

**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

MAALAEA KAI  
Waikapu, Wailuku, Maui, Hawaii

REGISTRATION NO. 609

**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: September 5, 1974

Expires: October 5, 1975

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 AUGUST 21, 1973, AND INFORMATION SUBSEQUENTLY FILED AS OF AUGUST 26, 1974. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT AND AMENDMENTS THERETO, CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on MAALAEA KAI, Registration No. 609, dated October 3, 1973, the Developer has prepared and forwarded additional information to that filed in the August 21, 1973 submittal.

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. This Final Public Report is made a part of the registration on the Maalaea Kai condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers, including those receiving the Preliminary Public Report. 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. 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 April 5, 1974 with the By-Laws attached, was recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9826, page 397. The Registrar has designated Condominium Map No. 347 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, September 5, 1974, unless a Supplementary Public Report issues or the Commission upon review of the registration issues an order extending the effective period of this report.

The information in the topical headings of the Preliminary Public Report with the exceptions of DESCRIPTION, LIMITED COMMON ELEMENTS, ENCUMBRANCES AGAINST TITLE, FINANCING OF PROJECT and STATUS OF PROJECT has not been disturbed.

DESCRIPTION: The recorded Declaration of Horizontal Property Regime reflects that the project is to consist of seventy-nine (79) apartments arranged throughout a single building of four (4) stories. The location of the apartment building with respect to the land upon which it is situated is shown by the Condominium Map. A free-standing, single story building, now existing upon the land submitted to the horizontal property regime will be renovated for use as an office and manager's apartment building. The location of the office and manager's apartment building with respect to the land upon which it is situated is shown on the Condominium Map.

The principal materials of which the apartment building shall be constructed are as follows: the foundation shall be of poured reinforced concrete; the ground floor slab shall be of poured in place concrete; the floor slabs above the ground floor shall be precast and prestressed concrete planks with three (3) inch concrete topping; the "mezzanine floor" within each of several apartments shall be of wood frame; the floor within each apartment shall be covered by carpet or vinyl asbestos; the structural frame (exterior and interior bearing walls), including the perimeter walls between the apartments, shall be of reinforced concrete block not less than eight (8) inches thick; the walls within each apartment shall be of metal studs covered by gypsum board; the mezzanine roofs will be wood framed, and the rest of the roof will be poured in place concrete.

LIMITED COMMON ELEMENTS: The recorded Declaration of Horizontal Property Regime reflects that the limited common elements of the project are as follows:

(a) There shall be appurtenant to each of the following pairs of apartments, as a limited common element, appertaining to and reserved for the joint and exclusive use of each such paired apartments, the entry between the paired apartments, as shown and marked on the Condominium Map:

111/112  
115/116  
211/212  
213/214  
215/216  
311/312  
313/314  
315/316  
411/412  
413/414  
415/416

(b) There shall be appurtenant to Apartment 402, as a limited common element, appertaining to and reserved for the exclusive use of such apartment, that portion of the exposed flat surface of the roof of the apartment building, located next to the west side of Apartment 402, and next to the south side of Apartment 403, with the following approximate dimensions: 14 feet by 14 feet.

(c) Any pump, motor, fan, compressor or duct, or any installation for power, light, telephone, gas, hot and cold water, heating, refrigeration, television, sewage disposal, air conditioning, or other utilities, (including all pipes, ducts, wires, cables and conduits used in connection therewith), located in a common element, designed to serve only one apartment, (that is, not designed or existing for common use), shall be appurtenant to such apartment, as a limited common element, and the same shall be reserved for the exclusive use and benefit of such apartment, and all costs and expenses of every description pertaining thereto including but not limited to the cost of the maintenance, repair and replacement thereof, and the making of any additions and improvements thereto, shall be charged to the owner of such apartment.

ENCUMBRANCES AGAINST TITLE: A Preliminary Report, prepared July 15, 1974, by Title Guaranty of Hawaii, Incorporated, certifies that there are no liens or encumbrances of whatever kind or nature of record against said title, save and except the following: 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; Reservation in favor of the State of Hawaii of all mineral and metallic mines; Mortgage dated March 29, 1973, made by E & G Development Company, Inc., to USF Investors, a Real Estate Investment Trust organized under the laws of the State of Georgia, now known as Independence Mortgage Trust, recorded in Liber 9064 on Page 44; Mortgage dated July 2, 1974, made by E & G Development Company, Inc., to Independence Mortgage Trust (formerly known as USF Investors), a Real Estate Investment Trust organized under the laws of the State of Georgia, recorded in Liber 10032 on Page 544; Covenants, conditions and restrictions and other provisions set forth in Declaration of Horizontal Property Regime dated April 5, 1974, recorded in the Bureau of Conveyances in Liber 9826 at page 397 and the By-Laws attached thereto as the same are or may hereafter be amended in accordance with Law, said Declaration or By-Laws.

FINANCING OF PROJECT: In the Supplement to the Notice of Intention submitted August 13, 1974, the Developer states that it has borrowed the additional amount of \$329,580 from Independence Mortgage Trust (formerly known as USF Investors) to complete the construction of the project, which is secured by a second mortgage of the Maalaea Kai property. The Maalaea Kai contract of sale between E & G Development Company, Inc. and each apartment purchaser, provides for the subordination of the interest and equity of each apartment purchaser in the Maalaea Kai property to the lien created by the first construction loan mortgage held by Independence Mortgage Trust (formerly known as USF Investors), to secure the repayment of the principal amount of \$2,600,000, and to the lien created by the second construction loan mortgage held by Independence Mortgage Trust (formerly known as USF Investors), to secure the repayment of the principal amount of \$329,580. Independence Mortgage Trust has agreed to execute and deliver partial releases of these mortgages in order to permit the transfer of separate apartments to individual purchasers free and clear of these blanket mortgages. Forty-nine (49) Maalaea Kai apartments have been sold for an aggregate purchase price of \$2,477,200. On July 18, 1974, Landmark Escrow, the project escrow, held the aggregate amount of \$82,190 which represented deposits of purchase price paid by apartment purchasers.

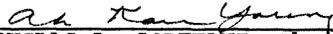
STATUS OF PROJECT: In the Supplement to the Notice of Intention submitted August 13, 1974, Developer discloses that the construction of the Maalaea Kai improvements was substantially completed on July 5, 1974. An affidavit showing the publication of the notice of the completion of the construction of the project was filed with the Second Circuit Court of the State of Hawaii on July 19, 1974. No mechanic's or materialman's lien has been filed against the property.

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The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted August 21, 1973, Supplement to the Notice of Intention submitted August 13, 1974, and other information filed as of August 26, 1974.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 609 filed with the Commission August 21, 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 in color.

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

DISTRIBUTION:

Department of Taxation  
Bureau of Conveyances  
Planning Commission, County of Maui  
Federal Housing Administration  
Escrow Agent

September 5, 1974  
Registration No. 609