

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
PAPAKEA (PHASE I)
Honokowai, Kaanapali
Maui, Hawaii

REGISTRATION NO. 657

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: October 9, 1974

Expires: November 9, 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 prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED FEBRUARY 5, 1974 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF October 8, 1974. THE DEVELOPER IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL AND SUBMITTING ADDITIONAL INFORMATION, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on Registration No. 657, dated March 14, 1974, the Developer has forwarded additional information reflecting material changes which have been made in the documents and plans for the project.

2. PAPAKEA (PHASE I) is a leasehold condominium project consisting of six (6) buildings without basements, being Buildings A through F, each containing four (4) stories; Buildings A, C and D each contains 34 apartments; Buildings B, E and F each contains 38 apartments. There are a total of 216 apartments and 217 parking stalls. The "Project Office" Building is a building with a basement and contains two (2) stories and one (1) Resident Manager's apartment.

This Final Public Report is made a part of the registration on PAPAKEA (PHASE I) condominium project. 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). Securing a signed copy of the Receipt for Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

3. 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.

The Developer reports that the basic documents (Declaration of Horizontal Property Regime, with By-Laws of the Association of Apartment Owners attached, and a copy of the approved Floor Plans) have been recorded in the Bureau of Conveyances of the State of Hawaii.

The Declaration of Horizontal Property Regime, executed September 3, 1974, with By-Laws attached, was recorded in the Bureau of Conveyances of the State of Hawaii in Liber 10165, Page 533, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 697641.

The approved Floor Plans showing the layout, location, apartment numbers, etc., have been designated Condominium File Plan No. 383, and Condominium Map No. 687.

4. Advertising or promotional matter 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 which relate to Horizontal Property Regimes.

6. This Final Public Report expires thirteen (13) months from the date of issuance, October 9, 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.
7. PAPAKEA (PHASE I) is a leasehold condominium Project and the purchaser will secure a Condominium Conveyance Document, being a combined Apartment Deed (conveying an apartment together with an appurtenant common interest in the common elements of the buildings) and Ground Lease (demising an undivided percentage interest in the lands of the project).

The information in the topical headings of the Preliminary Public Report of March 14, 1974, with the exception of DESCRIPTION, ENCUMBRANCES AGAINST TITLE, MANAGEMENT AND OPERATIONS, and STATUS OF PROJECT, has not been disturbed. The topical heading SALES CONTRACT has been added.

DESCRIPTION: The description of Phase I of the Project remains unchanged, except that the basement of the Project Office has been changed from 2,550 square feet, more or less, to 1,550 square feet, more or less.

ENCUMBRANCES AGAINST TITLE: Security Title Corporation's Preliminary Report as of September 4, 1974, certifies that the following encumbrances exist:

1. As to that portion of the land herein described bordering on the Ocean:

The effect of Sections 205-31 to 205-37, inclusive, Hawaii Revised Statutes, as now or hereafter amended, pertaining to shoreline setbacks (as to Parcel Second).
2. The reservation in favor of the State of Hawaii of all mineral and metallic mines, as mentioned in Transfer Certificate of Title No. 155,119 (as to Parcel First).
3. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Paterns Numbered 636, 4565 and 7661 (as to Parcel Second).
4. (a) Free flowage of water in Honokawai Stream;
(b) Lease dated October 13, 1967, recorded on December 8, 1967 in the Bureau of Conveyances of the State of Hawaii in Book 5893 Page 226, made by and between PIONEER MILL COMPANY, LIMITED, a Hawaii

corporation, as Lessor, and MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, and HAWAIIAN TELEPHONE COMPANY, a Hawaii corporation, as Lessees, for a term of 35 years commencing from the date hereof, and thereafter from year to year until terminated. Said Lease demises rights-of-way, each twenty-five (25) feet in width, over, across and under all lands owned and held by the Lessor situate in the District of Lahaina on the Island and in the County of Maui, State of Hawaii, and upon all other such lands which the Lessor may hereafter acquire and so hold (as to Parcel Second).

"RESERVING, HOWEVER, unto the Lessor and its tenants and subtenants the right to cultivate, irrigate and use the lands of such rights-of-way for all purposes, including the right to cross over and under the same; provided, that such use of such land by the Lessor and its tenants and subtenants shall not interfere with the equipment, particularly pole and wire lines, which the Lessees may have installed upon such lands pursuant to the rights of the Lessees hereunder; and provided, further, that once the Lessees have installed their equipment upon a right-of-way pursuant to the rights of the Lessees hereunder, then the Lessor shall not construct a structure with a height of twelve (12) feet or more above ground level upon the lands of such right-of-way until the Lessor has secured the approval in writing, of the Lessees for such construction", as reserved in the foregoing Lease.

5. An easement for ingress and egress, said easement being easement "A" as shown on Land Court Application 1791 (Map 1).
6. Mortgage dated December 28, 1972, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 612639, and also recorded on December 29, 1972 in the Bureau of Conveyances of the State of Hawaii in Book 8838, Page 317, made by U. S. FINANCIAL, INCORPORATED, a Delaware corporation, as Mortgagor, to DONALD HAYASHI TOKUNAGA, husband of Alice Yaeko Tokunaga, and HARRY JOHN TIEDEMAN, husband of Majorie Bell Tiedeman, as Tenants in Common, as Mortgagees, to secure the repayment of the sum of \$2,356,364.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to.

By instrument dated June 29, 1974, filed in said Office of the Assistant Registrar as Document No. 689622, and also recorded on July 15, 1974 in said Bureau of Conveyances in Book 10029, Page 306, the foregoing mortgage was subordinated to the lien of that certain mortgage referred to in Encumbrance No. 8 hereof.

7. Mortgage and Security Agreement dated December 7, 1973, filed in said Office of the Assistant Registrar as Document No. 660951, and also recorded on December 14, 1973 in said Bureau of Conveyances in Book 9644, Page 277, made by HONOKOWAI-KAANAPALI PARTNERS, a Hawaii general partnership, as Mortgagor, to PAPAKEA ASSOCIATES, a Hawaii limited partnership, as Mortgagee, to secure the repayment of the sum of \$1,177,521.34, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to.

By instrument dated July 8, 1974, filed in said Office of the Assistant Registrar as Document No. 689623, and also recorded on July 15, 1974 in said Bureau of Conveyances in Book 10029, Page 318, the foregoing mortgage was subordinated to the lien of that certain mortgage referred to in Encumbrance No. 8 hereof.

8. Mortgage and Security Agreement dated July 12, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 689624, and also recorded on July 15, 1974 in the Bureau of Conveyances of the State of Hawaii in Book 10029, Page 331, made by HONOKOWAI-KAANAPALI PARTNERS, a Hawaii general partnership, as Mortgagor, to WASHINGTON MORTGAGE CO., INC., a Washington corporation, as Mortgagee, to secure the repayment of the sum of \$11,450,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to.
9. Undated Financing Statement recorded on July 15, 1974, in said Bureau of Conveyances in Book 10029, Page 370, between WASHINGTON MORTGAGE CO., INC., as secured party, and HONOKOWAI-KAANAPALI PARTNERS, as debtor, covering all furniture, furnishings, fixtures, equipment and articles of personal property attached to or used on the land.
10. Undated Financing Statement recorded on July 15, 1974, in said Bureau of Conveyances in Book 10029, Page 381, between WASHINGTON MORTGAGE CO., INC., as secured party, and HONOKOWAI-PAPAKEA JOINT VENTURE, as debtor, covering all furniture, furnishings, fixtures, equipment and

articles of personal property attached to or used on the land.

NOTE: The Developer has advised the Commission that there will be partial releases of the above described Mortgages and Financing Statements to Buyers as the individual apartments are sold.

SALES CONTRACT: The Developer has submitted a revised specimen Sales Contract. The purchaser or prospective purchaser is advised to read with care the revised specimen Sales Contract. Under the revised specimen Sales Contract, if the Buyer's application for a loan is rejected, only the Seller has the right to cancel said Sales Contract.

MANAGEMENT AND OPERATIONS: The By-Laws of this project state that the Board of Directors may employ, for the Association of Apartment Owners, a management agent to perform such duties as the Board shall authorize, including the collection of all assessments from the owners. The Developer shall select the managing agent prior to entering into a contract of sale for any apartment unit. The Developer has selected RONALD A. KAWAHARA as the Managing Agent pursuant to that certain Condominium Management Agreement for Papakea dated August 29, 1974.

STATUS OF PROJECT: The Developer advises that construction of the project commenced on July 23, 1974 and will be completed about December 1975.

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 February 5, 1974, and information subsequently filed as of October 8, 1974.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 657 filed with the Commission on February 5, 1974.

The report, when reproduced, shall be a true copy of the Commission's public report. The paper stock used in making facsimilies must be white.


(for) DOUGLAS R. SODEVANI,
Chairman Real Estate
Commission State of
Hawaii

Distribution:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING COMMISSION, County of Maui
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ESCROW AGENT

Registration 657

October 9, 1974