

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

NAPILI SANDS
Hui Road "F"
Napili, Lahaina
County of Maui

Registration No. 557

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: July 26, 1973
Expires: August 26, 1974

SPECIAL ATTENTION

A comprehensive reading of the 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:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MAY 8, 1973 AND INFORMATION SUBSEQUENTLY FILED AS OF JULY 23, 1973. THE DEVELOPER BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. NAPILI SANDS is a proposed leasehold (conversion) condominium project with a total of 44 studio apartments and 88 one-bedroom apartments and 132 parking stalls located in the project.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and issuance of this preliminary public report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Owners) and a copy of the Condominium Map have not yet been filed with the Office of the Recording Officer.
4. No advertising or promotional matter has yet been submitted pursuant to the rules and regulations promulgated by the Commission.
5. The Developer advises the Commission that Notice of Completion on the buildings located on Lot 33-A was filed on August 3, 1971 and for the buildings located on 33-B was filed on October 21, 1971. The Developer intends to retain a residual interest in the fee and sell the condominium apartments to the purchasers.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to the Horizontal Property Regime.
7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance July 26, 1973, unless a supplementary report is published or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: NAPILI SANDS.

LOCATION: The 3.656 acres of property to be committed to the regime as a leasehold condominium project is situated at Hui Road "F", Napili, Lahaina, County of Maui, State of Hawaii.

TAX KEY: Second Division, 4-3-02:05 and 89.

ZONING: H-1, A-2 Hotel Resort.

DEVELOPER: Napili Sands Maui Corp., a Hawaii corporation, Suite 2808, 1600 Ala Moana Boulevard, Honolulu, Hawaii 96815.

ATTORNEY REPRESENTING DEVELOPER: Hiroshi Sakai, Suite 602, 810 Richards Street, Honolulu, Hawaii 96813. Telephone 531-4171.

DESCRIPTION: The Declaration of Horizontal Property Regimes reflects that the project is to consist of the 3.656 acres of land located at Napili, Lahaina, County of Maui, State of Hawaii, and 11 hollow tile concrete, two-story buildings were constructed in accordance with plans and specifications certified by Wesley C. Kinder, Architect. There are 132 parking stalls located within the project.

DESCRIPTION OF STUDIO APARTMENT: Each studio apartment has a living-bedroom kitchen, bathroom, dressing room and closet space of 380 square feet and a lanai of 53 square feet.

DESCRIPTION OF ONE-BEDROOM APARTMENT. Each one bedroom apartment has a living room, one bedroom with closet, one bathroom and kitchen of 564 square feet and a lanai of 57 square feet.

NUMBER AND LOCATION OF UNITS. The units in the 11 buildings which are numbered Buildings A through K inclusive are as shown on the Condominium Map and are numbered as follows and on the floors designated:

<u>Building No.</u>	<u>Apartment No.</u>	<u>Type</u>	<u>Floor</u>
A (16 Units)	A-1, A-8 A-2, A-3, A-4, A-5, A-6, A-7 A-11, A-18 A-12, A-13, A-14, A-15, A-16, A-17	Studio 1 BR Studio 1 BR	Ground Second
B (12 Units)	B-1, B-6 B-2, B-3, B-4, B-5, B-11, B-16 B-12, B-13, B-14, B-15	Studio 1 BR Studio 1 BR	Ground Second
C (12 Units)	C-1, C-6 C-2, C-3, C-4, C-5 C-11, C-16 C-12, C-13, C-14, C-15	Studio 1 BR Studio 1 BR	Ground Second
D (12 Units)	D-1, D-6 D-2, D-3, D-4, D-5 D-11, D-16 D-12, D-13, D-14, D-15	Studio 1 BR Studio 1 BR	Ground Second
E (12 Units)	E-1, E-6 E-2, E-3, E-4, E-5 E-11, E-16 E-12, E-13, E-14, E-15	Studio 1 BR Studio 1 BR	Ground Second

F (8 Units)	F-1, F-4 F-2, F-3 F-11, F-14 F-12, F-13	Studio Ground 1 BR Studio Ground
G (12 Units)	G-1, G-6 G-2, G-3, G-4, G-5 G-11, G-16 G-12, G-13, G-14, G-15	Studio Ground 1 BR Studio Second 1 BR
H (8 Units)	H-1, H-4 H-2, H-3 H-11, H-14 H-12, H-13	Studio Ground 1 BR Studio Second 1 BR
I (12 Units)	I-1, I-6 I-2, I-3, I-4, I-5 I-11, I-16 I-12, I-13, I-14, I-15	Studio Ground 1 BR Studio Second 1 BR
J (12 Units)	J-1, J-6 J-2, J-3, J-4, J-5 J-11, J-16 J-12, J-13, J-14, J-15	Studio Ground 1 BR Studio Second 1 BR
K (16 Units)	K-1, K-8 K-2, K-3, K-4, K-5, K-6 K-7 K-11, K-18 K-12, K-13, K-14, K-15 K-16, K-17	Studio Ground 1 BR Studio Second 1 BR

Each of the apartment units on the ground floor will have immediate access to the walkways and to the ground areas. Each of the apartment units on the second floor will have immediate access to a stairway leading to the ground.

COMMON ELEMENTS: The common elements include:

a. The land in fee simple described in the Declaration of Horizontal Property Regime which is to be leased to the Apartment Purchasers.

b. The foundations, floor slabs, columns, girders, beams, supports, bearing walls, roofs and stairways in the buildings.

c. The yards, grounds, landscaping, refuse facilities, walkways, parking areas, driveways and streets.

d. The central and appurtenant installations for services such as power, light, gas, telephone, sewer, hot and cold water and like utilities.

e. All other parts of the project existing for the common use or necessary to the existence, maintenance and safety of the project.

NOTE: The Developer advises that the swimming pool and laundry office building will be part of the common elements.

LIMITED COMMON ELEMENTS: The limited common elements are the parking stalls set aside and reserved for the exclusive use of each apartment located in the land, the stall being designated and assigned with the same number as the apartment as shown on the Condominium Map. In addition, the stairs, stairways and walkways located in each Building shall be a limited common element for the respective apartments located on the second floor of each of the respective buildings.

THE INTEREST TO BE CONVEYED TO PURCHASER: The percentage of undivided interest in the common elements appertaining to each unit and parking stall appurtenant thereto as follows:

a. Each of the studio apartments in all buildings shall be a 00.5740 percentage interest in the common elements.

b. Each of the one bedroom apartments in all of the buildings shall be a 00.8495 percentage interest in the common elements.

For purposes of percentage interest in the common elements and voting on all matters requiring action by the owners the percentages as provided above shall govern.

PURPOSE OF BUILDINGS AND RESTRICTION AS TO USE: The apartments shall be occupied or used as an apartment resort or hotel dwelling by the respective owners thereof, their tenants, families, domestic servants and social guests. Subject to such limitations as may be contained in the Declaration, By-Laws and House Rules which may be adopted from time to time governing the use of the apartments. The parking stalls are intended and shall be used primarily for parking purposes subject to such limitations as may be contained in the Declaration and By-Laws and House Rules which may be adopted from time to time governing the use of the project.

OWNERSHIP OF TITLE: Mailepai Investment Company is General Partner being Erik Lund Jacobsen of P. O. Box 607, Lahaina, Maui, his is 75% interest holder and Amfac Financial Corp.,

a Hawaii corporation, of 700 Bishop Street, Honolulu, Hawaii, are the fee owners of the subject property and under a Sales Agreement dated March 1, 1973 and sold the subject property to Francis Ruxton Schuh, the closing of the sale to be completed as of August 11, 1973.

A copy of the title search as of May 31, 1973 issued by Title Guaranty of Hawaii certifies that the fee simple title to the land is vested as aforesaid.

ENCUMBRANCES AGAINST TITLE: The Title Guaranty of Hawaii search notes that the following are encumbrances against the property:

1. Real Property Taxes for Second Installments for fiscal year July 1, 1972 - June 30, 1973.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. As to Parcel FIRST, a Grant for utility purposes in favor of Maui Electric Company, Limited, a Hawaii corporation, dated August 24, 1971, recorded in Liber 7783, Page 87.
4. A Mortgage dated September 16, 1970 in favor of the Bank of Hawaii for \$1,440,000.00, recorded in Liber 7205, Page 29, which was assigned to Amfac Financial Corp. by Assignment dated December 28, 1971, recorded in Liber 8077, Page 293.
5. Mortgage in favor of Carlsmith, Carlsmith, Wichman and Case, a registered Hawaii partnership, dated June 14, 1971, for the sum of \$125,000.00 recorded in Liber 7606, Page 389. Subject to the foregoing Mortgage dated December 28, 1971.
6. Mortgage dated August 12, 1971 in favor of Amfac Financial Corp. for the sum of \$260,000.00 recorded in Liber 7772, Page 66, which Mortgage was placed ahead of the foregoing Mortgage in favor of Carlsmith, Carlsmith, Wichman & Case by instrument dated August 19, 1971 and recorded in Liber 7772, Page 99.
7. Additional Charge Mortgage dated January 25, 1972 in favor of Amfac Financial Corp. for the sum of \$10,000.00 recorded in Liber 8329, Page 159.
8. Mortgage dated July 16, 1972 in favor of Construction Materials Hawaii, Inc. recorded in Liber 8463, Page 219, for the sum of \$53,736.84. The Mortgagee did not hold "title" at that date.

9. Federal Tax Lien against Erik L. Jacobsen and Gladys P. Jacobsen dated October 20, 1972, recorded in Liber 8687, Page 13 for the sum of \$78,163.33.

10. State of Hawaii Tax Lien filed against Erik L. Jacobsen dated February 14, 1973, recorded in Liber 8945, Page 142 for the sum of \$439.65.

11. State of Hawaii Tax Lien recorded against Erik L. Jacobsen and Gladys P. Jacobsen dated February 14, 1973, recorded in Liber 8945, Page 143 in the amount of \$13,623.38.

12. Circuit Court Judgment in favor of Peter Z. Dyck against Erik L. Jacobsen dated April 25, 1973 in the sum of \$1,923.92 in Civil No. 2154, Circuit Court, Second Circuit, recorded in Liber 9109, Page 336 in the Bureau of Conveyances.

13. Second Circuit Court Judgment in favor of James Mac Lowson against Defendant Erik L. Jacobsen dated April 25, 1973 in the sum of \$6,149.84 being Civil No. 2165, in the Second Circuit and recorded in Liber 9109, Page 343 in the Bureau of Conveyances.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated June 8, 1973 identified Title Guaranty Escrow Services, Inc., as "Escrow". On examination the specimen Condominium Deposit, Receipt and Sales Contract and executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes.

The provisions of the executed Escrow Agreement as filed with the Commission provides that as specimen from the escrowed fund will be made by Escrow Agent upon written request of the Developer for the following purposes:

a. To pay for the refurbishing of the building or buildings and other improvements and fixtures in such amounts and at such times and in proportion to the valuation of the work completed by the contractor as certified by a registered architect or professional engineer in accordance with the Sales Contract and upon bills approved or certified for payment by Seller's mortgagee.

b. To other persons as required for architectural, engineering, finance, advertising, printing, accounting, escrow fees, selling expenses, taxes, assessments and legal fees, and for other incidental expenses of the project, to the extent approved by Seller's mortgagee.

c. For the total or partial release of any master mortgage or other lien covering the project and for the

removal of any other encumbrances required to be removed in order to place title of the apartments in the required state.

d. For such title reports and costs of recordation as may be necessary or proper in connection with recordation of deeds, mortgages and other documents required to effect transfer of title under the Sales Contracts.

e. To seller, or order, forty-six (46) days after the filing of the Affidavit of Publication of Notice of Completion as provided for under Chapter 507, Part II, Hawaii Revised Statutes, provided, however, if a notice of mechanic's or materialmen's lien has been filed against any of the property included in the project, or suit thereon is filed, Escrow shall withhold one hundred and fifty per cent (150%) of the amount claimed thereunder until any lien existing or possible thereunder has been removed.

Among other provisions the Escrow Agreement provides 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 cancellation fee, if Purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

- (a) Escrow receives a written request from Seller 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 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
- (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 (1) year from the date of issuance of the preliminary public report.

Among other provisions the specimen Sales Contract provides that in the event less than 66 apartment units are sold prior to November 30, 1973, Seller may at its option cancel this agreement in which event Seller will cause Escrow to refund to Buyer all monies paid without interest, and Seller shall be relieved and released of all further liability hereunder.

It is incumbent upon the Purchaser and prospective purchaser that he reads, with care the Condominium Reservation Agreement, Deposit Receipt and Contract and the Escrow Agreement. Escrow Agreement establishes how the proceeds from the apartment units and all sums received from any source are placed in trust as well as retention and disbursement of said trust fund.

MANAGEMENT AND OPERATIONS: The Developer has reserved the right to secure the Management Agent and enter into a three (3) year agreement on behalf of the Association of Owners of the Napili Sands.

STATUS OF PROJECT: The Developer advises the Real Estate Commission that the construction of the buildings have been completed as heretofore stated and the sale is of the converted apartment units. The apartment units are being used as rental units and will continue to be used as rentals until conveyance of the units.

The purchaser or prospective purchaser shall be cognizant of the fact that this public report represents information disclosed by the Developer in the required Notice of Intention submitted May 8, 1973 and information subsequently filed as of July 23, 1973.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 557 filed with the Commission on May 8, 1973.

This report, when reproduced, shall be a true copy of the Commission's public report. The paper stock must be yellow in color.



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

Distribution:

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BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, COUNTY OF MAUI
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

July 26, 1973

Registration No. 557