

**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

HOYOCHI NIKKO  
Lahaina, Maui, Hawaii

REGISTRATION NO. 580

**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: August 20, 1973  
Expires: September 20, 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 and prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JUNE 26, 1973, AND INFORMATION SUBSEQUENTLY FILED ON JULY 11, 1973. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514 OF THE HAWAII REVISED STATUTES.

1. HOYOCHI NIKKO is a fee simple condominium project consisting of eighteen (18) apartments arranged throughout a single building of two (2) stories, including the ground floor, and a partial basement for parking under the ground floor at the south corner of the building. The common elements include the swimming pool, and filtration plant, trash collection area, breezway-entrance on the ground floor, the utility storage area next to the breezway-entrance on the ground floor, and outdoor lighting.

2. The Developer has submitted to the Commission all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report prior to the completion of construction. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for the Final Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.
3. No promotional material has been submitted pursuant to the rules and regulations promulgated by the Commission.
4. The basic documents (Declaration of Horizontal Property Regime, By-Laws 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 May 29, 1973, with the By-Laws attached, was recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9215, Page 234. The Registrar has designated Condominium Map No. 286 to the project.
5. 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 Horizontal Property Regimes.
6. This Final Public Report automatically expires thirteen (13) months after date of issuance, August 20, 1973, unless a Supplementary Public Report issues or the Commission, upon review of the registration issues an order extending the effective period of this report.

NAME OF PROJECT: HOYOCHI NIKKO

LOCATION: The approximate 26,054 square feet of land to be committed to the regime is situate at Mahinahina, Lahaina, Maui, Hawaii.

TAX KEY: SECOND DIVISION 4-3-08-06 & 07

ZONING: A-1

DEVELOPER: MAHINAHINA GROUP, a partnership organized under the laws of British Columbia, Canada, qualified to do business within the State of Hawaii. RICHARD K. G. STURBERG, 1620 Taylor Way, West Vancouver, B. C., Canada, is the managing partner under a special power of attorney recorded with the Bureau of Conveyances of the State of Hawaii in Liber 8843, Page 10. Telephone: 922-9740

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

DESCRIPTION: The Declaration of Horizontal Property Regime reflects that the project is to consist of eighteen (18) apartments arranged throughout a single building of two (2) stories and a partial basement for parking under the ground floor situate upon 26,054 square feet of land.

The principal materials of which the building shall be constructed are as follows: the foundation shall be of poured concrete; the partial basement shall be of poured reinforced concrete; the ground floor shall be of poured reinforced concrete; the second floor shall be of wood supporting joists with 1-1/2 inch poured concrete; the north and south exterior walls of the building, and the perimeter walls between apartments, shall be of 8 inch concrete hollow blocks, except that the perimeter wall between apartments 204 and 205 shall be of 8 inch wood studs covered by gypsum board with plaster finish; the east wall of the building shall be of 2 x 4 wood studs covered by masonite exterior panels; the walls within each apartment shall be of 2 x 4 wood studs covered by 1/2 inch gypsum board with plaster finish; the roof will be of vitreous clay roofing tile.

Apartments 101 through 109 are located on the ground floor, and are numbered, in ascending order, from south to north. Apartments 201 through 209 are located on the second floor, and are numbered, in ascending order, from south to north.

The apartments are of six types: "A Apartment-Ground Floor"; "B Apartment-Ground Floor"; "A Apartment-Second Floor"; "B Apartment-Second Floor"; "C Apartment"; "D Apartment".

The following four (4) apartments are "A Apartment-Ground Floor": 101, 102, 103 and 104.

Each "A Apartment-Ground Floor" shall consist of a bedroom, bath, kitchen-living room, and lanai, and each such apartment shall have an approximate enclosed floor space of 611 square feet, a lanai of approximately 92 square feet, and an approximate total floor area of 703 square feet.

The following five (5) apartments are "B Apartment-Ground Floor": 105, 106, 107, 108 and 109.

Each "B Apartment-Ground Floor" shall consist of a bedroom, bath, kitchen-living room, and lanai, and each such apartment shall have an approximate enclosed floor space of 495 square feet, a lanai of approximately 77 square feet, and an approximate total floor area of 572 square feet.

The following three (3) apartments are "A Apartment-Second Floor": 201, 202 and 203.

Each "A Apartment-Second Floor" shall consist of a bedroom, bath, kitchen-living room, and lanai, and each such apartment shall have an approximate enclosed floor space of 583 square feet, a lanai of approximately 121 square feet, and an approximate total floor area of 704 square feet.

The following four (4) apartments are "B Apartment-Second Floor": 206, 207, 208 and 209.

Each "B Apartment-Second Floor" shall consist of a bedroom, bath, kitchen-living room, and lanai, and each such apartment shall have an approximate enclosed floor space of 479 square feet, a lanai of approximately 94 square feet, and an approximate total floor area of 573 square feet.

The following apartment is a "C Apartment": 204.

The "C Apartment" shall consist of a bedroom, bath, kitchen-living room, and lanai, and such apartment shall have an approximate enclosed floor space of 667 square feet, a lanai of approximately 168 square feet, and an approximate total floor area of 835 square feet.

The following apartment is a "D Apartment": 205.

The "D Apartment" shall consist of a bedroom, bath, kitchen-living room, and lanai, and such apartment shall have an approximate enclosed floor space of 679 square feet, a lanai of 157 square feet, and an approximate total floor area of 836 square feet.

Each apartment located on the ground floor (apartments 101 through 109) shall have immediate access to the land submitted to the horizontal property regime. Each apartment located on the second floor (apartments 201 through 209) shall have immediate access to an adjacent exterior entry balcony and a connecting stairway between the second floor and the land submitted to the horizontal property regime.

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 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.

In addition to the rights and easements created and established by Haw. Rev. Stat. Chapter 514 in and with respect to the common elements of the horizontal property regime hereby established, each apartment shall have appurtenant thereto, under and by virtue of the declaration of horizontal property regime, a non-exclusive easement in the common elements designed for such purpose for ingress and egress, utility services, support, maintenance and repair, as the case may be; and the Association of Apartment Owners shall have the irrevocable right, under and by virtue of this declaration of horizontal property regime, and in addition to the rights created and given to the apartment owners by Haw. Rev. Stat. Section 514-6(f), to be exercised by its Board of Directors, Manager or Managing Agent, as the case may be, to enter each apartment from time to time during reasonable hours as may be necessary for the repair, replacement, restoration or installation of any common element.

COMMON ELEMENTS: The 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.
- (c) the swimming pool, and filtration plant, trash collection area, breezway-entrance on the ground floor, the utility storage area next to the breezway-entrance on the ground floor, and outdoor lighting.
- (d) all central and appurtenant installations for services such as power, light, telephone, gas, hot and cold water, refrigeration, air-conditioning, television, 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: There shall be appurtenant to each apartment, as a limited common element, appertaining to and reserved for the exclusive use of each apartment, a parking stall located in the open parking area, or in the partial basement for parking, as the case may be, as shown and marked on the Condominium Map by the number corresponding to the apartment to which it appertains.

There shall be appurtenant to apartments 101, 201, 102 and 202, as a limited common element, appertaining to and reserved for the joint and exclusive use of such apartments, the entry, stairway and second floor entry balcony, as shown and marked on the Condominium Map as "Entry A".

There shall be appurtenant to apartments 103, 203, 104 and 204, as a limited common element, appertaining to and reserved for the joint and exclusive use of such apartments, the entry, stairway and second floor entry balcony, as shown and marked on the Condominium Map as "Entry B".

There shall be appurtenant to apartments 105, 205, 106 and 206, as a limited common element, appertaining to and reserved for the joint and exclusive use of such apartments, the entry, stairway and second floor entry balcony, as shown and marked on the Condominium Map as "Entry C".

There shall be appurtenant to apartments 107, 207, 108 and 208, as a limited common element, appertaining to and reserved for the joint and exclusive use of such apartments, the entry, stairway and second floor entry balcony, as shown and marked on the Condominium Map as "Entry D".

There shall be appurtenant to apartments 109 and 209, as a limited common element, appertaining to and reserved for the joint and exclusive use of such apartments, the entry, stairway and second floor entry balcony, as shown and marked on the Condominium Map as "Entry E".

There shall be appurtenant to each of the following apartments: 101, 102, 103, 104, 105, 106, 107, 108 and 109, as a limited common element, appertaining to and reserved for the exclusive and individual use of each such apartment, those respective portions of the land submitted to the horizontal property regime between the far edge of the lanai of each such apartment and the nearest slope on the west side of the building, as shown and marked on the Condominium Map by a number corresponding to the apartment to which it appertains. (The respective areas of the limited common elements described above shall be rectangular and approximately 19 feet and 8 inches by 10 feet for apartments 101, 102, and 103; approximately 16 feet and 8 inches by 10 feet for apartments 106, 107, 108 and 109; and shall be of an irregular shape and size for apartments 104 and 105.)

INTEREST TO BE CONVEYED TO PURCHASER: The Declaration reflects that the percentage of undivided interest in the common elements appertaining to the apartments is as follows:

Apartment No.	101	5.83%
	102	5.94%
	103	6.05%
	104	6.00%
	105	4.82%
	106	4.82%
	107	4.82%
	108	4.82%
	109	4.71%
	201	6.00%
	202	6.10%
	203	6.16%
	204	7.33%
	205	6.96%
	206	4.93%
	207	4.92%
	208	4.92%
	209	4.87%

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 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 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 Declaration reflects that the apartments shall be used as residential apartments, but such apartments may be leased or rented from time to time by transients.

OWNERSHIP OF TITLE: A Preliminary Report dated May 18, 1973, prepared by Security Title Corporation, certifies that MAHINAHINA GROUP (a partnership organized under the laws of British Columbia and qualified to do business within the State of Hawaii, by Richard K. G. Stursberg, the managing partner for the partnership, under a Special Power of Attorney dated November 21, 1972, recorded with the Bureau of Conveyances of the State of Hawaii on January 2, 1973 in Liber 8843, Pg. 10) has title to the land committed to the project.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated May 18, 1973, prepared by Security Title certifies that the land is subject to:

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;

Mortgage dated April 3, 1973, Mahinahina Group to Bank of Hawaii, recorded in Liber 9067, Page 186, to secure the repayment of the sum of \$480,000, any additional advances, and other amounts secured thereby;

Undated Financing Statement recorded on April 11, 1973, in Liber 9067, Page 196;

As to that portion of the land herein described bordering on the ocean:

- (a) Saving and excepting that portion of the land herein above described, lying seaward of the line of vegetation.
- (b) The effect of Section 205-31 to 205-37, inclusive, Hawaii Revised Statutes, as now or hereafter amended.

Easement dated May 29, 1973, Mahinahina Group and Richard Kenneth Gwynne Stursberg, recorded in Liber 9199, Page 33;

Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent Grant 1166;

Rights Of Native Tenants as contained in said Royal Patent Grant 1166.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated January 3, 1973, identifies Security Title Corporation, 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 Twenty Dollars (\$20.00) 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 (1) year from the date of issuance of such Preliminary Public Report.
- (iv) Upon the occurrence of any other 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.

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.

FINANCING OF PROJECT: The Developer gives an estimated total cost of \$572,000 to complete the project.

The Bank of Hawaii has made a construction loan to Mahinahina Group in the principal amount of \$480,000 for the project. The Mahinahina Group partners have contributed the aggregate amount of \$90,000 as capital for the project. The Royal Bank of Canada has agreed to lend Mahinahina Group the amount of \$25,000, if necessary to complete the project.

STATUS OF PROJECT: Developer discloses that it has entered upon a contract for the construction of the project with Global Contractors Inc., dated December 29, 1972, for the full project as shown in the building plans and specifications. Construction commenced April 4, 1973 and the estimated date of completion is December 4, 1973. Approximately 50% of the project has been completed.

The First Insurance Company of Hawaii, Ltd. is surety for the contractor under a Performance Bond, and under a Labor and Material Payment Bond, each in the principal amount of \$426,500. The obligees are Richard Stursberg, Mahinahina Group and Bank of Hawaii.

The general conditions of the construction contract (§13.2.2) provides as follows:

"If, within one year after the Date of Substantial Completion or within such longer period of time as may be prescribed by law or by the terms of any applicable special guarantee required by the Contract Documents, any of the Work is found to be defective or not in accordance with the Contract Documents, the Contractor shall correct it promptly after receipt of a written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition. The Owner shall give such notice promptly after discovery of the condition."

Note. Purchasers and prospective purchasers are advised that the Developer has filed with the Commission "Exceptions to Bid Drawings & Specs" dated December 29, 1972, which lists a total of 47 construction changes, such as: omission of wall papers; no finishing of concrete or paint at basement garage; omission of drain tile and waterproofing at basement; omission of redwood headers and parking bumpers; omission of carpets, drapes, and furniture; wooden entry stairs in lieu of concrete and steel; etc.

Inasmuch as, the "Exceptions to Bid Drawings & Specs" dated December 29, 1972 alters some features shown on the construction plans and specifications, purchasers and prospective purchasers should be cognizant of these changes.

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.

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 June 26, 1973, and additional information subsequently filed on July 11, 1973.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 580 filed with the Commission June 26, 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 white.

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

DISTRIBUTION:

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

August 20, 1973  
Registration No. 580