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

THE WHALER ON KAANAPALI BEACH
(TOWER TWO)
Kaanapali, Maui, Hawaii

REGISTRATION NO. 642

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: December 3, 1974

Expires: January 3, 1976

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 11, 1973 AND INFORMATION SUBSEQUENTLY FILED AS OF NOVEMBER 27, 1974. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on THE WHALER ON KAANAPALI BEACH (TOWER TWO), Registration No. 642, dated January 9, 1974, the Developer has prepared and forwarded additional information to that filed in the December 11, 1973 submittal.

This Final Public Report is made a part of the registration and the Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers receiving the Preliminary Public Report (yellow paper stock). The purchaser or prospective purchaser should realize that this Final Public Report is issued with respect only to Tower Two of the project and shall be used in connection with sales of apartment units in Tower Two only.

Securing a signed copy of the Receipt for Horizontal Property Regimes Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

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

3. Advertising and promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.

4. The basic documents (Declaration of Horizontal Property Regime, Amendment of Declaration of Horizontal Property Regime ("Tower Two Amendment"), 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, together with the By-Laws of the Association of Apartment Owners attached thereto, and the Amendment of Declaration of Horizontal Property Regime ("Tower Two Amendment"), were filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document Nos. 700661 and 700662, respectively, and Condominium Map No. 233 has been designated to the project by said Office.

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 Final Public Report automatically expires thirteen (13) months after date of issuance, December 3, 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 has not changed, except for DEVELOPER, DESCRIPTION, COMMON ELEMENTS, OWNERSHIP TO TITLE, ENCUMBRANCES AGAINST TITLE, STATEMENT OF FINANCING and STATUS OF PROJECT.

DEVELOPER: The Developer has informed the Commission that Kaanapali Investment, Inc., a Washington corporation, 1125 Denny Building, 2200 Sixth Avenue, Seattle, Washington 98121 (Tel: (206) 682-2143) has been admitted as a new venturer to the Developer, pursuant to the Amendment to Joint Venture Agreement, dated December 28, 1973, by and among West Maui Properties, Inc., Kaanapali Realty Company, Inc., Kaanapali Investment, Inc., Amfac, Inc., Hadley Properties, Inc., and Richard H. Hadley.

DESCRIPTION: The Developer will not be furnishing to the purchaser of apartments any options with respect to built-in fixtures; each apartment will contain the same built-in fixtures.

COMMON ELEMENTS: There will be no mail boxes in the project.

OWNERSHIP TO TITLE: The Declaration of Trust, dated October 11, 1972, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii on October 13, 1972, as Document No. 602139, has been amended by Amendment to Declaration of Trust, dated November 1, 1974, and filed in said Office on November 4, 1974, as Document No. 700660. The effect of the Amendment to Declaration of Trust is to reflect the addition of Kaanapali Investment, Inc., a Washington corporation qualified to do business in Hawaii, to the Developer.

ENCUMBRANCES AGAINST TITLE: The Developer has filed with the Commission a title search report prepared by Hawaii Escrow and Title, Inc., November 4, 1974. The updated title search report certifies that title to the land committed to the regime is subject to the following:

(a) TAXES for the year 1974-1975 are a lien.

(b) RESERVATION of all mineral or metallic mines of every description to the Hawaiian Government; said reservation, however, being subject to that certain covenant that neither the State of Hawaii nor persons authorized by it will enter, occupy or use the said land for the exercise of the reserved mineral and mining rights for a period of 75 years from January 1, 1960, as contained in the certain instrument dated January 29, 1960 and recorded in the Office of the Registrar of Conveyances in Book 3822, Page 37.

(c) EASEMENT "6" for utility purposes, as shown on Maps 2 and 12, as set forth by Land Court Order No. 18960, filed April 27, 1961.

(d) EASEMENT "32" for storm drainage purposes, over and across Lot 49 shown on Map 12, and set forth by Land Court Order No. 27504.

(e) RESERVATION IN DEED executed by Pioneer Mill Company, Ltd., in favor of Amfac, Inc., dated October 11, 1967, filed October 16, 1967 as Land Court Document No. 428919.

(f) DECLARATION OF TRUST dated October 11, 1972, filed October 13, 1972 as Land Court Document No. 602139, pursuant to which Amfac, Inc., holds said property, including any after acquired interest therein, until December 31, 2051, as Trustee for Developer.

AMENDMENT TO DECLARATION OF TRUST, dated November 1, 1974, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii on November 4, 1974, as Document No. 700660.

(g) MORTGAGE executed by Amfac, Inc., as owner in fee simple of the said property, and as Trustee for the Developer, under and by virtue of the certain Declaration of Trust dated October 11, 1972 and filed as Land Court Document No. 602139, and Developer, in favor of Amfac Mortgage Corporation in the amount of $10,000,000.00 dated August 7, 1973 and filed August 14, 1973 as Land Court Document No. 643810.

(h) DECLARATION OF HORIZONTAL PROPERTY REGIME, dated November 4, 1974, as Document No. 700661, and By-Laws attached thereto. The said Office has designated Condominium Map No. 233 to the project.

AMENDMENT OF THE DECLARATION OF HORIZONTAL PROPERTY REGIME ("TOWER TWO AMENDMENT"), dated November 1, 1974, and filed in said Office on November 4, 1974, as Document No. 700662.

STATEMENT OF FINANCING: The Statement of Program of Financing submitted by the Developer reflects that the Developer's costs for both towers will be $14,875,500. Of this sum, a maximum of $10,000,000 will be available through a construction loan from Amfac Mortgage Corporation, and the balance through Developer's own resources. Costs will be paid from sales proceeds realized from sales of the apartments in the project. The Statement of Financing also

reflects that the Developer has obtained a commitment for permanent financing from Amfac Financial Corp., a Hawaii corporation, to a maximum of $19,500,000.

STATUS OF PROJECT: The Developer advises that construction of Tower Two of the project commenced in June, 1974, and estimates that construction will be completed approximately 20 months after commencement of construction. The Developer has filed with the Commission a 100% Completion Bond.

The purchaser or prospective purchaser should be cognizant of the fact this published report represents information disclosed by the Developer in the required Notice of Intention submitted December 11, 1973 and information subsequently filed as of November 27, 1974. The information disclosed in the Commission's Preliminary Public Report of January 9, 1974, should be carefully reviewed by purchasers and prospective purchasers.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 642 filed with the Commission December 11, 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.

(for) 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

December 3, 1974

Registration No. 642