REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

SUPPLEMENTARY
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT

on
VALLEY ISLE RESORT CONDOMINIUM
Kahana, Lahaina, Maui, Hawaii

Registration No. 635

This Report Is Not an Approval or Disapproval of This Condominium Project

It was prepared as a supplement to an earlier Report dated December 28, 1973, **issued by the Real Estate Commission on the above 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: April 24, 1975
Expires: July 28, 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 NOVEMBER 16, 1973, AND INFORMATION SUBSEQUENTLY FILED AS OF APRIL 21, 1975. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Final Public Report of December 28, 1973, on Valley Isle Resort Condominium, Registration No. 635, the Developer reports that changes have been made in the management of the project as presented in the November 16, 1973, notice of intention to sell.

The changes subsequently made are determined to be a material revision to the information disclosed earlier. This Supplementary Public Report (pink paper stock) amends the Final Public Report (white paper stock), becoming a part of the Valley Isle Resort Condominium registration. The Developer is responsible for placing a true copy of this Supplementary Public Report in the hands of all purchasers and prospective purchasers, along with a copy of the Final Public Report. The buyer shall sign the required receipt (RECO Form 25) signifying that he has had an opportunity to read the two reports.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration and the updating of information disclosed therein.

3. 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, dated September 28, 1973, with the By-Laws of the Association of Apartment Owners, was filed with the Bureau of Conveyances of the State of Hawaii in Liber 9615 at Page 484. The Amendment to the Declaration of Horizontal Property Regime, dated March 30, 1975, was recorded in Liber 10550, at Page 163.

   The Bureau of Conveyances has assigned to the project Condominium Map No. 322.

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

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 promulgated thereunder which relate to Horizontal Property Regimes.

6. This Supplementary Public Report automatically expires on July 28, 1975, unless another supplementary public report is issued or the Commission upon review of the registration issues another order extending the effective period of this report.

   In a letter dated January 23, 1975, the Commission extended the effective period of the Final Public Report to July 28, 1975.

The information in the topical headings DEVELOPER, DESCRIPTION, COMMON ELEMENTS, LIMITED COMMON ELEMENTS, PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE, and ENCUMBRANCES AGAINST TITLE in the Final Public Report dated December 28, 1973, has been amended. Information disclosed in the remaining topical headings of the said Final Public Report have not been disturbed.

DEVELOPER: Leitch Valley Isle Investors, a California limited partnership duly registered to conduct business in Hawaii.

General Partners: Art S. Leitch, 2876 El Cajon Blvd., San Diego, California

J. Andrew Kitzman, 6940 Alvarado Road, La Mesa, California 92041

Lowell De Weese, 4832 Alzeda Drive, La Mesa, California 92041

Bert L. Fields, 5050 Caywood, San Diego, California 92117

Address: RR 1, Lahaina, Maui, Hawaii

Telephone: 669-8711

Leitch Valley Isle Investors has succeeded San Diego-Valley Isle Group as the Developer.

DESCRIPTION: The Declaration of Horizontal Property Regime, as amended, reflects that the project is to consist of one hundred twenty (120) residential apartments arranged throughout a twelve-story structure, hereinafter called "Building B", situated upon the 3.054 acres of land hereinbefore described. 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 area of the lanai of each apartment; and measured vertically by the distance between the topside surface of the concrete floor and the underside surface of the ceiling.

The principal materials of which the said building shall be constructed are as follows: (1) the foundation shall be of prestressed concrete piles, concrete pile caps and grade beams, concrete floor; (2) the floor slabs above the ground floor shall be of concrete; (3) the structural framewalls shall be of concrete block and lode bearing masonry; (4) the walls between apartments, and between apartments and the corridors, shall be of metal studs with gypsum board and concrete block; (5) the walls within each apartment shall be of metal studs with gypsum board; (6) the stairs shall be of reinforced concrete; (7) the roof shall be of concrete with a four-foot high parapet along the perimeter of the roof; and (8) the concrete floors shall be covered with carpet or trowelled concrete.

A two-story commercial facilities building, hereinafter called "Building A", covering a ground area of 10,745 square feet, will also be erected on said property. The commercial apartment shall consist of the entire two-story building, which is designed to contain a restaurant, a cocktail lounge and bar, shops and a lobby and a small office space. The Association of Unit Owners shall have license to use the lobby and manager's office in Building A but said license may be revoked if the said office is not used exclusively to manage the operation of the residential apartment building.

Building A shall be a two-story wood frame type V structure with a one hour fire rating. The foundation shall be concrete and the second floor shall be wood with concrete over it. The exterior walls shall be wood siding and wood sawn shingles, while the interior walls shall be gypsum board.

Between the two buildings, there is an open recreation knoll area containing a swimming pool and sun deck.

One hundred twenty (120) individual "apartments" hereby established shall be within Building B. Each Floor of said building shall contain 10 apartments -- 2 studio apartments, 6 one-bedroom apartments and 2 two-bedroom apartments. Each unit will have carpets, drapes, and a full complement of kitchen appliances.

The apartments in Building B are numbered as follows:

FIRST FLOOR: 101, 102, 103, 104, 105, 106, 107, 108, 109, 110

SECOND FLOOR: 201, 202, 203, 204, 205, 206, 207, 208, 209, 210

THIRD FLOOR: 301, 302, 303, 304, 305, 306, 307, 308, 309, 310

FOURTH FLOOR: 401, 402, 403, 404, 405, 406, 407, 408, 409, 410

FIFTH FLOOR - NINTH FLOOR - same system

TENTH FLOOR: 1001, 1002, 1003, 1004, 1005, 1006, 1007, 1008, 1009, 1010

ELEVENTH FLOOR: 1101, 1102, 1103, 1104, 1105, 1106, 1107, 1108, 1109, 1110

TWELFTH FLOOR: 1201, 1202, 1203, 1204, 1205, 1206, 1207, 1208, 1209, 1210

Apartments with numbers whose last digit is a 6 or 7 shall be a studio unit and those whose numbers end with a 3 or 8 shall be two-bedroom apartments. The other apartments shall be one-bedroom apartments.

The respective apartment units shall contain the following:

Studio Units: Combination Living-Sleeping Room area, kitchenette, bathroom, lanai.

One-Bedroom Units: One Bedroom, Combination Dining-Living Room area, kitchen, bathroom, lanai.

Two-Bedroom Units: Two Bedrooms, Combination Dining-Living Room area, kitchen, two bathrooms, lanai.

The studio apartments shall have 480 square feet of living area and 112 square feet of lanai for a total area of 592 square feet. The one-bedroom apartments shall have 768 square feet living area and 112 square feet of lanai for a total area of 880 square feet. The two-bedroom units shall have 1040 square feet living area and 112 square feet of lanai for a total area of 1,152 square feet.

All of the apartments shall have immediate access to the open hallway immediately adjacent to and connecting the apartments on each story, elevators, stairways and lobbies.

COMMON ELEMENTS: The Declaration, as amended, reflects that the common elements include:

a. Said land;

b. Parking area for 143 cars and driveways;

c. Sewage disposal system;

d. All pipe and equipment relating to the distribution of water, except as designated herein as limited common elements.

e. Primary electrical switch gear and transformer vaults.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, called and designated "limited common elements" in the Declaration are set aside and reserved for the exclusive use of certain apartments and such apartments will have appurtenant thereto an exclusive easement for the use of such limited common elements.

a) The limited common elements so set aside and reserved for the exclusive use of the apartment owners of the 12-story building are:

(i) All foundations, columns, girders, beams, supports, bearing walls, roofs, passageways, lobbies, hallways, stairs, walkways, elevators, entrances and exits of said 12-story building;

(ii) Swimming pool and yard area;

(iii) Trashrooms and refuse area for 12-story building;

(iv) All ducts, electrical equipment, wiring, piping and other appurtenant installations for services, including power, water, light, and telephone for the 12-story building;

(v) All other elements and facilities in use or necessary to the existence, upkeep and safety of the 12-story building.

b) The limited common elements so set aside and reserved for the exclusive use of the owner of the commercial apartment are:

(i) All foundations, columns, girders, beams, supports, bearing walls, roofs, passageways, lobbies, hallways, stairs, walkways, elevators, entrances and exits of said two-story building;

(ii) Refuse area for the said two-story building;

(iii) All ducts, electrical equipment, wiring, piping, and other appurtenant installations for services, including power, water, light, refuse and telephone for said two-story building;

(iv) All other elements and facilities in use or necessary to the existence, upkeep and safety of the said two-story building.

In addition, the entry hallway adjoining an apartment or apartments in the 12-story building are also set aside and

reserved as limited common elements, and shall be appurtenant to and for the exclusive use of such apartment or apartments which it adjoins.

The commercial apartment owner (Building A) and the residential apartment owners (Building B) shall be responsible for all expenses incurred in the repair and maintenance of their respective limited common elements. Further, no amendment adversely affecting the commercial apartment owner in relation to the residential apartment owners shall be made to the Declaration and By-Laws of the Association of Unit Owners without the consent of the commercial apartment owner.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration reflects that the residential apartments shall be occupied and used by the respective owners as and for living accommodations and for such other use as the Board of Directors of the Association of Unit Owners shall allow. The commercial apartment shall be used for such commercial purposes as determined by its owner. However, the Association of Unit Owners shall have a license to utilize the lobby and manager's office space in the two-story building and an easement of entry and access thereto so long as such office is used exclusively for the purpose of managing the operation of the 12-story building for the owners of residential apartments and for the maintenance of the project as a whole. Such license, easement and use shall be nontransferable. The said license, easement and use is granted to the apartment owners of the 12-story building in consideration of their continued obligation to pay all expenses of the grounds maintenance, external lighting and security for the common areas.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report, prepared April 8, 1975, by Title Guaranty of Hawaii Incorporated, certifies that there are no liens or encumbrances of whatever kind or nature or record against said title, save and except the following: (a) Real property taxes, second installment, fiscal year July 1, 1974 - June 30, 1975. Tax Keys: 4-3-10-6 (2) covers Parcel First; 4-3-10-5 (2) covers Parcel Second; and 4-3-10-4 (2) covers Parcel Third; (b) The reservation in favor of the State of Hawaii of all mineral and metallic mines; (c) The location of the seaward boundary in accordance with the law of the State of Hawaii; (d) Covenants, conditions and restrictions and other provisions set forth in Declaration of Horizontal Property Regime dated September 28, 1973, recorded in Liber 9615 at Page 484 and By-Laws attached thereto as the same are or may hereafter be amended in accordance with law, said Declaration or By-Laws. Project covered by Condominium Map No. 322. Said Declaration was amended by instrument dated March 30, 1975, and recorded in said Bureau of Conveyances in Liber 10550 on Page 163; (e) Terms, agreements, reservations, covenants, conditions and provisions contained in Lease dated February 18, 1969, and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 6456 at Page 321, and amended by instrument dated August 25, 1970, and recorded in said Bureau of Conveyances in Liber 7270 at Page 244, and a second indenture dated September 9, 1973, recorded in said Bureau of Conveyances in Liber 9615, at Page 472; (f) Mortgage from Valley Isle Hotel Corporation ("V.I.H. Corp."), a Hawaii corporation, as Mortgagor, and First Chicago Realty Services Corporation ("First Chicago"), a Delaware corporation, as Mortgagee, dated March 12, 1965, and recorded in said Bureau of Conveyances in Liber 10535, at Page 521, in the amount of $5,000,000.00, together with a Financing Statement

from V.I.H. Corp. to First Chicago, recorded in said Bureau of Conveyances in Liber 10535, at Page 567, and an Assignment of Rents, Leases and Profits from Leitch Valley Isle Investors, a California limited partnership, and V.I.H. Corp., as Assignors, and First Chicago, as Assignee, dated March 12, 1975, and recorded in said Bureau of Conveyances in Liber 10535, at Page 554; (g) Second Mortgage on Building A from Leitch-Kahana Investors, a California limited partnership, as Mortgagor, and Myron A. Resnick, as Mortgagee, dated March 12, 1975, and recorded in said Bureau of Conveyances in Liber 10535, at Page 572, in the amount of $169,235.59.

STATUS OF PROJECT: The construction of the project has been completed as certified by a Notice of Completion filed with the Second Circuit Court on December 26, 1974.

The purchaser or prospective purchaser should be cognizant of the fact that this report represents information disclosed by the Developer in the required Notice of Intention submitted November 16, 1973, and information subsequently filed as of April 21, 1975.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 635 filed with the Commission on November 16, 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 pink in color.

Douglas R. Sodetani

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

Distribution:

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

REGISTRATION NO. 635
April 24, 1975