON NOVEMBER 8, 1973. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on Registration No. 511, dated March 27, 1973, the Developer has prepared, assembled and forwarded additional information to that filed in the December 29, 1972, submittal. This Final Public Report is made a part of the registration on the Makani Sands Apartments condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers receiving the Preliminary Public Report (yellow paper

stock). Securing a signed copy of the Receipt for Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

2. In the information disclosed in the Notice of Intention dated December 29, 1972, the Developer represented that it does not have the required 100% performance and mechanics' and materialmen's bond. Section 514-15, Hawaii Revised Statutes, provides that a 100% performance and mechanics' and materialmen's lien bond must be filed in order that a Final Public Report may be issued "prior to completion of construction of the project." However, the construction of the subject project has been completed and a copy of the Notice of Completion has been submitted to the Commission.
3. The Developer has revised the basic documents (Declaration of Horizontal Property Regime and Bylaws of the Association of Owners) and also has revised the Contract of Sale, Apartment Deed and Ground Lease. The revised documents and all other documents deemed necessary for the Final Public Report have been submitted to the Commission.
4. The Developer has also submitted a revised plot plan showing the layout of the buildings and parking spaces. The revision consists of (a) eliminating a concrete walk and building a fence between the parking lot and swimming pool, (b) addition of a wall along the seaward boundary of the property, and (c) revising the parking layout, the end result being an increase of the number of parking spaces from 33 to 35. The further result of said revision is that while heretofore three (3) parking spaces would be available for use of guests, there will now be five (5) parking spaces for the use of guests.
5. Advertising and promotional matter has not been submitted pursuant to the rules and regulations promulgated by the Commission.
6. The "Owners Notice of Completion" of contract was filed on October 2, 1973, in the Second Circuit Court, State of Hawaii.
7. The basic documents (Declaration of Horizontal Property Regime, Bylaws 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 July 28, 1973, together with the Bylaws of the Association of Apartment Owners were recorded on August 20, 1973, in the Bureau of Conveyances of the State of Hawaii in Liber 9417, Page 155. The approved floor plans have been recorded, together with the Declaration and Bylaws and have been designated as Condominium Map No. 300.

8. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514 of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regime.
9. This Final Public Report automatically expires thirteen (13) months after the date of issuance, November 8, 1973, unless a Supplementary Report issues or the Commission,

upon review of the registration, issues an order extending the effective period of this report.

The information disclosed in the Commission's Preliminary Public Report of March 27, 1973, in the topical headings hereinafter set forth has been amended.

DESCRIPTION: The designation "living room" in apartments 101-109 and 201-209, inclusive, and "living-dining room" in apartments 110 and 210, and "dining room" and "living room" in apartments 301 to 310, inclusive, have been redesignated "living area", "living-dining area" and "living area" and "dining area", respectively, to conform with the Condominium Map.

Included as a part of Apartment 310 shall be storage room No. 2, which is located in the Office Building on the first floor.

The approximate areas of the respective apartments are as follows:

<u>Apartment No.</u>	<u>Floor Area</u>	<u>AREA</u>		<u>Total</u>
		<u>Lanai(s)</u>	<u>Storage</u>	
101-109 & 201-209	598	112		710 sq. ft.
110 & 210	838	155		993 sq. ft.
301	1,228	224		1,452 sq. ft.
302-309	1,228	280		1,508 sq. ft.
310	1,707	310	108	2,125 sq. ft.

OFFICE BUILDING: Storage Room No. 2 as shown in said Condominium Map is eliminated as a common element and shall become a part of Apartment 310 for the owner's exclusive use.

COMMON ELEMENTS: The land in fee, not a leasehold, is submitted to the Horizontal Property Regime.

The parking area has been increased to include 35, not 33, parking spaces.

A sewage treatment plant shall be included in the common elements, while storage room No. 2 of the Office Building has been eliminated.

LIMITED COMMON ELEMENTS: A parking space and mailbox has not been designated for the exclusive use of each apartment at this time but that such designation may be made by the Association of Apartment Owners at a later date.

INTEREST TO BE CONVEYED PURCHASER: The undivided interest in the common elements ("common interest") appertaining to each of the respective apartments and the undivided interests to be demised under the Ground Lease to each respective apartment purchasers have been recalculated and are as follows:

<u>Apartment No.</u>	<u>Common Interest (Percentage) Undivided Interest in Ground Lease</u>
101 through 109 201 through 209	2.33 each
110 & 210	3.27 each
301	4.78
302 through 309	4.96 each
310	7.06

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The purpose for which the apartments are intended and restricted as to use is a temporary or permanent residence.

ENCUMBRANCES AGAINST TITLE: A Preliminary Title Report prepared by American Abstract & Escrow, Inc., dated October 12, 1973, at 8:00 A. M., reflects the following encumbrances:

1. TAXES - Tax Key 4-3-06-12		
Area Assessed: 41,894 square feet		
Assessed Value of Land 1972-1973	\$66,840.00	
Exemption	---	
Assessed Value of Improvements	---	
Exemption	---	
Total Net Value	\$66,840.00	
1st Installment (November 30, 1972)	\$ 555.78	
PAID		
2nd Installment (May 30, 1973)	59.66	
DELINQUENT INTEREST	.80	
TOTAL	\$ 60.46	

NOTE: This amount is the unpaid portion of the 2nd Installment which is due and payable on or before August 31, 1973.

2. RESERVING unto the Hawaiian Government all mineral and metallic mines of every description, as reserved in Royal Patent No. 415.
3. As to the portions of the land herein described bordering on the ocean:
  - (a) The effect of the decision by the Supreme Court of Hawaii in the case of Application of Ashford (1968), 50 H. 314, 440 P. 2d 76.
  - (b) The effect of Sections 205-31 to 205-37, inclusive, Hawaii Revised Statutes, as now or hereafter amended.
4. MORTGAGE executed by C & I LANDSCAPE MAINTENANCE OF HAWAII, INC., a Hawaii corporation, in favor of USF INVESTORS, a real estate investment trust organized under the laws of the State of Georgia, in the amount of \$1,300,000.00, dated March 22, 1972, recorded April 6, 1972, in Liber 8230, Page 49.

ADDITIONAL CHARGE AND MODIFICATION AGREEMENT executed by DBG ENTERPRISES, INC., a Hawaii corporation, in favor of USF INVESTORS, a real estate investment trust organized under the laws of the State of Georgia, in the amount of \$150,000.00, dated December 5, 1972, recorded January 5, 1973 in Liber 8853, Page 322.
5. FINANCING STATEMENT executed by DBG ENTERPRISES, INC., a Hawaii corporation, to USF INVESTORS, a real estate investment trust organized under the laws of the State of Georgia, covering all furniture, etc. located on land under search, dated -/-/-, recorded January 5, 1973 in Liber 8853, Page 341.
6. GRANT executed by DBG ENTERPRISES, INC., a Hawaii corporation, to MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, dated February 28, 1973, recorded March 16, 1973, in Liber 9005, Page 459, granting a 10 ft. wide

easement for electrical purposes over portion of Lot 2.

7. MORTGAGE executed by DBG ENTERPRISES, INC., BILL R. GEARHART, President, in favor of CONDOMINIUM CONSULTANTS CORPORATION, a Hawaii corporation, in the amount of \$350,000.00, dated July 7, 1973, recorded August 2, 1973 in Liber 9363, Page 364.
8. FINANCING STATEMENT executed by DBG ENTERPRISES, INC., to CONDOMINIUM CONSULTANTS CORPORATION, covering all of borrower's equipment, machinery, trade fixtures, trucks, automobiles, furniture, etc., dated -/-/, recorded August 2, 1973 in Liber 9363, Page 371.
9. FINANCING STATEMENT executed by BILL R. GEARHART and MRS. BILL R. GEARHART, to CONDOMINIUM CONSULTANTS CORPORATION, covering all of borrower's equipment, machinery, trade fixtures, trucks, automobiles, furniture, etc., dated -/-/, recorded August 2, 1973 in Liber 9363, Page 372.
10. The terms, provisions, agreements, covenants and conditions contained in Declaration of Horizontal Property Regime dated and recorded August 20, 1973 in Liber 9417, Page 155. Condominium Map No. 300 filed thereto.

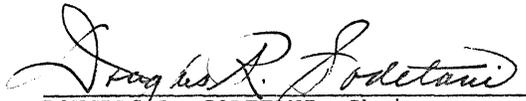
FINANCING OF THE PROJECT: The Developer has obtained a commitment from Hawaiian Federal Savings & Loan Association for permanent mortgages of individual apartment units. All purchasers are being directed to Hawaiian Federal Savings & Loan Association for a permanent mortgage but each prospective Purchaser may obtain a mortgage from such other bank or savings and loan institution as the Purchaser may desire.

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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 December 29, 1972, and information subsequently filed on November 8, 1973. The information disclosed in the Commission's Preliminary Public Report of March 27, 1973, should be carefully reviewed by purchaser and prospective purchasers.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 511 filed with the Commission on December 29, 1972.

This report, when reproduced, should be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be white.

  
DOUGLAS R. SODEVANI, 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. 511  
November 8, 1973

