

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
WAVECREST I
Kamehameha V Highway
Molokai, Hawaii

REGISTRATION NO. 531

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: June 12, 1973
Expires: July 12, 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 FEBRUARY 20, 1973, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF JUNE 12, 1973. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIME LAW, CHAPTER 514, HAWAII REVISED STATUTES.

1. WAVECREST I is a fee simple condominium project on the ocean consisting of one hundred and twenty-six (126) apartments arranged throughout three buildings of three stories each. The project will occupy 5.433 acres consisting of three contiguous lots to be subdivided known as lots A-1, A-4 and A-5. The 126 apartments will be built upon lot A-1 and its common elements include a swimming pool and gazebo, driveway, one parking stall appurtenant to each unit, and outdoor lighting. Upon lot A-4 will be common elements consisting of a two story manager's building (containing a resident manager's one bedroom unit, an office, laundry, rest room and recreational rooms), two tennis courts, six guest parking stalls and one stall for the resident manager, and open area for recreational purposes. Upon lot A-5 will be common elements consisting of the project's sanitation plant and six public parking stalls to serve a four foot wide public pedestrian way to the ocean.
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. As of this date, no advertising and promotional matter has been submitted pursuant to the 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, June 12, 1973, unless a Supplementary Public Report is published or the Commission, upon review of registration, issues an order extending the effective period of this report.

NAME OF PROJECT: WAVECREST I

LOCATION: The approximate 5.433 acres of land to be committed to the regime is situated on Kamehameha V Highway, Molokai, County of Maui, Hawaii.

TAX KEY: 5-6-04-21, Second Taxation Division (a 5.433 acre portion thereof)

ZONING: A-2 under the Zoning Ordinance of the County of Maui.

DEVELOPER: MANAWAI CORPORATION, a Hawaii corporation, whose business and post office address is 5th Floor, Aloha, Tower, Honolulu, Hawaii 96813 (Telephone number 533-3808). The officers of

the corporation are: Paul B. Noel, President and Treasurer, 482 E. Kawaiiloa Road, Kailua, Oahu and Helyn R. Arthur, Vice President and Secretary, 1515 Nuuanu Avenue, Honolulu, Hawaii.

ATTORNEY REPRESENTING DEVELOPER: Paul B. Noel, 5th Floor, Aloha Tower, Honolulu, Hawaii 96813, Telephone 533-3808.

DESCRIPTION: The proposed Declaration of Horizontal Regime reflects that the project is to consist of one hundred and twenty-six (126) residential apartments arranged throughout three buildings of three stories each situate on lot A-1 being 4.199 acres of the land hereinbefore described.

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 area of the lanai or lanais of each apartment; and measured vertically by the distance between the topside surface of the floor and the underside surface of the ceiling.

The principal materials of which the apartment building shall be constructed are as follows: Wood, masonite panel and gypsum board.

The project contains 126 apartments with three different floor plans, being:

FIRST, a total of one hundred and eleven (111) one bedroom apartments, located upon three floors, containing a bath, bedroom, kitchen and a living-dining area, plus exterior lanai; each apartment containing a total of 720 square feet;

SECOND, a total of six (6) two bedroom one bath apartments, located upon three floors, containing a bath, 2 bedrooms, kitchen and a living-dining area, plus exterior lanai; each apartment containing a total of 919 square feet;

THIRD, a total of nine (9) two bedroom one and a half bath apartments, located upon three floors, containing 2 bedrooms, one and a half baths, kitchen and a living-dining area, plus 2 exterior lanais; each apartment containing a total of 999 square feet.

Each apartment has appurtenant to it one (1) parking space designated on the Condominium File Plan by the number assigned to each apartment prefaced by the building letter "A", "B" or "C".

Each apartment is located on the floor having the same number as the first digit of its apartment number and each building is named as follows:

"Maile" Building "A"

"Lehua" Building "B"

"Pikake" Building "C"

The floor area of each apartment in each of the three buildings, together with the area of its appurtenant lanai or lanais and the number of its appurtenant parking stall, and also its appurtenant individual percentage interest in the common elements, are as stated on the following pages.

WAVECREST I

"Maile" Building "A" - 48 apartments

<u>Apt. No.</u>	<u>Parking Stall No.</u>	<u>Living Area</u>	<u>Lanai</u>	<u>Lanai #2</u>	<u>Total</u>	<u>Percentage Common Interest</u>
<u>First Floor</u>						
101	A-101	803	116		919	1/126
102	A-102	604	116		720	1/126
103	A-103	604	116		720	1/126
104	A-104	604	116		720	1/126
105	A-105	604	116		720	1/126
106	A-106	604	116		720	1/126
107	A-107	604	116		720	1/126
108	A-108	604	116		720	1/126
109	A-109	604	116		720	1/126
110	A-110	604	116		720	1/126
111	A-111	604	116		720	1/126
112	A-112	604	116		720	1/126
113	A-113	604	116		720	1/126
114	A-114	604	116		720	1/126
115	A-115	604	116		720	1/126
116	A-116	803	116		919	1/126
<u>Second Floor</u>						
201	A-201	803	116		919	1/126
202	A-202	604	116		720	1/126
203	A-203	604	116		720	1/126
204	A-204	604	116		720	1/126
205	A-205	604	116		720	1/126
206	A-206	604	116		720	1/126
207	A-207	604	116		720	1/126
208	A-208	604	116		720	1/126
209	A-209	604	116		720	1/126
210	A-210	604	116		720	1/126
211	A-211	604	116		720	1/126
212	A-212	604	116		720	1/126
213	A-213	604	116		720	1/126
214	A-214	604	116		720	1/126
215	A-215	604	116		720	1/126
216	A-216	803	116		919	1/126
<u>Third Floor</u>						
301	A-301	803	116		919	1/126
302	A-302	604	116		720	1/126
303	A-303	604	116		720	1/126
304	A-304	604	116		720	1/126
305	A-305	604	116		720	1/126
306	A-306	604	116		720	1/126
307	A-307	604	116		720	1/126
308	A-308	604	116		720	1/126
309	A-309	604	116		720	1/126
310	A-310	604	116		720	1/126
311	A-311	604	116		720	1/126
312	A-312	604	116		720	1/126
313	A-313	604	116		720	1/126
314	A-314	604	116		720	1/126
315	A-315	604	116		720	1/126
316	A-316	803	116		919	1/126

"Lehua" Building "B" - 30 apartments

<u>Apt. No.</u>	<u>Parking Stall No.</u>	<u>Living Area</u>	<u>Lanai</u>	<u>Lanai #2</u>	<u>Total</u>	<u>Percentage Common Interest</u>
<u>First Floor</u>						
101	B-101	604	116		720	1/126
102	B-102	604	116		720	1/126
103	B-103	604	116		720	1/126
104	B-104	604	116		720	1/126
105	B-105	604	116		720	1/126
106	B-106	604	116		720	1/126
107	B-107	604	116		720	1/126
108	B-108	604	116		720	1/126
109	B-109	604	116		720	1/126
110	B-110	827	116	56	999	1/126
<u>Second Floor</u>						
201	B-201	604	116		720	1/126
202	B-202	604	116		720	1/126
203	B-203	604	116		720	1/126
204	B-204	604	116		720	1/126
205	B-205	604	116		720	1/126
206	B-206	604	116		720	1/126
207	B-207	604	116		720	1/126
208	B-208	604	116		720	1/126
209	B-209	604	116		720	1/126
210	B-210	827	116	56	999	1/126
<u>Third Floor</u>						
301	B-301	604	116		720	1/126
302	B-302	604	116		720	1/126
303	B-303	604	116		720	1/126
304	B-304	604	116		720	1/126
305	B-305	604	116		720	1/126
306	B-306	604	116		720	1/126
307	B-307	604	116		720	1/126
308	B-308	604	116		720	1/126
309	B-309	604	116		720	1/126
310	B-310	827	116	56	999	1/126

"Pikake" Building "C" - 48 apartments

<u>Apt. No.</u>	<u>Parking Stall No.</u>	<u>Living Area</u>	<u>Lanai</u>	<u>Lanai #2</u>	<u>Total</u>	<u>Percentage Common Interest</u>
<u>First Floor</u>						
101	C-101	827	116	56	999	1/126
102	C-102	604	116		720	1/126
103	C-103	604	116		720	1/126
104	C-104	604	116		720	1/126
105	C-105	604	116		720	1/126
106	C-106	604	116		720	1/126
107	C-107	604	116		720	1/126
108	C-108	604	116		720	1/126
109	C-109	604	116		720	1/126
110	C-110	604	116		720	1/126
111	C-111	604	116		720	1/126
112	C-112	604	116		720	1/126
113	C-113	604	116		720	1/126
114	C-114	604	116		720	1/126
115	C-115	604	116		720	1/126
116	C-116	827	116	56	999	1/126
<u>Second Floor</u>						
201	C-201	827	116	56	999	1/126
202	C-202	604	116		720	1/126
203	C-203	604	116		720	1/126
204	C-204	604	116		720	1/126
205	C-205	604	116		720	1/126
206	C-206	604	116		720	1/126
207	C-207	604	116		720	1/126
208	C-208	604	116		720	1/126
209	C-209	604	116		720	1/126
210	C-210	604	116		720	1/126
211	C-211	604	116		720	1/126
212	C-212	604	116		720	1/126
213	C-213	604	116		720	1/126
214	C-214	604	116		720	1/126
215	C-215	604	116		720	1/126
216	C-216	827	116	56	999	1/126
<u>Third Floor</u>						
301	C-301	827	116	56	999	1/126
302	C-302	604	116		720	1/126
303	C-303	604	116		720	1/126
304	C-304	604	116		720	1/126
305	C-305	604	116		720	1/126
306	C-306	604	116		720	1/126
307	C-307	604	116		720	1/126
308	C-308	604	116		720	1/126
309	C-309	604	116		720	1/126
310	C-310	604	116		720	1/126
311	C-311	604	116		720	1/126
312	C-312	604	116		720	1/126
313	C-313	604	116		720	1/126
314	C-314	604	116		720	1/126
315	C-315	604	116		720	1/126
316	C-316	827	116	56	999	1/126

COMMON ELEMENTS: The proposed Declaration reflects that the common elements shall include all of the land and improvements other than apartments specifically including:

- (a) Said land in fee simple:
- (b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter and load-bearing walls, roofs, and walkways around and between said building;
- (c) All yards, grounds, landscaping, garden areas, mail boxes, refuse facilities, restrooms for common use, if any, gazebo and pool, pool equipment, recreational equipment, if any, and like facilities or equipment;
- (d) All driveways and parking areas;
- (e) All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities, installations for services including power, light, water, gas, air conditioning, refuse, telephone and radio and television signal distribution;
- (f) One resident manager's parking space number 1, and 6 project guest parking spaces numbered 2 through 7 inclusive on lot A-4; and 6 public parking spaces numbered 1 through 6 inclusive on lot A-5 for use with the 4 foot wide public pedestrian easement area, all as shown on said Condominium File Plan;
- (g) A non-exclusive easement for locating a private entry road and for all utility purposes from Kamehameha V State of Hawaii Highway upon and across adjoining lot A-4 to provide access to said Condominium File Plan;
- (h) All apartment owners will have a 1/126th ownership interest in lot A-4 improved with a two story building, (containing the manager's one bedroom apartment, recreational, laundry, rest room and office facilities), one manager's parking stall and six guest parking stalls, two tennis courts and open recreation area; and in lot A-5 improved with the project's sanitation plant and six public parking spaces to serve a four foot wide public pedestrian way to the ocean.

NOTE:

Lots A-4 and A-5 including all of the improvements and appurtenances thereon may be owned by the owners of the project as tenants in common with the owners of condominium projects planned for development on adjoining lots A-2 and A-3 as hereinafter more fully mentioned.

- (i) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance or safety, or normally in common use.

LIMITED COMMON ELEMENTS: The proposed Declaration reflects that the limited common elements include:

- (a) One automobile parking space so designated on said Condominium File Plan by the number corresponding to the number of each apartment

shall be appurtenant to and for the exclusive use of such apartment.

(b) Each stairway corridor and landing, if any, which provides access to an apartment or apartments shall be appurtenant to and for the exclusive use of the apartment or apartments to which it provides access.

(c) All other common elements of the project which are rationally related to less than all of said apartments or buildings shall be limited to the use of such apartments or building.

INCREMENTAL DEVELOPMENT: Developer intends to complete the separate buildings of the project "Wavecrest I", the limited common elements and the common elements in increments. Seller anticipates that each building shall be ready for occupancy upon its completion. The respective owners shall accept their apartments upon completion, notwithstanding the fact that other buildings of the project or some limited or common elements of the project are incomplete. The Developer shall proceed to the completion of all other facilities of the project as expeditiously as possible, subject to causes beyond Developer's control.

INTEREST TO BE CONVEYED TO PURCHASER: The proposed Declaration reflects that the undivided interests, referred to above, established and to be conveyed with the respective apartments cannot be changed (except as otherwise provided below for lots A-4 and A-5), 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 or 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 of 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.

The said interest to be conveyed to the apartment owners in lots A-4 and A-5 including all improvements thereon to be installed by Developer is subject to an express reservation of interest therein for Developer to plan and develop one or two more separate condominium projects on contiguous land called Wavecrest II with 102 apartment units upon Lot A-2 and Wavecrest III with 78 apartment units upon Lot A-3, or to combine Wavecrest II and III into one project.

If and when Developer develops the proposed apartment units upon Lot A-2 and Lot A-3 then in addition to the reserved use of non-exclusive easements for road, pedestrian way and all utility purposes upon and across Lots A-4 and A-5 for the use of the other aforesaid contiguous lots Developer reserves the right to have all of the apartment owners upon lots A-2 and A-3 to be tenants in common with the apartment owners upon lot A-1 to the land and all improvements upon lots A-4 and A-5. When the Horizontal Property Regime(s) upon lots A-2 and A-3 come into legal effect the undivided percentage ownership interest in those proposed apartment owners shall be determined upon the same basis for establishing the similar interest of the owners of this Project.

ADMINISTRATION OF PROJECT: Administration of the Project shall be vested in an association of apartment owners called the "Association", with the authority pursuant to the provisions of the Horizontal Property Act, the proposed Declaration and the By-Laws to generally maintain, repair, replace and restore the common elements.

As the proposed other projects come into existence for Wavecrest II or Wavecrest III such other apartment owners will become affiliated with the Association owners of this Project, as each owner's interest may appear, so that the Associations and resident manager may administrate and manage for all apartment owners as if one Project existed and the common expense for general administration and maintenance of lots A-4 and A-5 shall be proportionately shared by all apartment owners having an undivided ownership interest therein. Developer shall pay for all common expense attributable to all unsold apartments until they are sold.

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 for transient occupancy.

OWNERSHIP OF TITLE: A Transfer Certificate of Title No. 149,819 dated June 19, 1972 registered in the Land Court at Honolulu, State of Hawaii reflects that Manawai Corporation, a Hawaii Corporation, has title to the land committed to the Project.

ENCUMBRANCES AGAINST TITLE: A preliminary report prepared as of May 16, 1973 by Security Title Corporation, certified that there are no liens or encumbrances of whatever kind or nature of record against the title to proposed lots A-1, A-4 and A-5 except the following

1. Real property taxes, that may be due and owing.
2. Easement 5 feet wide being a perpetual easement for all purposes in favor of Exclusion 5, affecting only proposed lot A-5.
3. Mortgage dated June 16, 1972 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 585185, made by MANAWAI CORPORATION, a Hawaii corporation, as Mortgagor, to JAMES MASAMI MORITA, ROBERT STEVEN WALTER and JOHN BYRON HALVERSON, Trustees under that certain Declaration of Trust of USF INVESTORS, dated May 18, 1971., as Mortgagees, to secure the repayment all according to the terms of that certain promissory note of said mortgagor therein referred to.
4. Second Mortgage dated June 16, 1972, filed in said Office of the Assistant Registrar as Document No. 585186, made by MANAWAI CORPORATION, a Hawaii corporation, as Mortgagor, to JAMES MASAMI MORITA, ROBERT STEVEN WALTER and JOHN BYRON HALVERSON, Trustees under that certain Declaration of Trust of USF INVESTORS, dated May 18, 1971., as Mortgagees, to secure the repayment according to the terms of that certain promissory note of said mortgagor therein referred to.

5. Mortgage dated April 15, 1972, filed in said Office of the Assistant Registrar as Document No. 585187, made by MANAWAI CORPORATION, a Hawaii corporation, as Mortgagor, to SHELTER CORPORATION, a Hawaii corporation, as Mortgagee, to secure the repayment according to the terms of that certain promissory note of said mortgagor therein referred to.
6. Undated Financing Statements recorded:
 - (1) July 6, 1972 by USF Investors in Book 8417, page 470 of records in the Bureau of Conveyances.
 - (2) July 6, 1972 by USF Investors in Book 8418, page 1 of records in the Bureau of Conveyances.
 - (3) January 19, 1973 by Shelter Corporation in Book 8884, page 247 of records in the Bureau of Conveyances.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement pertaining to the Project identifies Security Title Corporation, a Hawaii corporation, as 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, Sec. 514-35 and Section 514-36 through Section 514-40.

Among other provisions the executed Escrow Agreement states that a purchaser under contract of sale, upon written request, shall be entitled to a refund of all monies deposited with Escrow, without interest, and without deductions, except Escrow's cancellation fee of \$15.00, if any of the following events shall have occurred: (a) Seller has requested Escrow in writing to return to Purchaser the funds of such Purchaser then held hereunder by Escrow; or (b) 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 building plans, subsequent to the execution of Purchaser's sales agreement, 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 (c) 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 (d) 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 (e) If the final public report is not issued within one year from the date of issuance of the preliminary public report.

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 read with care the Contract of Sale and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the dwelling units and all sums received from any source are placed in trust, as well as the retention and disbursement of said trust funds.

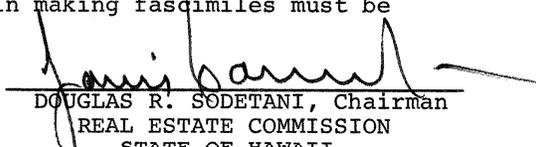
MANAGEMENT AND OPERATIONS: The Sales Contract authorizes the Developer from time to time prior to closing, for and on behalf of purchaser at his proportionate common expense, to enter into contracts, licenses and concessions as are generally necessary or desirable for the management, operation or maintenance of the Project. The Developer has advised that as of this time no contract has been made for the management of the property.

STATUS OF PROJECT: The Developer has entered into a construction contract for the construction of the apartments with F & M Contractors, Inc., on March 12, 1973. The Developer estimates that construction will be completed one year from the day notice to proceed is given to the Contractor.

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 February 20, 1973, and additional information subsequently filed as of June 12, 1973.

The PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 531, filed with the Commission on February 20, 1973.

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



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

Distribution:
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ESCROW AGENT

REGISTRATION NO. 531
June 12, 1973