

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

KAUHALE MAKAI
Kihei, Maui, Hawaii

REGISTRATION NO. 606

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: May 13, 1974
Expires: June 13, 1975

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 and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED AUGUST 15, 1973 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF MAY 13, 1974. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING ADDITIONAL INFORMATION, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514, HAWAII REVISED STATUTES.

1. KAUHALE MAKAI is a proposed fee simple-leasehold condominium project consisting of two (2) buildings without basements; the South Wing contains six (6) floors and ninety-one (91) apartments; and the North Wing contains six (6) floors and seventy-eight (78) apartments. There are a total of one hundred sixty nine (169) apartments and one hundred seventy seven (177) parking spaces.

2. Materials. The principal materials used in the construction of the buildings are wood, concrete, glass and concrete block.

3. The Developer has complied with Chapter 514, Hawaii Revised Statutes and has fulfilled the requirements for the issuance of a Final Public Report.

4. KAUHALE MAKAI is a fee simple-leasehold condominium project and the purchaser will secure a Condominium Conveyance Document, being a combined Apartment Deed (conveying an apartment together with an appurtenant common interest in the common elements of the buildings) and Ground Lease (demising an undivided percentage interest in the lands of the project).

NOTE: Purchasers are advised to study with care the provisions of the "SURRENDER" clause contained in the specimen Condominium Conveyance Document.

5. This Final Public Report is made a part of the registration on KAUHALE MAKAI condominium project. 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 Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

6. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report.

The Developer reports that the basic documents (Declaration of Horizontal Property Regime, with By-Laws of the Association of Apartment Owners attached, and a copy of the Approved Floor Plans) have been filed in the Bureau of Conveyances of the State of Hawaii.

The Declaration of Horizontal Property Regime, executed April 30, 1974, with By-Laws attached, was filed in the Bureau of Conveyances of the State of Hawaii in Liber 9871, Page 478.

The approved Floor Plans showing the layout, location, apartment numbers, etc. have been designated Condominium File Plan No. 352.

7. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.

8. 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.

9. This Final Public Report expires thirteen (13) months from the date of issuance, May 13, 1974, 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: KAUAHALE MAKAI

LOCATION: 930-938 South Kihei Road, Maui, Hawaii.

TAX MAP KEY: Second Division: 3-9-1-75

ZONING: A-2 (Open Space Variance)

DEVELOPER: Kauhale Makai, Inc., a Hawaii corporation, 2103 Wells Street, Wailuku, Maui, Hawaii; Phone: 244-7914; whose officers are Lionel Hayes Uhlmann - President, Meyer M. Ueoka - Secretary/Treasurer, and Ann W. Uhlmann - Vice President/Assistant Secretary.

ATTORNEY REPRESENTING DEVELOPER: Conroy, Hamilton, Gibson, Nickelsen & Rush (Attention: Dwight M. Rush and Walter Beh, II), 20th Floor Hawaii Building, 745 Fort Street, Honolulu, Hawaii 96813, Phone: 521-2611.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a fee simple-leasehold project consisting of two (2) six-story buildings, without basements, containing a total of one hundred sixty nine (169) apartments.

Thirteen (13) apartments are located on the Ground Floor of the North Wing, being Apartment Nos. 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112 and 114.

Thirteen (13) apartments are located on the Second Floor of the North Wing, being Apartment Nos. 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, and 214.

Thirteen (13) apartments are located on the Third Floor of the North Wing, being Apartment Nos. 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312 and 314.

Thirteen (13) apartments are located on the Fourth Floor of the North Wing, being Apartment Nos. 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412 and 414.

Thirteen (13) apartments are located on the Fifth Floor of the North Wing, being Apartment Nos. 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512 and 514.

Thirteen (13) apartments are located on the Sixth Floor of the North Wing, being Apartment Nos. 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612 and 614.

Sixteen (16) apartments are located on the Ground Floor of the South Wing, being Apartment Nos. 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134 and 135.

Fifteen (15) apartments are located on the Second Floor of the South Wing, being Apartment Nos. 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234 and 235.

Fifteen (15) apartments are located on the Third Floor of the South Wing, being Apartment Nos. 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334 and 335.

Fifteen (15) apartments are located on the Fourth Floor of the South Wing, being Apartment Nos. 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434 and 435.

Fifteen (15) apartments are located on the Fifth Floor of the South Wing, being Apartment Nos. 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534 and 535.

Fifteen (15) apartments are located on the Sixth Floor of the South Wing, being Apartment Nos. 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634 and 635.

Each apartment contains the number of rooms and the approximate floor area according to the Declaration and Condominium File Plan submitted by Developer as follows:

(a) TYPE "A" - Twenty-four (24) apartments, being Nos. 101, 201, 301, 401, 501, 601, 104, 204, 304, 404, 504, 604, 122, 222, 322, 422, 522, 622, 123, 223, 323, 423, 523 and 623, each consist of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 898 square feet, including the lanai of approximately 99 square feet.

(b) TYPE "B" - Twenty-four (24) apartments, being Nos. 103, 203, 303, 403, 503, 603, 106, 206, 306, 406, 506, 606, 124, 224, 324, 424, 524, 624, 125, 225, 325, 425, 525 and 625, each consist of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 795 square feet, including the lanai of approximately 109 square feet.

(c) TYPE "C" - Two (2) apartments, being Nos. 105 and 108, each consist of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 717 square feet, including the lanai of approximately 93 square feet.

(d) TYPE "D" - Ten (10) apartments, being Nos. 205, 305, 405, 505, 605, 208, 308, 408, 508 and 608, each consist of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 747 square feet, including the lanai of approximately 109 square feet.

(e) TYPE "E" - One (1) apartment, being No. 107, consists of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; this apartment contains a floor area of approximately 764 square feet, including the lanai of approximately 109 square feet.

(f) TYPE "F" - Twenty-one (21) apartments, being Nos. 207, 307, ~~407, 507~~, 607, 210, 310, 410, 510, 610, 231, 331, 431, 531, 631, 130, 230, 330, 430, 530 and 630, each consist of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 820 square feet, including the lanai of approximately 109 square feet.

(g) TYPE "G" - Twenty-two (22) apartments, being Nos. 109, 209, ~~309, 409~~, 509, 609, 212, 312, 412, 512, 612, 233, 333, 433, 533, 633, 132, 232, 332, 432, 532 and 632, each consist of six (6) rooms, including two (2) bedrooms, a living-dining room, a kitchen, two (2) bathrooms and a lanai; each of these apartments contains a floor area of approximately 918 square feet, including the lanai of approximately 119 square feet.

(h) TYPE "H" - Twenty-four (24) apartments, being Nos. 111, 211, ~~311, 411~~, 511, 611, 114, 214, 314, 414, 514, 614, 134, 234, 334, 434, 534, 634, 135, 235, 335, 435, 535 and 635, each consist of six (6) rooms, including two (2) bedrooms, a living-dining room, a kitchen, two (2) bathrooms and two (2) lanais; each of these apartments contains a floor area of approximately 1,111 square feet, including the two (2) lanais of approximately 86 square feet and 50 square feet.

(i) TYPE "J" - Eleven (11) apartments, being Nos. 102, 202, 302, ~~402, 502~~, 602, 221, 321, 421, 521 and 621, each consist of three (3) rooms, including a living-dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 527 square feet, including the lanai of approximately 94 square feet.

(j) TYPE "K" - Two (2) apartments, being Nos. 126 and 127, each consist of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 741 square feet, including the lanai of approximately 93 square feet.

(k) TYPE "L" - Ten (10) apartments, being Nos. 226, 326, 426, 526, ~~626, 227~~, 327, 427, 527 and 627, each consist of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 759 square feet, including the lanai of approximately 109 square feet.

(l) TYPE "M" - One (1) apartment, being No. 131, consists of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; this apartment contains a floor area of approximately 742 square feet, including the lanai of approximately 93 square feet.

(m) TYPE "N" - One (1) apartment, being No. 133, consists of six (6) rooms, including two (2) bedrooms, a living-dining room, a kitchen, two (2) bathrooms and a lanai; this apartment contains a floor area of approximately 864 square feet, including the lanai of approximately 119 square feet.

(n) TYPE "O" - One (1) apartment, being No. 112, consists of six (6) rooms, including two (2) bedrooms, a living-dining room, a kitchen, two (2) bathrooms and a lanai; this apartment contains a floor area of approximately 864 square feet, including the lanai of approximately 119 square feet.

(o) TYPE "P" - One (1) apartment, being No. 110, consists of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; this apartment contains a floor area of approximately 742 square feet, including the lanai of approximately 93 square feet.

(p) TYPE "Q" - Two (2) apartments, being Nos. 128 and 129, each consist of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 763 square feet, including the lanai of approximately 109 square feet.

(q) TYPE "R" - Ten (10) apartments, being Nos. 228, 328, 428, 528, ~~628~~, ~~229~~, 329, 429, 529 and 629, each consist of four (4) rooms, including a bedroom, a living-dining room, a kitchen, a bathroom and a lanai; each of these apartments contains a floor area of approximately 821 square feet, including the lanai of approximately 109 square feet.

(r) Apartment No. 120 consists of one (1) room; this apartment contains a floor area of approximately 600 square feet.

(s) Apartment No. 121 consists of two (2) rooms, including a bathroom, a lanai and another room which may be divided, in accordance with the provisions of paragraph M of the Declaration, into a kitchen and a living-dining room; this apartment contains a floor area of approximately 527 square feet, including the lanai of approximately 94 square feet.

NOTE: THE APPROXIMATE FLOOR AREA OF EACH APARTMENT AS SET FORTH ABOVE INCLUDES ALL OF THE WALLS AND PARTITIONS WITHIN ITS PERIMETER WALLS, THE ENTIRETY OF ITS PERIMETER NON-PARTY WALLS AND THE INTERIOR HALF OF ITS PERIMETER PARTY WALLS, WHETHER LOAD BEARING OR NON-LOAD BEARING.

Each apartment has immediate access to the grounds of the project or to an exit walk which leads to two (2) stairways and two (2) elevators, each stairway and elevator leading to the grounds of the project.

Each apartment shall be deemed to include its adjacent lanai, all the walls and partitions within its perimeter walls, any doors and glass windows or panels along the perimeter, the entirety of perimeter non-party walls and the interior half of the perimeter party walls, whether load bearing or non-load bearing, the inner decorated or finished surfaces of all floors and ceilings, and all fixtures and appliances originally installed therein. Except as otherwise specified in the Declaration, no owner shall penetrate, deface or otherwise materially alter any load-bearing wall within his apartment, provided, however, that any owner may paint, wallpaper, hang pictures upon or otherwise cover any such wall in any usual or ordinary manner.

COMMON ELEMENTS: One freehold estate is designated in all of the remaining portions of the project herein called "common elements", including specifically but not limited to:

- (a) The land in fee simple;
- (b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, chases, entries, stairways, elevators, walkways, entrances and exits of said buildings;
- (c) All yards, grounds and landscaping;
- (d) All parking areas;
- (e) Pool;
- (f) Recreation room;
- (g) Putting green;
- (h) All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called the "limited common elements", are hereby designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

One (1) parking space, as designated on said Condominium File Plan by a number, which number is also set forth opposite to the number of each of the respective apartments in Exhibit "D" attached to the Declaration shall be appurtenant to and for the exclusive use of each such apartment.

INTEREST TO BE CONVEYED TO PURCHASERS: Documents filed with the Real Estate Commission indicate that the purchaser will secure a Condominium Conveyance Document, conveying an apartment together with the following appurtenant undivided percentage interests in the common elements of the buildings of the project and demising the same undivided percentage interests in the lands of the project:

Type "A" Apartments:	.6211%
Type "B" Apartments:	.5492%
Type "C" Apartments:	.4946%
Type "D" Apartments:	.5158%
Type "E" Apartments:	.5550%
Type "F" Apartments:	.5667%
Type "G" Apartments:	.6626%
Type "H" Apartments:	.7808%
Type "J" Apartments:	.3623%
Type "K" Apartments:	.5156%
Type "L" Apartments:	.5242%
Type "M" Apartment:	.5158%
Type "N" Apartment:	.5914%
Type "O" Apartment:	.5914%
Type "P" Apartment:	.5064%
Type "Q" Apartments:	.5271%
Type "R" Apartments:	.5674%
Apartment No. 120:	.4454%
Apartment No. 121:	.3564%

NOTE: The said Declaration provides that the Developer and Kīhei Properties, Inc. (hereinafter called "Owner") shall have the right at their sole option to amend the project, by way of merger, at any time up to, but not later than December 31, 1978, by construction and addition to the project of approximately two hundred twenty-four (224) additional apartments, together with such supporting and servicing common elements which the Owner and the Developer determine in their sole discretion are beneficial to the project, including, without limiting the generality of the foregoing, a pool and pool house, recreation room and putting green, as common elements, on up to an additional approximate 3.970 acres of adjoining land. Merger shall take effect with respect to the additional increment upon the happening of all of the following conditions with respect thereto: (a) Recordation in the Bureau of Conveyances of the State of Hawaii by the Developer and the Owner of a Declaration of Horizontal Property Regime, By-Laws and Condominium File Plans covering the additional increment; and (b) recordation in the Bureau of Conveyances of the State of Hawaii by the Developer and the Owner of a "Certificate of Merger", which certificate shall contain: (i) A certification by a Hawaii registered architect or professional engineer that all of the apartments of the additional increment are substantially completed; (ii) the common

interest of each apartment of the project after completion of the merger; and (iii) a revised plot plan showing the location of the buildings of the project after completion of the subject merger. The approximate common interest of each apartment in the KAUAHALE MAKAI condominium project after the proposed merger of the additional increment shall be as follows:

Type "A" Apartments:	.2748%
Type "B" Apartments:	.2432%
Type "C" Apartments:	.2194%
Type "D" Apartments:	.2285%
Type "E" Apartment:	.2339%
Type "F" Apartments:	.2509%
Type "G" Apartments:	.2809%
Type "H" Apartments:	.3399%
Type "J" Apartments:	.1612%
Type "K" Apartments:	.2267%
Type "L" Apartments:	.2322%
Type "M" Apartment:	.2270%
Type "N" Apartment:	.2643%
Type "O" Apartment:	.2643%
Type "P" Apartment:	.2270%
Type "Q" Apartments:	.2334%
Type "R" Apartments:	.2512%
Apartment No. 120:	.1836%
Apartment No. 121:	.1612%

Each of the merged increments shall be treated as part of a single project developed as a whole from the beginning, and there shall be only one Association of Apartment Owners and one Board, and the Declarations of Horizontal Property Regime and By-Laws applicable to each merged increment shall be construed as one document applicable to the entire project constituting the merged increments except to the extent expressly otherwise provided for therein. The Owner and the Developer shall for all purposes be deemed the "apartment Owner" as to such additional apartments. In connection with, and only to the extent necessary for the creation of such additional apartments and common elements, as aforesaid, the Developer and the Owner shall have the right to remove, amend or add common elements; to remove, amend or add parking spaces; to enter upon the project premises with employees, agents and contractors for all purposes reasonably necessary for or useful to constructing and completing said additional apartments and common elements; to connect the said additional apartments and common elements to utilities of the project, and to sell or designate owners of the said additional apartments.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and personal guests, except that the apartments may also be used for hotel or transient purposes, and except that Apartment Nos. 120, 121 and 123 may each be occupied and used for such purposes and for any such other purposes from time to time that are permitted under applicable ordinances, rules and regulations of the appropriate agencies of the County of Maui, State of Hawaii, including, but not limiting the foregoing, for a

convenience or sundry store, an office for the Managing Agent of the project, and as living quarters for the Managing Agent of the project. The apartments may not be used for any other purpose unless consent of the Board of Directors is secured. The Owners of the respective apartments shall have the absolute right to lease the same subject to the limitations, restrictions, covenants and conditions of the Declaration.

OWNERSHIP OF TITLE: The Preliminary Title Report issued by Security Title Corporation, dated May 8, 1974 reflects the owner of the fee simple title to the property committed to the project is KIHEI PROPERTIES, INC., 2103 Wells Street, Wailuku, Maui, Hawaii, phone: 244-7914; said property was conveyed to Kihei Properties, Inc. by 1846 Corporation by Deed dated March 25, 1974, and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9799, Page 44. Kihei Properties, Inc. leased the said property to Developer by Master Lease dated March 28, 1974, and recorded as aforesaid in Liber 9799, Page 510. The individual Condominium Conveyance Documents to be issued to the purchasers will be executed by the Developer, as Grantor under the apartment deed, and by Kihei Properties, Inc., as Lessor under the ground lease.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report dated May 8, 1974, issued by Security Title Corporation, as submitted to the Commission provides that the following are encumbrances against the title to the property:

1. Tax Key: - 3-9-01-75 - Area Assessed: 3.110 Acres (as to Parcels First, Second and Third). Taxes for the Fiscal Year 1973-1974 are a lien; payable as follows:

1st Installment \$2,149.36 PAID

2nd Installment \$2,149.36 OPEN (Delinquent after 5/20/74)

2. Grant dated March 15, 1974, recorded on March 28, 1974 in the Bureau of Conveyances of the State of Hawaii in Book 9799 Page 451, in favor of the COUNTY OF MAUI, a political subdivision of the State of Hawaii, granting an easement of open and clear space for the purpose of preserving clear and unobstructed view from Kihei Road Highway to the sea.

3. Undated Financing Statement recorded on March 28, 1974 in said Bureau of Conveyances in Book 9799 Page 506, executed by Developer as Debtor, and the Trustees of Mortgage Trust of America as Secured Party.

4. The terms and provisions of that certain Master Lease dated March 28, 1974, recorded on March 28, 1974 in said Bureau of Conveyances in Book 9799 Page 510, made by and between KIHEI PROPERTIES, INC., a Hawaii corporation, as Lessor, and KAUAHALE MAKAI, INC., a Hawaii corporation, as Lessee, for the term of sixty-nine (69) years commencing from the 28th day of March, 1974.

5. Grant dated March 15, 1974, recorded on May 6, 1974 in said Bureau of Conveyances in Book 9878 Page 509, in favor of the COUNTY OF MAUI, a political subdivision of the State of Hawaii, granting an easement of open and clear space for the purpose of preserving clear and unobstructed view from Kihei Road Highway to the sea, above and across a portion of Lot 3-A, Parcel First, (also affects other property).

6. First Mortgage and Financing Statement dated March 28, 1974, recorded on March 28, 1974 in said Bureau of Conveyances in Book 9799 Page 480, made by KAUIALE MAKAI, INC., a corporation, and KIHEI PROPERTIES, INC., a corporation, as Mortgagors, to THE TRUSTEES OF MORTGAGE TRUST OF AMERICA, a California trust, as Mortgagee, to secure the repayment of the sum of \$7,600,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagors therein referred to.

7. Condominium Map No. 352 filed in said Bureau of Conveyances on May 1, 1974.

8. The covenants, agreements, obligations, conditions and other provisions contained in that certain Declaration of Horizontal Property Regime of Kauhale Makai, dated April 30, 1974, recorded on May 1, 1974 in said Bureau of Conveyances in Book 9871 Page 478 and the By-Laws attached thereto, to which reference is hereby made.

NOTE: The Declaration provides that the Association of Apartment Owners of the project shall maintain and keep the portion of the Government Beach Reserve (Tax Map Key, Second Division: 3-9-01-01) adjacent to the lands of the project in a neat and attractive condition and all trees, shrubs and grass thereon in good cultivation, and replant the same as may be necessary.

NOTE: The Declaration and the Specimen Condominium Conveyance Document submitted to the Commission provide that the following reservations are encumbrances against the title to the lands of the project:

a. A right, in the nature of an easement, in Kihei Properties, Inc. (hereinafter called "Owner") and/or Developer, or either of their assigns, agents, employees and independent contractors, to enter from time to time, but not later than December 31, 1978, upon the lands of the project for all purposes reasonably necessary for or useful to the construction, completion and sale of a separate Horizontal Property Regime (Condominium Project) and the apartments and structures thereof to be built by Owner and/or Developer upon certain land adjoining the lands of the project, which adjoining land is described in the Declaration, including, without limiting the foregoing, the right to construct underground sewer and water pipe lines and underground electrical and telephone lines, drainage structures, including necessary appurtenant equipment, under, through and across the lands of the project provided, however, that the same shall not be located or placed within or under any residential structures located on the lands of the project, and provided, further, that such rights must be exercised in such manner as to not unreasonably interfere with the use of the lands of the project, and that the premises shall be promptly restored to the condition of the premises immediately prior to the construction thereof, and the right in Owner to grant or lease easements for such sewer and water pipe lines, and electrical and telephone lines, drainage structures, and necessary appurtenant equipment, including the construction, installation, operation, maintenance,

repair and replacement thereof, to any public utility, governmental authority, State of Hawaii, County of Maui, or agencies thereof, or other corporation, partnership, association or individual, under such terms and conditions required by the grantee or lessee of such easement rights.

b. A right, in the nature of an easement, to connect the sewer and water pipe lines, drainage structures and electrical and telephone lines of the said separate condominium project to be built upon the said adjoining land to the sewer and water pipe lines and drainage structures of the project.

c. That the creation of dust, noise, vibrations and other nuisances arising out of or in connection with the construction, completion or sale contemplated under paragraphs a. and b. above shall not be the basis of any suit for abatement of nuisance or for damages, or otherwise against the Owner and Developer, or either of them.

d. A right in Owner and/or Developer to grant, not later than December 31, 1978, the following easement encumbering the lands of the project, such easement to run in favor of any purchaser, purchasers, lessee, lessees, owner or owners from time to time of the said adjoining land:

A right, in the nature of an easement, to use the following common elements of the project, created by the Declaration to the same extent and subject to the same limitations as are imposed upon an apartment owner of the project:

- (a) pool;
- (b) putting green; and
- (c) recreation room.

NOTE: The specimen Sales Agreement includes a provision under which the purchaser agrees that until the Developer has closed out the sale of all of the apartments in a separate condominium project to be built upon adjoining land, or until December 31, 1978, whichever shall first occur, the Purchaser will not enter into an agreement with any owner of another apartment in the project or in the said separate condominium project and/or any third party under which the Purchaser agrees to share expenses and/or rentals of apartments in the project or in the said separate condominium project, and that this agreement of the Purchaser shall survive the issuance to the Purchaser of the Condominium Conveyance Document transferring the premises and shall bind the Purchaser's heirs, executors, administrators, successors and assigns during the term thereof.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated July 6, 1973, between Security Title Corporation, as Escrow, and Developer has been filed with the Commission. On examination, the executed Escrow Agreement filed with the Commission is found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Sections 514-36 through 514-40, H.R.S. Among other provisions, the executed Escrow Agreement states 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 \$15.00 cancellation fee, if such cancellation is prior to the time a purchaser obtains a loan commitment to finance his purchase, or less Escrow's \$25.00 cancellation fee if such cancellation is after receipt of such loan commitment, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

1. Escrow receives a written request from Developer to return to Purchaser the funds of such purchaser then held under the Escrow Agreement by Escrow; or

2. 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 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

3. 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

4. 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

5. If the Final Public Report is not issued within one (1) year of the date of issuance of the Preliminary Public Report.

NOTE: The Specimen Sales Agreement states that in the event less than eighty-three (83) apartment units are sold prior to September 15, 1974, Seller may at its option cancel this contract and refund all moneys to buyers, without interest, and less Escrow's cancellation fee as set forth above.

It is incumbent of the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the reservation agreement since the Escrow Agreement prescribes the procedure for receiving and disbursing the purchaser's funds. The Specimen Reservation Agreement specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided. Purchasers and prospective purchasers are advised to read with care the provisions of the reservation agreement.

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent. The Developer in its Notice of Intention indicates that it has not yet selected an initial managing agent; the reservation agreement to be signed by purchasers provides that Developer may appoint the initial managing agent for the project.

NOTE: Developer advises that no representations or references will be made to either purchasers or prospective purchasers concerning rental of the apartment, income from the apartment or any other economic benefit to be derived from the rental of the apartment, including but not limited to, any reference or representation to the effect that Developer or the Managing Agent of the project will provide, directly or indirectly, any services relating to the rental or sale of the apartment. Rental of the apartments and the provisions of management services in connection therewith is and shall be the sole responsibility of the purchaser.

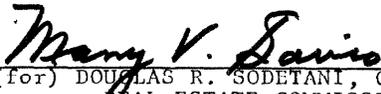
NOTE: The common elements of the project do not include either an office for the Managing Agent or living quarters for the Managing Agent. At the initial meeting of the Association of Apartment Owners, Developer proposes to make two (2) apartments, being Apartment Nos. 121 and 123, available to the Association for such use upon the following terms and conditions: Developer, as owner of such apartments, will sublease the same to the Board of Directors of the Association, acting on behalf of the Association, for a term of thirty (30) years and at a rental equal to the cost of such apartments to Developer from time to time during such term; such cost to Developer being equal to the payments due under the mortgage on such apartments (such mortgage being in the amount of eighty percent [80%] of the sales prices of the apartments, for a term of thirty [30] years, and at an interest rate of eight and one-half percent [8-1/2%] per annum), plus real property taxes, lease rentals and assessments for common expenses, levied upon such apartments during the term of such lease to the Board of Directors. Such sublease will also provide that Association shall have the option to purchase such apartments from the Developer at any time during such term for an amount equal to the sum of the following: the outstanding balance due under such mortgage, any prepayment penalty due thereunder, all costs of closing the sale of such apartments to the Association, and the sum of ONE THOUSAND DOLLARS (\$1,000.00). In the event the Association does not vote to sublease such apartments from Developer as aforesaid, the Developer will offer such apartments for sale to an outside party and there will be no facilities within the project for either an office or living quarters for the Managing Agent.

STATUS OF PROJECT: The Developer advises that construction on the project began in March, 1974. Developer has entered into a construction contract for the project with THE HAWAII CORPORATION, dba PACIFIC CONSTRUCTION CO., dated July 27, 1973.

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 August 15, 1973 and information subsequently filed as of May 13, 1974.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 606 filed with the Commission on August 15, 1973.

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(for) DOUGLAS R. SODETANI, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

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REGISTRATION NO. 606
MAY 13, 1974