

**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

THE SUGAR COVE  
Spreckelsville, Maui, Hawaii

REGISTRATION NO. 613

**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: December 11, 1973

Expires: January 11, 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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 4, 1973. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. The Sugar Cove is a proposed fee simple condominium project consisting of six (6) separate townhouse buildings, each with two stories (including ground floor but no basement). Each building contains three residential apartments, consisting of one (1) two-bedroom and two (2) three-bedroom apartments. There are six (6) two-bedroom apartments and twelve (12) three-bedroom apartments for a total of eighteen (18) apartments in the project, and at least thirty-two (32) parking spaces, and each apartment will have at least one (1) parking space appurtenant to it.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the issuance of this Preliminary Public Report.
3. No advertising or promotional matter 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 not been recorded in the office of the recording officer.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514 of the Hawaii Revised Statutes and the condominium rules and regulations which relate to horizontal property regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, December 11, 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: THE SUGAR COVE.

LOCATION: The land submitted to the Regime, approximately 4.039 acres, is located in Spreckelsville, Maui, Hawaii.

TAX MAP KEY: SECCND DIVISION, 3-8-02-3.

ZONING: R-3 (Planned Unit Development-Condominium).

DEVELOPER: Dolly Slaughter Simmons, wife of Robert Dean Simmons, whose residence and post office address is 2161 Kalia Road, Apartment No. 1316, Honolulu, Oahu, Hawaii (Tel. 922-3550).

ATTORNEY REPRESENTING DEVELOPER: CARLSMITH, CARLSMITH, WICHMAN AND CASE, Pacific Trade Center, 22nd Floor, Honolulu, Hawaii 96813 (Attention: James W. Boyle and Gerald A. Sumida), telephone number 524-5112.

DESCRIPTION: The land will be improved, according to the Developer's plans and intention to sell, by constructing thereon six (6) separate townhouse buildings, each with two stories (including ground floor but no basement). Each building contains three apartments, consisting of one (1) two-bedroom and two (2) three-bedroom apartments. In addition, the project will contain a clubhouse, swimming pool and pool deck, a tennis court, and walkways, driveways, and outdoor parking areas. Each unit will include built-in fixtures as chosen by the purchaser from the options provided by the Developer. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls, interior load-bearing walls, or the interior party walls, the floors and ceiling surrounding each apartment or any pipes, shafts, wires, conduits or other utility or service lines running through such apartment which

are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter walls or which are not interior party walls; the inner decorated or finished surfaces of all walls and floors; any doors, glass windows or panels along the perimeters; the inner decorated or finished surfaces of the ceiling over the second floor; the lanai on the first floor; and the balcony on the second floor. Each apartment also includes all fixtures and carpets originally installed therein.

1. Building Description. The project will consist of six (6) separate townhouse buildings, each with two stories (including ground floor but no basement), and a clubhouse.
2. Materials. The townhouse buildings will be constructed primarily of wood, and the ground or first floor will be wood and elevated above the ground. The clubhouse is constructed primarily of wood on a concrete floor slab.
3. Description, Area and Numbering of Townhouse Apartments. Each townhouse building contains three (3) apartments, consisting of one (1) two-bedroom apartment and two (2) three-bedroom apartments. There are a total of six (6) two-bedroom apartments and twelve (12) three-bedroom apartments, which are more particularly described below.

The two-bedroom apartments consist of two stories and have eleven (11) rooms including living room, dining room, kitchen, a powder room, a utility room, two bedrooms, two bathrooms, and two dressing rooms (but not counting the entry hallway and upstairs landing, and the study alcove area within each of the two-bedroom areas as separate rooms), and also have a lanai and a balcony. The two-bedroom apartments have immediate access to the walkway on the grounds through an entry porch and to the grounds through the lanai area on the ground floor. Walkways lead to the driveway and parking stall areas.

The two-bedroom apartments, including the lanai (area 151 square feet) and balcony (area 151 square feet) have an approximate gross area of 2,229 square feet, which excludes the gross area of the entry porch (56 square feet).

The three-bedroom apartments consist of two stories and have thirteen (13) rooms including living room, dining room, kitchen, a powder room, three bedrooms, three bathrooms, and three dressing rooms (but not counting the entry hallway and the utility area adjacent to the kitchen as separate rooms), and also have a lanai and a balcony. The three-bedroom apartments have immediate access to the walkway on the grounds through an entry porch and to the grounds through the lanai area on the ground floor. Walkways lead to the driveway and parking stall areas.

The three-bedroom apartments, including the lanai (area 151 square feet) and balcony (area 151 square feet),

have an approximate gross area of 2,335 square feet, which excludes the gross area of the entry porch (48 square feet).

Each townhouse building in the project is designated as "Building 1", "Building 2", and so on, through "Building 6". The location of each building on the site is shown on the plot plan included in the condominium map.

Each apartment number has one of the numbers "1" through "6" and one letter. The number corresponds with the number of the building in which the apartment is located, and the letter indicates the type of apartment and the position of the apartment in its building. Apartments designated "A" and "C" are three-bedroom apartments, while those designated "B" are two-bedroom apartments. The apartments in each building are lettered consecutively from one end of the building to the other. For example, the apartment numbered 1-A is at one end of Building 1, the apartment numbered 1-B is in the center of Building 1, and the apartment numbered 1-C is at the other end of Building 1. The apartment number of each apartment and the building in which it is located is listed below.

<u>Unit Number</u>	<u>Building</u>
1-A, 1-B, 1-C	Building 1
2-A, 2-B, 2-C	Building 2
3-A, 3-B, 3-C	Building 3
4-A, 4-B, 4-C	Building 4
5-A, 5-B, 5-C	Building 5
6-A, 6-B, 6-C	Building 6

USE: The Declaration provides that the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, licensees, families, domestic servants, and social guests, and for no other purpose.

COMMON ELEMENTS: The common elements will include the limited common elements described in the next topical heading, LIMITED COMMON ELEMENTS, and all other portions of the project other than the apartments, and all elements mentioned in the Horizontal Property Act which are actually included in the project including specifically but not limited to:

(a) The land in fee simple described in Exhibit A attached to the Declaration;

(b) All foundations, wooden flooring on ground floors (except for the floor surface thereof within each apartment), supports, and load-bearing walls, (except the inner decorated or finished surfaces of perimeter walls), and roofs;

(c) All outside walkways, parking areas, planted areas, grounds, driveways and roadways;

(d) The swimming pool, clubhouse (including the resident manager's apartment) and tennis court and appurtenant facilities and equipment for each of the foregoing, the lawn sprinkler system, and all ducts and appurtenant installations for common services, including but not limited to power, light, water, gas, sewage treatment plant, sanitary and storm sewers, telephone, master television antenna, and refuse disposal;

(e) All other parts of the project necessary or convenient to its existence, maintenance, and safety, or normally in common use.

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

(a) Each entry porch and each set of steps connected to each lanai of each apartment shall be appurtenant to and for the exclusive use of the apartment to which such entry porch and such set or sets of steps are adjacent.

(b) A parking stall(s) in one of the outdoor parking areas shall be assigned to each apartment upon the original conveyance thereof and shall be appurtenant to and for the exclusive use of the apartment to which it is assigned.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto an undivided percentage interest in all common elements of the project and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting equal to 1/18.

§ OWNERSHIP TO TITLE: The notice of intention reflects that title to the land is vested in the Developer by Deed from Daniel P. S. Fong and Haruo Fujitomo, general partners of "Danny Fong's Spreckelsville Hui", a Hawaii limited partnership, dated July 12, 1973, and recorded in the Bureau of Conveyances of the State of Hawaii on August 2, 1973, in Liber 9364, Page 300.

§ ENCUMBRANCES AGAINST TITLE: The Developer has filed with the Commission a Preliminary Title Report prepared by Title Guaranty of Hawaii, Inc., dated November 27, 1973. The report reflects the following:

(a) RESERVATION in favor of the State of Hawaii of all mineral and metallic mines.

(b) To the location of the seaward boundary in accordance with the laws of the State of Hawaii.

(c) MORTGAGE executed by Developer, as mortgagor, and Daniel P. S. Fong and Haruo Fujitomo, General Partners of "Danny Fong's Spreckelsville Hui", a Hawaii limited partnership, as mortgagee, in the amount of \$355,000.00 dated August 1, 1973 and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9364, Page 305.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement, dated November 30, 1973, between Title Guaranty Escrow Services, Inc., a Hawaii corporation, as "Escrow" and the Developer as "Seller" has been submitted to the Commission as part of the registration. On examination the Sales Contract, in specimen form, and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-15(b).

The provisions of the Escrow Agreement are to be carefully read and understood as follows:

If at the time of the execution of the Sales Contract, a Final Report has not been issued by the Commission with respect to the project, then the following limitations shall apply:

(a) Purchaser's funds obtained prior to the issuance of a Final Report shall be refunded if there is any change in the condominium building plans subsequent to the execution of the Sales Contract, which change requires the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless purchaser's written approval or acceptance of the specific change is obtained.

(b) All rights under the Sales Contract shall not become enforceable against the purchaser until the purchaser has had a full opportunity to read the State Real Estate Commission's Final Public Report on the project, and to obtain refund of any moneys paid by the purchaser as well as release from all obligations under the Sales Contract if the Final Report differs in any material respect from the Preliminary Report.

(c) If the Final Public Report is not issued within one year from the date of the issuance of said Preliminary Report, the purchaser shall be entitled to refund of all moneys paid by him under the Sales Contract without further obligation.

(d) All moneys paid by the purchaser prior to the issuance of said Final Report shall be deposited in trust with the Escrow and the Escrow is hereby instructed that no disbursements shall be made from such trust fund on behalf of the Seller until the Sales Contract has become effective, and the requirements of Sections 514-36 through 39, Hawaii Revised Statutes, have been met.

Also the specimen Sales Contract provides that if construction of the project is not completed on or before December 31, 1975, either Seller or the Buyer may upon fifteen (15) days written notice to the other, terminate the sales contract and all sums paid by the Buyer hereunder shall be refunded without interest.

The specimen Sales Contract also provides that if less than 12 apartments are sold prior to September 1, 1974, Seller may at its option cancel the Sales Contract, in which event Seller will cause Escrow Agent to refund to Buyer all monies paid without interest and Seller and Buyer shall be relieved and released of all further liability under the Sales Contract.

The specimen Sales Contract further provides that if any governmental body or agency having jurisdiction over the project should enact or adopt any law, ordinance, rule or regulation which would materially increase the cost of the project, and if the effective date of such law, ordinance, rule or regulation occurs between the date of execution of the Sales Contract and the date of closing, the Seller has the right, to be exercised within sixty (60) days of the enactment or adoption of such law, ordinance, rule or regulation, to (a) bear the increased cost, in which case the Buyer shall waive any rescission rights contained in the Sales Contract and shall be limited solely to rescission rights provided in Chapter 514, Hawaii Revised Statutes, or (b) rescind the Sales Contract if the Seller chooses not to bear such increased cost. Upon such rescission, all moneys paid by the Buyer under the Sales Contract shall be refunded, without interest or any deduction, and the parties thereunder shall be fully released from all obligations to each other thereunder.

It is incumbent upon the purchaser and the prospective purchaser that he reads, with care, the Sales Contract and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of apartments and all sums from any source are placed in trust, as well as the retention, disbursement and refund of said trust funds.

MANAGEMENT OF THE PROJECT: The By-Laws of the Association of Apartment Owners vest in the Board of Directors the powers and duties necessary for the administration of the overall affairs of the project. The said By-Laws specify that the presence at any meeting in person or by proxy of a majority of apartment owners shall constitute a quorum and at any meeting in which a quorum is present, action by a majority of the voting power represented at such meeting shall be valid and binding on the Association except as otherwise provided in the Declaration or the By-Laws. Voting shall be on a percentage basis and the percentage of the total vote to which each apartment unit is entitled shall be the percentage of the common interests assigned to such apartment unit in the Declaration; and any percentage of apartment

unit owners specified in the By-Laws means the owners of apartment units having the specified percentage of total votes. The Board of Directors of the Association of Apartment Owners may employ necessary personnel to carry out the management and operation of the project. The Sales Contract permits the Developer to appoint a corporate managing agent to manage the project until the election of the Board of Directors.

STATEMENT OF FINANCING: The Developer does not yet have interim financing for construction of the project but is presently engaged in negotiations to obtain same, which are expected to be concluded shortly.

STATUS OF PROJECT: The Developer has executed a construction contract dated November 1, 1973, with C. A. Strouss & Associates, whose post office address is P. O. Box 1771, Kahului, Maui, Hawaii, and construction will commence upon delivery to the contractor by the Developer of a notice to proceed, as required by the construction contract. The Developer advises that construction is expected to commence shortly.

NOTE: The specimen Sales Contract specifically states that Seller has made no representations with respect to its renting or managing the apartment on Buyer's behalf, and if Buyer wishes to rent the apartment to third persons, Buyer will make its own arrangements to do so.

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The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by Developer in the required notice of intention filed December 4, 1973.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 613 filed with the Commission on December 4, 1973.

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

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

Distribution:

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

December 11, 1973

Registration No. 613