

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**

KALEIALOHA
Mahinahina-4
Lahaina, Maui

REGISTRATION NO. 625

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 5, 1973
Expires: January 5, 1975

SPECIAL ATTENTION

A comprehensive reading by the prospective purchaser 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 FILED OCTOBER 9, 1973, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF NOVEMBER 26, 1973. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. Kaleialoha is a proposed leasehold condominium project to consist of a four (4) story building with a partial basement, containing a total of sixty-seven (67) residential apartment units. There shall be seventy-four (74) parking stalls available on the site of the project as common elements.

2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of this Preliminary Public Report.

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

4. The basic condominium documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a copy of the approved Floor Plans) have not been filed in the office of the recording officer.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Horizontal Property Act, 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 the date of issuance, December 5, 1973, unless a Final Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.

NAME OF PROJECT: KALEIALOHA

LOCATION: Mahinahina-4, Lahaina, Maui, with approximately 1.296 acres committed to the regime.

TAX MAP KEY: 4-3-6-13

ZONING: A-2

DEVELOPER: Kaleialoha Development Co., Inc., a Hawaii corporation, the principal place of business and post office address of which is 828-A Judd Street, Honolulu, Hawaii. The officers of the Developer are: Hiram H. S. Pang, President-Secretary, 828-A Judd Street, Honolulu, Hawaii; and Harold Nagai, Vice President-Treasurer, 974 Aulua Road, Kailua, Hawaii.

ATTORNEY REPRESENTING DEVELOPER: Conroy, Hamilton, Gibson, Nickelsen & Rush (Attention: Dwight M. Rush and Ken Harimoto), 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 leasehold condominium project consisting of a four (4) story concrete and concrete block building. There will be sixty-seven (67) freehold estates designated in the spaces within the perimeter walls of each of the 67 apartment units contained in the building, which spaces together with appurtenant lanais, if any, are referred to herein as "apartments", and are designated on said plans and described as follows:

1. The proposed Declaration states that there are 67 apartments, in the 4-story building, with partial basement, with 17 apartment units on each of the 1st through 4th floors of the building (one of the apartments on the first floor for resident manager being a common element).

2. Apartments: The apartments are constructed according to two (2) different types of apartments and each contains the number of rooms and approximate floor areas, according to its respective floor plan, as follows:

(a) Studio Apartments: Apartments 101, 102, 201, 202, 217, 301, 302, 317, 401, 402 and 417 are studio apartments, each containing a studio living area, a bathroom, and a kitchenette, with a total area of approximately 434 square feet. All studio apartments are built according to the same floor plan, except that the floor plan according to which Apartments 102, 202, 302 and 402 are constructed is the reverse of the floor plan according to which all of the other studio apartments are constructed.

(b) One-Bedroom Apartments (First Floor): (a) Apartments 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114 and 115 each contains one bedroom, a bathroom, a living room, kitchenette and lanai and a total area of approximately 752 square feet, including the lanai, except that Apartment 104 has a total area of 657 square feet, including the lanai, and Apartment 115 has a total area of 723 square feet, including the lanai; (b) Apartments 103 and 116 each contain one bedroom, a bathroom, a living room and a kitchenette. Apartment 103 contains a total area of approximately 550 square feet and Apartment 116 contains a total area of approximately 598 square feet. All such apartments are constructed in accordance with the same floor plan, except that the floor plans according to which the odd numbered apartments are constructed is the reverse of that in accordance with which the even numbered apartments are constructed.

(c) One-Bedroom Apartments (Upper Floors): Apartments 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415 and 416 each contains one bedroom, one bathroom, a living room and kitchenette, each contains a total area of approximately 598 square feet. All such apartments are constructed in accordance with the same floor plan except that the floor plans according to which the odd numbered apartments are constructed is the reverse of that in accordance with which the even numbered apartments are constructed.

3. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve any other

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, the inner decorated or finished surfaces of all walls, floors and ceilings, any adjacent lanai or planter area shown on said Condominium File Plan, and all fixtures originally installed therein.

COMMON ELEMENTS: The Declaration provides that one freehold estate is thereby designated in all remaining portions of the project, therein called the "common elements", including specifically but not limited to:

- (a) Said land in fee simple;
- (b) All foundations, columns, beams, supports, load-bearing walls, roofs, chases, entry halls, stairs, walkways, entrances and exits of said building;
- (c) All yards, grounds, landscaping and refuse areas;
- (d) All parking areas;
- (e) 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;
- (f) Swimming pool and adjacent areas;
- (g) Apartment No. 117 designated on said plans shall be reserved for use by the Resident Manager of the project;
- (h) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: The Declaration provides that certain parts of the common elements, therein called the "limited common elements", are thereby 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:

- (a) Each entry hallway adjoining an apartment or apartments shall be appurtenant to and for the exclusive use of such apartment or apartments which it adjoins; and
- (b) The corridors and elevator lobbies on any apartment floor above the ground floor shall be appurtenant to and for the exclusive use of the apartments on such floor.

INTEREST TO BE CONVEYED TO PURCHASERS: The specimen declaration states that the undivided interests in the common elements appertaining to each apartment are as follows:

<u>Apartment Number</u>	<u>Percentage of Undivided Interest</u>
All studio apartments	1.153%
One bedrooms - 1st floor	
Apartment 103	1.52%
all other apartments	1.56%
One bedrooms - upper floors	1.56%

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE. The proposed Declaration states that the residential apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families and social guests, and for no other purpose. The owners of the respective residential apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration.

OWNERSHIP OF TITLE: The Developer in its Notice of Intention represents that the owner of the fee simple title to the property committed to the project is William K. Buchanan, Jr., Trustee of the Will and of the Estate of William K. Buchanan, Sr., deceased, hereinafter called the "Owner". A Lease was issued by the predecessor in interest of the Owner to Hiram H. S. Pang, Harold Nagai and Jo Paul Rognstad by Indenture dated October 17, 1972, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 8695, Page 1. Said Lease was amended by instrument dated October 20, 1972, recorded in Liber 8695, Page 18. By Instrument dated October 5, 1973, recorded as aforesaid in Liber 9580, Page 344, said lease was assigned to the Developer, Kaleialoha Development Co., Inc.

ENCUMBRANCES AGAINST TITLE: The policy of title insurance issued by Title Insurance and Trust Company, dated November 5, 1973, as submitted to the Commission, provides that the following are encumbrances against title to the property:

1. Real property taxes for the fiscal year July 1, 1973 - June 30, 1974; not yet due and payable;
2. The reservation in favor of the State of Hawaii of all mineral and metallic mines;
3. Mortgage dated November 1, 1973, recorded in Liber 9580 at Page 354, made by Kaleialoha Development Co., Inc. to Fidelco Growth Investors, to secure the repayment of the sum of \$1,950,000.00. Consent by Lessor dated November 1, 1973, recorded in Liber 9580 at Page 392;
4. Assignment by Kaleialoha Development Co., Inc. to Fidelco Growth Investors, any and all purchase agreement now existing or hereafter made, as additional security for repayment of mortgage. Instrument dated November 1, 1973 and recorded in Liber 9580 at Page 401.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated November 23, 1973, between National Escrow & Title Corporation, as "Escrow", and Kaleialoha Development Co., Inc., as "Seller", has been filed with the Commission. On examination, the executed Escrow Agreement, as well as the specimen Condominium Reservation Agreement, Deposit, Receipt and Contract, filed with the Commission is found to be in compliance with Chapter 514, Hawaii Revised Statutes. 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 cancellation fee, 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 the Developer to return to purchaser the funds of such purchaser then held thereunder; or (2) if the request is prior to the time the Final Public Report is issued or if after such time, the Final Report differs in any material respect from the Preliminary Report, unless the purchaser has given written approval or acceptance of the differences; or (3) if the Final Report is not issued within one year from the date of issuance of the Preliminary Report. It is incumbent on the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the Condominium Reservation Agreement, Deposit, Receipt and Contract, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchasers' funds. The specimen sales agreement specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided.

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 initial managing agent has not as yet been selected.

STATUS OF PROJECT: Complete and final plans and specifications are in the process of preparation. The Developer expects to enter into a contract for construction of the project in the near future.

The purchaser should be cognizant of the fact that the Developer by its sales agreement has reserved the right to cancel the sales agreement if it shall have sold less than 45 units on or before June 1, 1974, or in any event, if it is prevented by law from proceeding with construction of the project.

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 October 9, 1973, and additional information subsequently filed as of November 26, 1973.

This is a PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 625 filed with the Commission on October 9, 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 yellow.

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

Distribution:

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

REGISTRATION NO. 625

December 5, 1973