

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
WAILEA EKAHI II
WAILEA, ISLAND OF MAUI

REGISTRATION NO. 745

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: February 5, 1975
Expires: March 5, 1976

SPECIAL ATTENTION

A comprehensive reading of this report is urged in order that the 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:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JANUARY 14, 1975, AND INFORMATION SUBSEQUENTLY FILED AS OF JANUARY 31, 1975. DEVELOPER IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 514, HAWAII REVISED STATUTES, AS AMENDED.

1. WAILEA EKAHI II is a proposed fee simple condominium project consisting of ninety-six (96) residential apartments, an office and a manager's residence,

located in eighteen (18) separate two-story buildings. There will be a total of 127 parking stalls.

2. 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.
3. The Developer reports that the Declaration of Horizontal Property Regime, the Bylaws and the Condominium Map will be filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii immediately prior to the application for a Final Public Report.
4. Advertising or promotional materials have been submitted to the Commission pursuant to its rules and regulations.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Hawaii Revised Statutes, Chapter 514, and the Rules and Regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, February 5, 1975, unless a Final Public Report or a Supplementary Public Report issues, or the Commission, upon review of registration, issues an order extending the effective date of this report.
7. This Preliminary Public Report is made a part of the registration of WAILEA EKAHI II. 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 and securing a signed copy of the receipt for the Preliminary Public Report from each purchaser.

NAME OF PROJECT: WAILEA EKAHI II

LOCATION: The project is located at Wailea, Island and County of Maui, State of Hawaii, and consists of approximately 10.388 acres of land.

TAX KEY: Portion of 2-1-08-60.

ZONING: The property is presently zoned A-1 Apartment.

ATTORNEY REPRESENTING DEVELOPER: Cades Schutte Fleming & Wright (Attention: Douglas E. Prior) 17th Floor, First Hawaiian Bank Building, P. O. Box 939, Honolulu, Hawaii 96808, telephone 531-7232.

DESCRIPTION OF PROJECT: The project consists of ninety-six (96) residential apartments, an office and a manager's residence

contained in eighteen (18) buildings numbered 18 through 35, since this is the second phase of an incremental development and the buildings in the first phase were numbered 1 through 17. The buildings will be principally of wood frame construction with stucco exteriors, shake roofs and concrete slab ground floors with wood frame upper floors. The buildings are all two stories high containing the ten different types of apartments described below ranging from single level studio apartments to split level two bedroom two and one-half bath townhouse apartments, and a manager's office. Declarant reserves the right to use Building 18 as a sales center for the purpose of selling apartments in all phases of the Wailea Ekahi development until such time as all the apartments in all the phases of the development have been sold. When all of the apartments have been sold, Building 18 will be modified so that it contains four (4) residential apartments, an office and a residential apartment for the personal use of the manager of the Project. The following description of the Project and the Condominium Map depict Building 18 as it will ultimately be constructed after Declarant ceases to use it as a sales center.

There are twelve (12) Type S apartments which are studio apartments, each containing approximately 484 square feet of interior floor area, including a living/dining/sleeping room, a kitchen and bathroom plus a lanai of approximately 116 square feet.

There are eighteen (18) Type 1-1 apartments which are one bedroom, one bath apartments, each containing approximately 792 square feet of interior floor area, including a living/dining room, kitchen, bedroom and bathroom plus two lanais containing an aggregate of approximately 153 square feet.

There is one (1) Type 1-1A apartment in Building 18 which is a one bedroom, one bath apartment containing approximately 977 square feet of interior floor area, including a living room, dining room, kitchen, a bathroom and a bedroom, plus a lanai containing 113 square feet.

There are twenty-three (23) Type 1-2A apartments which are one bedroom, two bath apartments, each containing approximately 885 square feet of interior floor area, including a living/dining room, kitchen, bedroom and two bathrooms, plus two lanais containing an aggregate of approximately 205 square feet. The entry hall of Type 1-2A apartments is so arranged that the bedroom and one bathroom can be used separately from the rest of the apartment.

There are seventeen (17) Type 1-2B apartments which are one bedroom, two bath apartments, each containing approximately 952 square feet of interior floor area, including a living/dining room, kitchen, bedroom and two bathrooms, plus two lanais containing an aggregate of approximately 228 square feet. The Type 1-2B apartment has a separate entry way into the bedroom so that the bedroom and one of the bathrooms can be used separately from the rest of the apartment.

There is one (1) Type 1-2C apartment in Building 18 which is a one bedroom, two bath apartment containing approximately 1,001 square feet of interior floor area, including a living/dining room, a kitchen, bedroom and two bathrooms, plus a lanai containing approximately 89 square feet. This apartment will be used as the residence for the manager of all phases of the Wailea Ekahi development.

There are two (2) Type 1-1 1/2T apartments which are one bedroom, one and one-half bath apartments each containing approximately 991 square feet of interior floor area, including, on the lower floor, a living room, dining room, kitchen and half bath and, on the upper floor, a bedroom and bathroom, plus a lanai on each floor containing an aggregate of approximately 254 square feet.

There are nineteen (19) Type 2-2 apartments which are two bedroom, two bath apartments each containing approximately 1,172 square feet of interior floor area, including a living room, dining room, kitchen, two bathrooms and two bedrooms, plus three lanais containing an aggregate of approximately 333 square feet. The entry hall of Type 2-2 apartments is so arranged that one bedroom and bathroom can be separated from the rest of the apartment.

There are four (4) Type 2-2 1/2T apartments which are two bedroom two and a half bath townhouse apartments, each containing approximately 1,575 square feet of interior floor area including, on the lower floor, a kitchen, dining room, half bath and sunken living room, and on the upper floor, two bedrooms and two bathrooms, plus two lanais on each floor containing an aggregate of approximately 370 square feet. The Type 2-2 1/2T apartment has a separate entry way into one of the bedrooms so that this bedroom and one of the bathrooms can be used separately from the rest of the apartment. Each townhouse and lower floor apartment has access to the common elements at the ground level. Each upper level apartment has access via an entry way and staircase to the common elements at ground level.

The office for the manager located in Building 18 contains approximately 1,337 square feet and has a lanai of approximately 228 square feet.

NOTE: The Developer has advised the real estate commission that certain of the one bedroom and two bedroom apartments are designed so that one of the apartments and baths can be closed off from the remainder of the apartment and used separately, and has also advised the commission that the ordinances of the County of Maui permit such use.

The Developer has advised the real estate commission that each residential apartment will have drapes and will be carpeted throughout except for the kitchens and bathrooms which will have tile. Further, each residential apartment will have a self-cleaning drop-in range and oven combination, two-door refrigerator freezer, disposal, dishwasher, water heater, washer and dryer.

The project also contains driveways and parking areas containing 127 parking stalls, a swimming pool and a paddle tennis court.

LIMITS OF APARTMENTS: The respective apartments shall not be deemed to include the undecorated or unfinished walls, the floors and ceilings surrounding each apartment, or any pipes, wires, conduits or other utility lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall include any adjacent lanai shown on the Condominium Map and serving only such apartment. Each apartment shall be deemed to include all the walls and partitions which are not load bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and the built-in fixtures.

COMMON ELEMENTS: The common elements will include all portions of the land and improvements other than the apartments, including apartment buildings, the land on which all apartment buildings are located, and all common elements mentioned in the Horizontal Property Act which are actually constructed on the land described herein, and specifically shall include, but shall not be limited to:

- (a) said land in fee;
- (b) all foundations, supports, bearing walls and exterior stairs, landings and entranceways of said buildings;
- (c) all roofs;
- (d) all housekeeping stations, yards and refuse areas;
- (e) all ducts, electrical equipment, wiring and other central and appurtenant installations for services, including power, light, cold and hot water, refuse and telephone;
- (f) all parking stalls;
- (g) one swimming pool and paddle tennis court;
- (h) all other devices or installations upon the land existing for or rationally of common use to all the owners of apartments within the project; and
- (i) the term "common elements" shall include the limited common elements described below.

LIMITED COMMON ELEMENTS: Limited common elements and apartments to which their use is reserved are:

- (a) exterior staircases, landings and entranceways shall be limited common elements for the exclusive use of the apartments they serve.
- (b) any trellis-covered privacy area adjacent to an apartment shall be a limited common element for the exclusive use of that apartment.

PERCENTAGE OF UNDIVIDED OWNERSHIP TO BE CONVEYED: The following types of apartments have the percentage of common interest shown below:

<u>Type</u>	<u>Percentage Interest</u>
Studio	.535
1-1	.875
1-1A	1.080
1-2A	.978
1-2B	1.052
1-2C (Manager's Apt.)	1.106
1-1 1/2T	1.0955
2-2	1.295
2-2 1/2T	1.741
Manager's Office	1.478

The aggregate percentage of undivided interest in the common elements of the apartments is allocated between them on the basis of their interior floor area. The Developer covenants and agrees that the undivided interest in the common areas and facilities and the titles to the respective apartments to be conveyed shall not be separated or separately conveyed and each said undivided interest shall be deemed to be conveyed or encumbered with its respective apartment even though the description in the instrument of conveyance may refer only to one or other of the interests. The voting rights of apartment owners, as well as their share of the common expenses shall be in proportion to their common interest.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The ninety-six (96) residential apartments hereinabove described shall at all times be used as permanent or temporary residences or as hotel rooms and for no other purpose. Building 18 shall be used as a sales center until all the proposed 302 apartments in all phases of the Wailea Ekahi development have been sold. During this period Building 18 will also contain an office and a residence for the manager of this project and the other phases of the Wailea Ekahi development.

OWNERSHIP OF TITLE: The Preliminary Report dated December 6, 1974 by Title Guaranty of Hawaii, Incorporated states that fee simple title to the land is held by Developer as shown on Transfer Certificate of Title No. 156,986 issued to Developer.

ENCUMBRANCES: The Preliminary Report of Title Guaranty of Hawaii, Incorporated dated December 6, 1974 also shows title to the property to be subject to the following encumbrances:

1. Title to all mineral and metallic mines reserved to the State of Hawaii.

2. Easement 1 for drainage and landscaping purposes, as shown on Map 7, as set forth by Land Court Order No. 40959, filed November 15, 1974.
3. Easement 2 for drainage purposes, as shown on said Map 7, as set forth by said Land Court Order No. 40959.
4. For Real Property Taxes that may be due and owing, reference is made to the office of the Tax Assessor, Second Division.

The proposed Declaration of Covenants and Restrictions provides for the organization of the Wailea Property Owners Association, a non-profit corporation established to own and maintain certain property and to provide certain services for all the owners of property at Wailea, Maui, including condominium apartment owners, hotel operations and so forth. All apartment owners in the project will be members of the community association and will be obliged to pay assessments levied by the Association. The Declaration of Covenants and Restrictions also provides for the establishment of a community design committee which shall have the authority to approve or disapprove any proposed construction or alteration of property which is subject to the Declaration of Covenants and Restrictions. Developer does not represent that any common property will in fact be granted to the Wailea Property Owners Association nor that any additional property will in fact be annexed to the Declaration.

The Developer guarantees that the monthly assessments of the Property Owners Association during the first two years following completion of construction of the project will not exceed the amount set forth below. At the expiration of this two-year period the expenses of the Property Owners Association will be shared by all of the members of the Property Owners Association in the ratio that the value of the property which each member owns bears to the total value of the property owned by all members as determined for real property tax purposes. The maximum assessments during the first two years are as follows:

<u>Year</u>	<u>Studio</u>	<u>One Bedroom</u>	<u>Two Bedroom</u>
1	\$4.00	\$6.00	\$7.00
2	\$5.00	\$7.00	\$8.00

The proposed Declaration As To Merger provides that this project will be merged with the Wailea Ekahi I condominium project consisting of 100 residential apartments and a beach pavilion upon completion of construction of this project.

The merger of the two projects will cause them to operate as a single condominium project with one Board of Directors and will permit the owners in each project to use the common areas of both projects.

The purchaser should note that the Purchase Agreement, Declaration As To Merger and Apartment Deed prohibit the apartment

owners in any of the phases of the Wailea Ekahi development from entering into a rental pool or other rental sharing agreement until after all phases of this development have been completed and sold.

PURCHASE MONEY HANDLING: A copy of the specimen Purchase Agreement and an executed Escrow Agreement have been submitted as part of the registration. The Escrow Agreement dated December 20, 1974, identifies First Hawaiian Bank as the "Escrowee" and provides that purchasers' funds may not be released from escrow until after completion of construction of the project.

Upon examination, the Purchase Agreement and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly with Section 514-35 and Section 514-36 through 514-40, Hawaii Revised Statutes. A prospective purchaser should carefully examine the form and contents of the Purchase Agreement and Escrow Agreement to determine the time for and the amount of the installment payments on the purchase price, the sharing of the closing costs and the conditions upon which money may be disbursed by seller or reimburse to the purchaser.

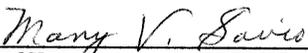
MANAGEMENT AND OPERATION: Article III, Section 3, of the Bylaws states that the Board of Directors shall at all times employ a responsible managing agent to manage and control the property subject at all times to direction by the Board of Directors.

STATUS OF PROJECT: Final plans and specifications for the project are being prepared and construction financing arrangements are being finalized. Developer is applying for subdivision and planned development approval for the project. Developer is in the process of negotiating the construction contract and expects to commence construction approximately February 1, 1975, and to complete construction approximately March 31, 1976.

The purchaser or prospective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted January 14, 1975.

This PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 745, filed with the Commission on January 14, 1975.

The report, when reproduced, shall be a true copy of the Commission's Public Report. Paper stock used in making facsimiles must be yellow.



(For) DOUGLAS R. SODETANI, Chairman
Real Estate Commission
STATE OF HAWAII

Distribution:
Department of Taxation
Planning Department, County of Maui
Escrow Agent
Federal Housing Administration

Registration No. 745
February 5, 1975