

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**

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 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: March 7, 1974
Expires: April 7, 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 MARCH 5, 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, BY ACT 16, SESSION LAW 1972, AND ACT 107, ACT 112, SESSION LAWS 1973.

1. The registration is in compliance with the requirements of law and regulations. The Developer has given the Commission adequate information on his intention to offer the described and existing dwelling units for sale.
2. 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.
3. No 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 Preliminary 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 not been filed in the office of the recording officer. The Developer reports that the basic documents will be filed in the Bureau of Conveyances, State of Hawaii, after the mortgage securing the construction loan is recorded.
7. This Preliminary Public Report is made a part of the registration on Kamaole Nalu condominium project. The Developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for the Final Horizontal Property Regime Public report from each purchaser and prospective purchaser when it is issued is also the responsibility of the Developer.
8. This Preliminary Public Report automatically expires thirteen (13) months from the date of issuance, March 7, 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.

NAME OF PROJECT: KAMAOLE NALU

LOCATION: The project is located on the South Kihei Road, Kamaole, Kihei, Island of Maui, State of Hawaii, and containing an area of 0.78 acres or thereabouts.

TAX KEY: Second Division 3-9-05-08

ZONING: HM (Hotel Medium)

DEVELOPER: The Notice of Intention reveals the Developer to be a registered general partnership known as Kamaole Nalu Development Company. It further reveals the general partner to be Harriette H. Joesting and Develco Corporation, and the partnership address is Suite 999, Pacific Trade Center, 190 South King Street, Honolulu, Hawaii 96813.

ATTORNEY REPRESENTING DEVELOPER: Ted T. Tsukiyama, Suite 887, Kendall Building, 888 Mililani Street, Honolulu, Hawaii 96813, telephone 531-5032.

DESCRIPTION OF PROJECT: This is a leasehold residential condominium apartment housed in a single six-story structure. The building shall contain 36 apartment units, each apartment consisting of two bedrooms and two baths, and containing a living area of 900 sq. ft., inclusive of lanai area of 126 square feet. Each apartment unit shall be furnished with carpets, drapes and a full complement of kitchen appliances consisting of refrigerator, dishwasher, waste disposal, range and oven, and water heater, and washer-dryer. All 36 units are virtually identical. The apartments on each floor shall be arranged in a single-loaded corridor and will be served by an elevator.

The apartments shall be arranged and numbered as follows:

FIRST FLOOR:	101, 102, 103, 104, 105, 106
SECOND FLOOR:	201, 202, 203, 204, 205, 206
THIRD FLOOR:	301, 302, 303, 304, 305, 306
FOURTH FLOOR:	401, 402, 403, 404, 405, 406
FIFTH FLOOR:	501, 502, 503, 504, 505, 506
SIXTH FLOOR:	601, 602, 603, 604, 605, 606

The site will contain 36 parking stalls which shall be used by the apartment owners or occupants on an unassigned basis.

The owner of the respective apartments shall not be deemed to own the undecorated and/or unfinished surfaces of the perimeter walls, floors, and ceilings surrounding his respective apartment, nor shall said owner be deemed to own pipes, wires, conduits or other public utility lines running through said respective apartments which are utilized for, or serve more than one apartment, except as tenants in common with the other apartment owners as heretofore provided. Said owner, however, shall be deemed to own the walls and partitions which are contained in said owner's respective apartment, and also shall be deemed to own the inner decorated and/or finished surfaces of the perimeter walls, floors and ceilings, including plaster, paint, wallpaper, etc.

Each apartment shall have access to the common areas and facilities.

COMMON AREAS AND FACILITIES: The proposed Declaration states that within the condominium project, owners will have the use of certain common areas and facilities (common elements) in addition to the specific apartment unit.

The common elements of the project, excluding the 36 individual apartment units, will include a leasehold estate in the structure and the property upon which it is located, and specifically includes, but is not limited to, the foundations, beams and supports, girders, walls, roofs, main walls, bearing walls, floors and ceilings, entrances and exists of said building, staircases, elevators and elevator shafts, lobbies, halls, parking area, yards, refuse area, swimming pool, and sewage disposal system; all ducts, electrical equipment, wiring and other central and appurtenant installations for services, including power, light, water, disposal, telephone, water tanks and pumps or the like, or other public utility lines, and all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the building.

RESTRICTED COMMON AREAS AND FACILITIES. The restricted common areas and facilities (limited common elements) allocated for the restricted uses of the respective apartments are as follows: The adjoining walkways, halls or passage ways to each apartment unit will be allocated for the benefit of the respective apartment units on each floor.

PERCENTAGE OF UNDIVIDED OWNERSHIP TO BE CONVEYED: Developer advises that each of the 36 apartment purchasers will receive an apartment lease conveying and demising a leasehold estate to the specific apartment unit purchased. The proposed Declaration reflects that the percentage of undivided interest in the common areas and facilities of whatever kind appertaining to each apartment owner for all purposes shall be an undivided one-thirty-sixth (1/36th) interest per apartment unit.

USE: The proposed Declaration reflects that each apartment shall be occupied and used by the respective owners or occupants only as provided by the laws of the State of Hawaii and the ordinance of the County of Maui and for no other purpose.

OWNERSHIP OF TITLE. The Developer reports that title is vested in Harriette H. Joesting, wife of Edward H. Joesting, as confirmed by Preliminary Title Report issued by Long & Melone, Ltd. dated November 16, 1973.

ENCUMBRANCES AGAINST TITLE: Developer has submitted a Preliminary Title Report dated November 16, 1973 prepared by Long & Melone, Ltd., a licensed abstractor, which discloses the following encumbrances:

1. Restriction contained in Land Patent Grant No. 12,290. [Developer has been advised by counsel that this restriction shall have no force and effect under Chapter 171-63(b), HRS.]
2. Mortgage and Financing Statement dated October 5, 1972 in favor of First Hawaiian

Bank, recorded in the Bureau of Conveyances, State of Hawaii, in Liber 8647, at Page 391.

3. Additional Charge Mortgage dated November 20, 1973 in favor of First Hawaiian Bank, recorded in said Bureau of Conveyances in Liber 9612, at Page 319.
4. Taxes that may be due and owing and a lien on the land.
5. Rights or claims of parties in possession and easements or claims of easements not shown by the public records, boundary line disputes, overlaps, encroachments, and any matters not of record which would be disclosed by an accurate survey and inspection of the premises.
6. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

NOTE: Items 5 and 6 will not be included in policy provided an up-to-date survey and surveyor's report are furnished and personal inspection of the premises discloses no adverse matters.

Developer advises that the said Mortgage and Financing Statement, and Additional Charge Mortgage shall be paid off and released at or prior to the lending of the construction loan mortgage for the proposed project.

PURCHASE MONEY HANDLING. Developer has filed an Escrow Agreement dated December 31, 1973, as part of the registration which identifies Crown Escrow, Inc., a Hawaii corporation, as Escrow Agent. Upon examination, the Escrow Agreement and specimen Sales Contract are found to be in compliance with the provisions of Chapter 514, HRS, as amended, and that the conditions referring to the issuance of a Preliminary and Final Public Report have been complied with.

Among other provisions, the Escrow Agreement provides 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 \$25.00 cancellation fee, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred: (a) Escrow received a written request from Seller to return to purchaser the funds of such purchaser then held hereunder by Escrow; or (b) if a purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the condominium building plans, subsequent to the execution of purchaser's Sales Contract, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless the purchaser has given written approval or acceptance of the specific

change; or (c) if a purchaser's funds were obtained prior to the issuance of a Final Public Report, and the request is prior to the time the Final Public Report is issued; or (d) if the Final Public Report differs in any material respect from the Preliminary Public Report, unless the purchaser has given written approval or acceptance of the difference; or (e) if the Final Public Report is not issued within one year from the date of issuance of the Preliminary Public Report. Upon refund of said funds to purchaser as aforesaid, Escrow shall return to Seller such purchaser's Sales Contract and any apartment lease theretofore delivered to Escrow, and thereupon purchaser shall be no longer obligated thereunder.

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

MANAGEMENT AND OPERATIONS: The By-Laws of the Association of Apartment Owners provide that the Board of Directors may appoint a management agent or manager to serve as property management agent for the project.

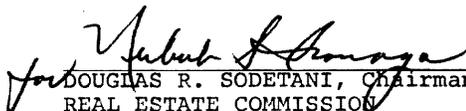
CONTRACTOR: The contractor for the project shall be Harvis Construction, Inc., who will be required to post a performance and payment bond equal to 100% of the cost of construction together with the execution of the construction contract.

STATUS OF PROJECT: Developer states that no construction contract has been entered into. Construction will not commence until 20 units are sold to qualified buyers and there is adequate interim and take out financing to assure success of the project. The Escrow Agreement provides that if construction on the project does not commence by December 17, 1974, and the parties have not agreed to mutually extend the same, all monies received by Escrow from purchasers shall be returned to purchasers.

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 March 5, 1974.

This PRELIMINARY 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 yellow.



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

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

Date; March 6, 1974
Registration No. 647