REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
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FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

KAMAOLE NALU
South Kihei, Kamaole, Kihei
Maui, Hawaii

Registration No. 647

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: July 10, 1974
Expires: August 10, 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 ON DECEMBER 31, 1973 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF JULY 1, 1974. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514, HRS, AS AMENDED.

1. Kamaole Nalu is a proposed leasehold residential condominium having thirty-six (36) units arranged in a single six-story structure. 36 parking stalls are available as part of the common elements hereinafter described.

2. Since the issuance of the Commission's Preliminary Public Report of March 7, 1974, the Developer has forwarded additional information on the project.

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

4. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, HRS, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

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

6. The basic documents (the Declaration of Horizontal Property Regime and the covenants, restrictions and By-Laws and a copy of the approved floor plans) have been recorded in the Bureau of Conveyances. The Declaration of Horizontal Property Regime, together with the By-Laws were recorded in the Bureau of Conveyances in Liber 9886, at Page 429, and the Bureau of Conveyances has designated Condominium Map No. 354 to the Kamaole Nalu project as of May 10, 1974.

7. This Final Public Report (white paper stock) amends the Preliminary Public Report (yellow paper stock), becoming a part of the registration on Kamaole Nalu condominium project. The Developer has the responsibility of placing a true copy of this Final Public Report in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for both the Preliminary and Final Horizontal Property Regime Public reports from each purchaser and prospective purchaser is also the responsibility of the Developer.

8. This Final Public Report automatically expires thirteen (13) months from the date of issuance, July 10, 1974, unless a supplementary report is published 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 of March 7, 1974, with the exception of OWNERSHIP OF TITLE, ENCUMBRANCES AGAINST TITLE, CONTRACTOR, and STATUS OF PROJECT, has not been disturbed. A new section, FINANCING OF PROJECT, has been added.

OWNERSHIP OF TITLE: The Developer reports that title is vested in Harriette H. Joesting, wife of Edward H. Joesting, as confirmed by Mortgagee's Title Insurance Policy dated May 10, 1974 issued by Lawyers Title Insurance Corporation through its Hawaii agent, Long & Melone, Ltd., in favor of the Hawaii National Bank, Honolulu.

ENCUMBRANCES AGAINST TITLE: Developer has submitted a Mortgagee's Title Insurance Policy dated May 10, 1974 prepared and issued by Long & Melone, Ltd., a licensed abstractor, which discloses the following encumbrances:

1. Restriction contained in Land Patent Grant No. 12,290 "for residence purposes only". [Developer has been advised by counsel that this restriction has expired and shall have no force and effect under Chapter 171-63(b), HRS.]

2. Mortgage dated April 2, 1974 in favor of Hawaii National Bank, Honolulu, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9886, at Page 434.

3. Development Agreement dated April 17, 1974 between Harriette H. Joesting and Kamaole Nalu Development Company, a registered general partnership, recorded in said Bureau of Conveyances in Liber 9886, at Page 429.

4. Covenants, conditions, restrictions, terms, agreements, obligations, reservations and provisions contained in the Declaration of Horizontal Property Regime dated March 29, 1974, together with the By-Laws of the Association of Apartment Owners, recorded in said Bureau of Conveyances in Liber 9889, at Page 534, and the approved floor plans for said project being designated and filed as Condominium Map No. 354.

5. Taxes that may be due and owing and a lien on the land.

CONTRACTOR: The contractor for the project shall be Harvis Construction, Inc., who has entered into a Construction Contract with Developer dated February 14, 1974 and has posted a Performance and Payment Bond issued by Argonaut Insurance Company as surety, equal to 100% of the cost of construction.

FINANCING OF PROJECT: The Developer has filed with the Commission a statement showing the estimated total project costs, which costs will be met and paid by the proceeds from the sales of apartment units.

The basic payment terms and conditions for the purchase of an apartment are as follows: Each purchaser will pay 20% of the purchase price of the apartment unit in cash, and the balance of the purchase price may be financed through an apartment loan

with Hawaii National Bank repayable on a 29 1/2-year term at the then current prevailing mortgage loan rate of interest. Payment terms for an owner-occupant purchaser will be 10% of the purchase price in cash and the balance through an apartment loan with Hawaii National Bank. Provisions for the take-out financing for the Kamaole Nalu condominium project purchasers are set forth in a commitment letter dated March 1, 1974 issued by the Hawaii National Bank and accepted by the Developer on March 15, 1974, a copy of which has been placed on file with the Commission.

Downpayment monies and proceeds from the individual mortgage loans will be placed in escrow with Crown Escrow, Inc., and will be released from Escrow for payment of project expenditures only upon consent of the mortgagee as set forth in the Escrow Agreement. The Escrow Agreement with Crown Escrow, Inc. sets forth all of the terms, conditions, and limitations governing the expenditure of funds from Escrow to pay for the cost of said project, and is in compliance with the requirements of Section 514-15(6) of the Hawaii Revised Statutes.

STATUS OF PROJECT: An interim construction loan has been funded by Hawaii National Bank secured by a mortgage dated April 2, 1974, recorded in the Bureau of Conveyances in Liber 9886, at Page 434. Construction of the project was commenced by Harvis Construction, Inc. on May 10, 1974 and the construction contract requires completion of the construction within twelve (12) months after the date of commencement of construction.

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 December 31, 1973, and additional information subsequently filed with the Commission as of July 1, 1974.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 647 filed with the Commission on December 31, 1973.

The 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
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PLANNING DEPARTMENT, COUNTY OF MAUI
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ESCROW AGENT

Date: July 10, 1974
Registration No. 647