

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

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 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 14, 1974

Expires: April 14, 1975

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 buyer or prospective buyer is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED FEBRUARY 5, 1974 AND INFORMATION SUBSEQUENTLY FILED AS OF MARCH 1, 1974. 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. PAPAKEA is a proposed leasehold condominium project which may ultimately contain: 394 apartment units located in eleven (11) four story buildings; a separate two-story building ("Project Office"), containing a resident manager's apartment, certain office, storage and commercial space; and a variety of recreational facilities. As fully set forth in the Declaration, the project is subject to the development in two phases. Phase I contains 216 units and Phase II, if constructed, may contain 178 units. The de-

veloper shall have no obligation to construct Phase II and may so notify the Phase I apartment owners at any time. Nevertheless, the developer retains the right to construct Phase II by giving appropriate notice to the apartment owners at any time on or before December 31, 1980. If at any time prior to December 31, 1980 the developer elects not to construct Phase II it shall then have the option of withdrawing the property described in Exhibit "B" to the Declaration from the Horizontal Property Regime. This option, like the option to construct Phase II, must be exercised on or before December 31, 1980. Each Phase I apartment owner's common interest in the common elements is subject to modification, as provided in the Declaration, until the expiration of the option date. In addition, because of the developer's option to withdraw the property described in Exhibit "B", even if a Phase I apartment owner's common interest remains unchanged, the common elements to which said common interest appertains shall be subject to reduction until the expiration of the option date.

IMPORTANT: This report covers only Phase I of the Papakea project. Phase I will consist of the Project Office (with the exception of the commercial apartment); the 6 buildings A through F containing 216 units; 217 parking stalls, two tennis courts, and one swimming pool and cabana, all as indicated on the Condominium Plans ("Plans"). In the event the developer elects to construct Phase II, it is anticipated that it will consist of the 5 additional buildings G through L (totalling 11 buildings for the entire project), containing 178 units; 188 parking stalls; and a second swimming pool and cabana. DEVELOPER RETAINS THE RIGHT TO ALTER OR AMEND THE DECLARATION AND PLANS WITH REGARD TO PHASE II, HOWEVER, AND THUS IS NOT BOUND BY THE DESCRIPTIONS CONTAINED HEREIN. REFERENCE SHOULD BE MADE TO PARAGRAPHS 15 AND 16 OF THE DECLARATION TO DETERMINE THE EXTENT OF THE RIGHTS RETAINED BY THE DEVELOPER.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and issuance of this Preliminary Public Report.
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 not been recorded in the Office of the Recording Officer.
4. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
5. The buyer or prospective buyer 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 Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, March

14, 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.

NAME OF PROJECT: PAPAKEA (PHASE I)

LOCATION: West Maui, approximately 3 miles from Lahaina and 1 mile from Kaaanapali Airport, containing an area of 12.283 acres, more or less.

TAX MAP KEY: Second Division, 4-4-1-55

ZONING: A-2 and H-2

DEVELOPER: HONOKOWAI-KAANAPALI PARTNERS, a Hawaii general partnership, whose mailing address is Suite 1700, 841 Bishop Street, Honolulu, Hawaii 96813

The partners of Honokowai-Kaanapali Partners are as follows:

Curtis Charles Hickson
John Joseph Stanford
James Kenneth Schuler
Thomas Foljambe Burgess

ATTORNEY REPRESENTING DEVELOPER: LO, YOUTH & IKAZAKI, 1412 Amfac Building, 700 Bishop Street, Honolulu, Hawaii 96813; Telephone 521-1456 (Attention: Christopher N. Visher, Esq.)

DESCRIPTION: The Declaration of Horizontal Property Regime reflects that Phase I of the project is to consist of a freehold property owned by the developer and located at Papakea, approximately 3 miles from Lahaina and 1 mile from Kaaanapali Airport, 6 four story buildings containing 216 apartment units and a two story building (herein referred to as the "Project Office") containing the resident manager's apartment, office space, two bathrooms, a lobby, and various storage and supply rooms. All buildings will be constructed basically of concrete, steel, wood, glass, and allied building materials. Parking will be in 217 unassigned, uncovered on-grade parking stalls located near the project buildings.

Access to the apartments is directly from the grounds, walkways and drive-ways.

The 216 apartments in the first phase are divided into three basic types: Type A, all having 2-bedrooms; Type B, all having 1-bedroom; and Type C, being the studio apartments. There are a total of 24 2-bedroom units, 156 1-bedroom units and 36 studio units. Each unit type is further subdivided as follows:

(a) Type A-1, containing 2-bedrooms, 2-bathrooms, a living room, a kitchen, a lanai, a loft area and a hall entryway. The A-1 apartments contain 1,308 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet and a loft of 345 square feet. There will be 9 apartments of this type in Phase I.

(b) Type A-2, containing 2-bedrooms, 2-bathrooms, a living room, a kitchen, a lanai, a loft area, a vestibule entryway and a half-size linen closet. The A-2 apartments contain 1,343 square feet, more or less, measuring from the inside surface of the party walls, and the exterior boundaries of the lanai, including a lanai of 102 square feet and a loft of 362 square feet. There will be 3 apartments of this type in Phase I.

(c) Type A-3, containing 2-bedrooms, 2-bathrooms, a living room, a kitchen, a lanai, a loft area, a vestibule entryway and a full-size linen closet. The A-3 apartments contain 1,342 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet and a loft area of 362 square feet. There will be 3 apartments of this type in Phase I.

(d) Type A-4, containing 2-bedrooms, 2-bathrooms, a living room, a kitchen, a lanai, a loft area, a hall entryway and a half-size linen closet. The A-4 apartments contain 1,274 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet and a loft of 265 square feet. There will be 3 apartments of this type in Phase I.

(e) Type A-5, containing 2-bedrooms, 2-bathrooms, a living room, a kitchen, a lanai, a loft area and a grand vestibule entryway. The A-5 apartments contain 1,325 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet and a loft area of 362 square feet. There will be 6 apartments of this type in Phase I.

(f) Type B-1, containing 1-bedroom, 1-bathroom, a living room, a kitchen, a lanai, and a hall entryway. The B-1 apartments contain 699 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet. There will be 99 apartments of this type in Phase I.

(g) Type B-2, containing 1-bedroom, 1-bathroom, a living room, a kitchen, a lanai, and a vestibule entryway. The B-2 apartments contain 716 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet. There will be 18 apartments of this type in Phase I.

(h) Type B-3, containing 1-bedroom, 1-bathroom, a living room, a kitchen, a lanai, and a hall entryway. The B-3 apartments contain 744 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet. There will be 9 apartments of this type in Phase I.

(i) Type B-4, containing 1-bedroom, 1-bathroom, a living room, a kitchen, a lanai, a loft area, and a hall entryway. The B-4 apartments contain 953 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet and a loft of 254 square feet. There will be 18 apartments of this type in Phase I.

(j) Type B-5, containing 1-bedroom, 1-bathroom, a living room, a kitchen, a lanai and a hall entryway. The B-5 apartments contain 814 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet. There will be 9 apartments of this type in Phase I.

(k) Type B-6, containing 1-bedroom, 1-bathroom, a living room, a kitchen, a lanai, a loft and a hall entryway. The B-6 apartments contain 1,117 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet and a loft of 303 square feet. There will be 3 apartments of this type in Phase I.

(l) Type C-1, containing a living room, 1-bathroom, a kitchen, a lanai and a hall entryway. The C-1 apartments contain 556 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet. There will be 18 apartments of this type in Phase I.

(m) Type C-2, containing a living room, 1-bathroom, a kitchen, a lanai and a hall entryway. The C-2 apartments contain 537 square feet, more or less, measuring from the inside surface of the party walls and the exterior boundaries of the lanai, including a lanai of 102 square feet. There will be 18 apartments of this type in Phase I.

Each apartment will include carpeting and drapes, and will have a refrigerator, range and oven, dishwasher, garbage disposal and a washer/dryer.

The Project Office shall be two stories in height and shall have a basement. The top floor shall contain an apartment for the project's resident manager. The apartment shall contain two bedrooms, a living room, a kitchen, and two bathrooms, and shall include carpeting, drapes, a refrigerator, range and oven, dishwasher, garbage disposal and washer/dryer. The apartment shall contain an area of 1,046 square feet, more or less, measuring from the inside surface of the perimeter walls, including a lanai having 192 square feet. The first floor of the building shall contain an office, a lobby and two bathrooms and shall contain 1,832 square feet, more or less. If Phase II is constructed, it is anticipated that 1,630 square feet, more or less, of commercial space (herein sometimes referred to as the commercial apartment) shall be added to the first floor. Unless clearly inappropriate or otherwise specified, the commercial apartment, if constructed, shall be construed as an apartment for purposes of the Declaration and By-Laws. The basement shall contain storage areas and maid supply rooms and shall contain 2,550 square feet, more or less.

COMMON ELEMENTS: The Declaration reflects that the common elements in Phase I consist of:

- (a) Said land in fee simple (which land is intended to be leased to an apartment owner separately and apart from a conveyance or other transfer of an apartment and shall be subject to phase development and certain reserved rights of withdrawal as provided herein).
- (b) All foundations, floor slabs, columns, girders,

beams, supports, load-bearing walls, main walls, interior walls separating adjacent apartments in the same building, halls, roofs of the building, stairs, stairways, fire escapes and entrances and exits of the apartment building, elevators, and appurtenances.

- (c) All yards, grounds, landscaping, refuse facilities, and switchrooms.
- (d) All building walkways, building sidewalks, pathways, parking areas, parking stalls, driveways and roads within the project.
- (e) All ducts, electrical equipment, wiring and other central and appurtenant installations including power, light, water, sewer, gas and telephone; all pipes, plumbing, wires, conduits or other utility or service lines, which run through an apartment but which are utilized by or serve more than one apartment; and air conditioning and like utilities, if installed.
- (f) All other portions of the land and improvements not specifically heretofore designated as apartments, but which are intended for common use and all other devices and installations existing for or rationally of common use or necessary to the existence, upkeep and safety of the Horizontal Property Regime.
- (g) All recreational facilities, including a swimming pool with attached jacuzzi heated pool, two tennis courts, and a barbecue area.
- (h) The Project Office, as described above, excluding the commercial space, if subsequently constructed.
- (i) A cabana, to be located beside the pool, containing 1,462 square feet, more or less, measuring from the interior surfaces of the perimeter walls. The cabana shall contain two sauna baths, two bathrooms (containing a shower, sink and toilet), a kitchen equipped with a refrigerator, two ranges and a double sink, and an open entertainment area.

LIMITED COMMON ELEMENTS: There are no limited common elements.

INTEREST TO BE CONVEYED BUYER: The Declaration states that the undivided interest in the common elements appertaining to each apartment is as follows:

- (a) Phase I. Until the recordation of a conveyance for any

apartment in Phase II, the common interest appurtenant to each apartment in Phase I shall be as follows:

Type of Apt.	Area (Ft. ²) (Each Apt.)	Percentage of Undivided Interest in the Common Elements (Each Apt.)	No. of Apt.	Total Area (Ft. ²) (Each Apt. Type)	Percentage of Ownership in the Com- mon Elements per Type (Total)
2-bedroom					
A-1	1,308	.779086	9	11,772	7.011774
A-2	1,343	.799933*	3	4,029	2.399797**
A-3	1,342	.799338	3	4,026	2.398014
A-4	1,274	.758835	3	3,822	2.276505
A-5	1,325	.789212	6	7,950	4.735272
1-bedroom					
B-1	699	.416347	99	69,201	41.218353
B-2	716	.426470	18	12,888	7.676460
B-3	744	.443150	9	6,696	3.988350
B-4	953	.567637	18	17,154	10.217466
B-5	814	.484844	9	7,326	4.363596
B-6	1,117	.665321	3	3,351	1.995963
Studio					
C-1	556	.331171	18	10,008	5.961078
C-2	537	.319854	18	9,666	5.757372

*With the exception of apartment 216 A-403, which is arbitrarily assigned the interest of .799931 so that the total common interest of all apartments will sum to 100. 100.000000

**Reflects adjustment for apartment A-403.

(b) Entire Project. Subject to the provisions of Subparagraph (c) below, upon completion of the entire project the common interests shall be as follows:

Type of Apt.	Area (Ft. ²) (Each Apt.)	Percentage of Undivided Interest in the Common Elements (Each Apt.)	No. of Apt.	Total Area (Ft. ²) (Each Apt. Type)	Percentage of Ownership in the Com- mon Elements per Type (Total)
2-bedroom					
A-1	1,308	.424218	16	20,928	6.787488
A-2	1,343	.435569	6	8,058	2.613414
A-3	1,342	.435245	6	8,052	2.611470
A-4	1,274	.413191	6	7,644	2.479146
A-5	1,325	.429732	10	13,250	4.297320

<u>Type of Apt.</u>	<u>Area (Ft.²) (Each Apt.)</u>	<u>Percentage of Undivided Interest in the Common Elements (Each Apt.)</u>	<u>No. of Apt.</u>	<u>Total Area, (Ft.²) (Each Apt. Type)</u>	<u>Percentage of Ownership in the Com- mon Elements per Type (Total)</u>
1-bedroom					
B-1	699	.226704	174	121,626	39.446496
B-2	716	.232217	36	25,776	8.359812
B-3	744	.241298	18	13,392	4.343364
B-4	953	.309082	32	30,496	9.890624
B-5	814	.264001	18	14,652	4.752018
B-6	1,117	.362272	6	6,702	2.173632
Studio					
C-1	556	.180325	36	36,126	6.491700
C-2	537	.174163	<u>30</u>	1,630	5.224890
			394		
Commercial Space in Project Office	1,630	.528651	1	1,630	<u>.528626</u>
					<u>100.000000</u>

(c) Phase II. In the event Developer, in exercising its right to construct Phase II, should also exercise its rights to alter or amend the common interest appurtenant to each apartment, then upon the recordation of the conveyance of any apartment in Phase II, the common interest appurtenant to each Phase I apartment shall be decreased and a common interest appurtenant to each Phase II apartment shall be allocated so that after said decrease and allocation the common interest appurtenant to each apartment shall bear the same relationship to the total of common interest appurtenant to all apartments combined as the area of each apartment bears to the gross area of all apartments combined.

(d) Voting Percentage in the Common Elements. For purposes of percentage in the common elements and voting on all matters requiring action by the Phase I owners subsequent to the formation of the Association, the percentages as provided in Subparagraph (a) above shall govern. Subsequent to the recordation of the conveyance of any apartment in Phase II, for purposes of percentage in the common elements and voting on all matters requiring action by the owners, the percentages in either Subparagraph (b) or as determined pursuant to Subparagraph (c) above shall govern.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration states that each apartment shall be used only as a private dwelling by the respective owners thereof, their tenants, families, domestic servants and guests, except that the commercial apartment, if constructed, may be used for any reasonable commercial purpose. Each owner shall comply with the terms of the Declaration and By-Laws of the Association

of Apartment Owners.

OWNERSHIP TO TITLE: The Notice of Intention reflects that ownership to the fee title is vested in HONOKOWAI-KAANAPALI PARTNERS, a Hawaii general partnership.

A copy of a policy of title insurance issued by Security Title Corporation as of December 17, 1973, certifies that the fee simple title to the land is vested as foresaid.

ENCUMBRANCES AGAINST TITLE: The policy of title insurance as of December 17, 1973, 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 (as to Parcels Second and Third only).

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 only).

3. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patents Numbered 636, 4565 and 7661 (as to Parcels Second, Third and Fourth only).

4. (a) Free flowage of water in Honokawai Stream.

(b) Lease dated October 13, 1967, recorded on December 8, 1967, in said Bureau of Conveyances in Book 5893 at Page 226, made by and between Pioneer Mill Company, Limited, as Lessor, and Maui Electric Company, Limited, and Hawaiian Telephone Company, 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 Parcels Second, Third and Fourth only).

"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) and containing an area of 14,107 square feet.

6. Mortgage dated December 28, 1972, filed as aforesaid as Document No. 612639, and also recorded in said Bureau of Conveyances on December 29, 1972 in Book 8838 at Page 317, made by U.S. Financial Incorporated, a Delaware corporation, as Mortgagor, to Donald Hayashi Tokunaga, et al., as Mortgagees, to secure the repayment of the sum of \$2,356,364.00 and any additional advances and other amounts secured thereby.

7. Development Loan Agreement dated May 24, 1973, filed as aforesaid as Document No. 633544, and also recorded in said Bureau of Conveyances in Book 9219 at Page 330, made by and between Papakea Associates, a limited partnership, as Owners, and Kassler & Co., as Developer.

8. Realty Mortgage and Security Agreement dated May 24, 1973, filed as aforesaid as Document No. 633545, and also recorded in said Bureau of Conveyances in Book 9219 at Page 361, made by Papakea Associates, a limited partnership, as Mortgagors, to Kassler & Co., as Mortgagee to secure the repayment of \$1,600,000.00 and any additional advances and other amounts secured thereby.

(a) By instrument dated June 4, 1973, filed as aforesaid as Document No. 633546, and also recorded on June 12, 1973, in said Bureau of Conveyances in Book 9219 at Page 391, that certain mortgage referred to in Encumbrance No. 6 hereof, was subordinated to the lien of the foregoing mortgage.

(b) By instrument dated December 7, 1973, filed as aforesaid as Document No. 661102, and also recorded in said Bureau of Conveyances in Book 9646 at Page 466, Papakea Associates, a Hawaii limited partnership, was released from liability under the foregoing Mortgage and the Development Loan Agreement referred to in Encumbrance Nos. 6 and 7 hereof, and substituted in their stead were Honokowai-Kaanapali Partners, a registered Hawaii general partnership, and Gary Louis Di Girolamo.

9. Undated Financing Statement recorded on June 12, 1973 in said Bureau of Conveyances in Book 9219 at Page 408.

10. Mortgage and Security Agreement dated December 7, 1973, filed as aforesaid as Document No. 660951, and also recorded in said Bureau of Conveyances in Book 9644 at 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 and any additional advances and other amounts secured thereby.

Note: The developer has advised the commission that there will be partial releases of the above described Mortgages to buyers as the individual apartments are sold.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated February 4, 1974, identifies Security Title Corporation as "Escrow". On examination, the specimen Sales Contract and executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes and particularly Section 514-35 and Sections 514-36 through 514-40.

Among other provisions, the specimen Sales Contract states that Seller at its option may cancel the contract upon written notice of buyer in the event that less than 125 apartments are sold by December 31, 1974, or Seller is prevented by law from proceeding with the construction of the project.

The Escrow Agreement provides in part:

A buyer shall be entitled to a refund of his funds, and Escrow shall pay said funds to said buyer, without interest and less Escrow's Fifteen Dollars (\$15.00) cancellation fee, if buyer shall in writing request refund of his funds and any one of the following shall have occurred:

(a) Escrow receives a written request from Seller to return to buyer the funds of such buyer then held thereunder by Escrow; or

(b) If a buyer'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 buyer's sales agreement requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless the buyer has given written approval or acceptance of the specific change; or

(c) If the final public report differs in any material respect from the preliminary public report, unless the buyer has given written approval or acceptance of the difference; or

(d) If the final public report is not issued within one year from the date of issuance of the preliminary public report.

Buyer shall in any event, have the right to a refund of any money deposited in Escrow under a reservation or sales agreement, less said cancellation fee, without interest, upon written request therefor at any time within ten (10) days after the issuance of a final public report on the project.

It is incumbent upon the buyer and prospective buyer the he reads with care the Sales Contract and the Escrow Agreement. The Escrow Agreement establishes how the proceeds from the apartments and all sums received from any source are placed in trust, as well as the retention and

disbursement of said trust funds.

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.

STATUS OF PROJECT: The developer advises the Real Estate Commission that the construction of the building is expected to commence in May, 1974.

The buyer or prospective buyer 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 March 1, 1974.

This PRELIMINARY 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 Preliminary Public Report. The paper stock used in making facsimiles must be yellow.


(For) DOUGLAS R. SODEVANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 657
March 14, 1974