

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
KIHEI SURFSIDE
Kihei Road, Kihei
County of Maui
State of Hawaii

REGISTRATION NO. 757

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: May 9, 1975
Expires: June 9, 1976

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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED FEBRUARY 26, 1975 AND INFORMATION SUBSEQUENTLY FILED AS OF APRIL 21, 1975. 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. KIHEI SURFSIDE is a fee simple condominium project with a 6-story 83 unit hollow tile concrete building with no basement and a flat roof. Each floor contains 14 apartment units. There are 84 ground level parking stalls in the parking area.
2. The Developer of the project has submitted to the Commission for examination all the documents deemed necessary for the registration of the condominium project and the issuance of this final public report.

located off Kihei Road, Kihei, Island and County of Maui, State of Hawaii. The project will consist of a 6-story 83-unit hollow block concrete apartment building with no basement and a flat roof. The project is to be constructed in accordance with plans and specifications certified to by Ormond Kelley. There are 84 ground level parking stalls and a manager's unit.

DESCRIPTION OF BUILDING: The building consists of 6 floors. Each floor contains 14 apartment units. The first floor in addition has a maid's room for laundry facilities and a trash room. The second floor in addition has an electric room. There is a total of 12 two-bedroom apartments, 71 one-bedroom apartments and an office. Each of the apartment units on the ground floor will have immediate access to the walkways and the ground areas. Each of the apartment units on the second through the sixth floors will have immediate access to a single elevator in the center portion of the building and stairways leading to the ground and between floors from the second through the sixth floors inclusive.

DESCRIPTION OF APARTMENT: The types of apartments located in the project are as follows:

- a. One-Bedroom Apartments. Each Type "D" one bedroom of 545 square feet has a living-dining room and lanai, kitchen, a bathroom and a bedroom with closet.
- b. One-Bedroom Apartments. Each Type "B" or "C" one-bedroom apartment of 730 square feet has a living-dining room and lanai, kitchen, a bedroom with closet, and one and one-half bathrooms.
- c. Two-Bedroom Apartments. Each Type "A" two-bedroom apartment of 950 square feet has a living-dining room and lanai, kitchen, two bedrooms with closets, and two bathrooms.
- d. Office Unit. The office unit of 500 square feet has a lobby, toilet, staff and manager's room.

NUMBER AND LOCATION OF UNITS: The units in the building are as shown on the Condominium Map and are numbered as follows and on the floors designated:

<u>Apartment No.</u>	<u>Type</u>	<u>Floor</u>
105	Office	Ground
106, 107, 108, 109	D	
102, 103, 104, 110	B, C, C, B	
111, 112, 113	C, C, B	
101, 114	A	
206, 207, 208, 209	D	Second
202, 203, 204, 205,	B, C, C, B	
210, 211, 212, 213	B, C, C, B	
201, 214	A	
306, 307, 308, 309	D	Third
302, 303, 304, 305,	B, C, C, B	
310, 311, 312, 313	B, C, C, B	
301, 314	A	

406, 407, 408, 409	D	Fourth
402, 403, 404, 405	B, C, C, B	
410, 411, 412, 413	B, C, C, B	
401, 414	A	
506, 507, 508, 509	D	Fifth
502, 503, 504, 505	B, C, C, B	
510, 511, 512, 513	B, C, C, B	
501, 514	A	
606, 607, 608, 609	D	Sixth
602, 603, 604, 605,	B, C, C, B	
610, 611, 612, 613	B, C, C, B	
601, 614	A	

LIMITS OF APARTMENTS: The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load bearing walls. The floors and ceilings surrounding each of them or any pipes, wires, conduits or other utility lines running through them which are utilized for or serve more than one unit are deemed common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions, floors and ceilings which are not load bearing within its perimeter walls, including paint, wallpaper, or the like, carpeting, floor covering and built-in fixtures. The responsibility of the apartment owner shall be to maintain, repair, and replace at his expense all portions of the apartment including but not limited to:

a. The interior of the unit in a clean and sanitary condition. The interior and exterior of the sliding glass doors. The glass in the glass sliding door shall not be replaced except with glass of a similar color and quality that is supplied with the unit.

b. The painting of the interior of the lanai. The lanai shall not be altered, remodelled or enclosed. The owner to keep the lanai in a clean and sanitary condition. Any installation of awnings is subject to the approval of the Board of Directors of the Association to conform with other lanais of the project.

c. Any appliances and equipment within the unit and the ducts, light, wiring, controls and apparatus serving his unit.

d. All doors within the apartment including those which open to the apartment from an entranceway or the outside interior walls and partitions, wall decorations and built-in glass sliding doors, screens and screen support.

e. The surface of the lanai floor area and the interior wall but not the structural elements, lanai, wall and floor areas.

COMMON ELEMENTS: The common elements include:

a. The land described in the Declaration.

b. The foundations, columns, girders, beams, supports, main walls, roofs, stairs, stairways and elevator in the building.

c. Roof, yard areas, driveways, maid's room, office, swimming pool and trash room and electric room.

d. The central and appurtenant installations for services such as power, light, gas, hot and cold water and like utilities.

e. All other parts of the project existing for the common use or necessary to the existence, maintenance and safety of the project.

LIMITED COMMON ELEMENTS: The limited common elements include the parking stalls set aside and reserved for the exclusive use of each apartment in the project, the stall being designated and assigned the same number as the apartment as shown on the Condominium Map.

INTEREST TO BE CONVEYED TO PURCHASER: The percentage of undivided interest in the common elements appertaining to each unit and parking stall appurtenant thereto is as follows:

a. Each of the Type "D" one-bedroom apartments shall have a 1.027 percentage interest in the common elements.

b. Each of the Type "B" and "C" one-bedroom apartments shall have a 1.198 percentage interest in the common elements.

c. Each of the Type "A" two-bedroom apartments shall have a 1.584 percentage interest in the common elements.

d. The office unit shall have a 0.038 percentage interest in the common elements.

For purposes of percentage interest in the common elements and voting on all matters requiring action by the owners the percentage interest above shall govern.

PURPOSE OF BUILDING AND RESTRICTION AS TO USE: The apartments are intended primarily for residential uses. However, the rental of apartments shall be allowed subject to such limitation as may be contained herein or in the By-Laws of the Association and House Rules which may be adopted from time to time governing the use of the apartments. The parking stalls are intended and shall be used primarily for parking purposes subject to such limitations as may be adopted from time to time governing the use of the project.

NOTE: The occupancy provision in the House Rules restricts the number of occupants in each two-bedroom apartment to no more than six persons and to each one-bedroom apartment to no more than four persons.

OWNERSHIP OF TITLE: A copy of the title search as of April 11, 1975 issued by Title Guaranty of Hawaii, Inc. certifies that the fee simple title of the land is vested in Guenther W. Schmidt, General Partner of Seaside Developers, a Hawaii registered limited partnership, under Deed dated August 1, 1974, recorded in the Bureau of Conveyances, State of Hawaii, in Book 10245, Page 113.

ENCUMBRANCES AGAINST TITLE: The Title Guaranty of Hawaii, Inc.'s search notes that the following are encumbrances against the property:

1. Real property taxes for the first half of the fiscal year July 1, 1974 - June 30, 1975 has been paid.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. The Mortgage and Security Agreement made by Seaside Developers, as Mortgagor, and Territorial Savings and Loan Association, a Hawaii corporation, as Mortgagee, dated October 1, 1974 recorded in Book 10245, Page 117, in the amount of \$3,600,000.00. By instrument dated October 1, 1974 recorded in Liber 10245, Page 202 that certain Mortgage recorded in Book 9918, Page 330 was subordinated to the lien of said above Mortgage.
4. The covenants, conditions, restrictions, easements, reservations and all other provisions set forth in the Declaration of Horizontal Property Regime dated December 6, 1974 filed in said Bureau in Book 10562, Page 547 and the By-Laws attached thereto as the same are or may hereafter be amended in accordance with law, said Declaration and By-Laws being covered by Condominium Map No. 405 recorded in said Bureau.
5. The terms and conditions contained in that certain Building Loan Agreement dated October 1, 1974, recorded in Liber 10245 at Page 153, by and between Territorial Savings and Loan Association, a Hawaii corporation, "Lender", and Guenther W. Schmidt, General Partner of Seaside Developers, a registered Hawaii limited partnership, "Borrower".
6. Mortgage of Globe Electric, Inc., a Hawaii corporation, and Valley Isle Realty, Inc., a Hawaii corporation, in favor of Surfside Properties, Inc., a Minnesota corporation, dated May 21, 1974, recorded in the Bureau of Conveyances, State of Hawaii in Liber 9918, Page 330.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated December 31, 1974 identifies Title Guaranty Escrow Services, Inc., a Hawaii corporation, as Escrow. On examination the specimen Condominium Reservation Agreement, Deposit, Receipt and Sales Contract and executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes. The provisions of the executed Escrow Agreement as filed with the Commission provide that disbursements from the escrow funds will be made by Escrow Agent upon the written request of the Developer for the following purposes:

- a. To pay for construction of the building or buildings and other improvements and fixtures in such amounts and at such times and in proportion to the valuation of the work completed by the contractor as certified by registered architect or professional engineer in accordance with the Sales Contract and upon bills approved or certified for payment by Seller's mortgagee;
- b. To other persons as required for architectural, engineering, finance, advertising, printing, accounting, escrow fees, selling expenses, taxes, assessments and legal fees, and for other incidental expenses of the project to the extent approved by Seller's mortgagee;

c. For the total or partial release of any master mortgage or other lien covering the project and for the removal of any other encumbrances required to be removed in order to place title of the apartments in the required state;

d. For such title reports and costs of recordation as may be necessary or proper in connection with recordation of deeds, mortgages and other documents requiring to effect transfer of title under the Sales Contract;

e. To Seller, or order, forty-six (46) days after the filing of the Affidavit of Publication of Notice of Completion as provided for under Chapter 507, Part II, Hawaii Revised Statutes, provided, however, if a notice of mechanic's or materialmen's lien has been filed against any of the property included in the Project, or suit thereon is filed, Escrow shall withhold one hundred fifty per cent (150%) of the amount claimed thereunder until any lien existing or possible thereunder has been removed provided, further, however, that no disbursement shall be made pursuant to the provisions of the subparagraph until Seller's mortgagee shall have advised Escrow in writing that said Mortgagee has received evidence satisfactory to it that all project construction and condominium expenses have been fully paid and discharged.

The executed Escrow Agreement illustrates compliance with the requirements of Section 514-36 to 514-39, Hawaii Revised Statutes.

The Sales Contract further provides that the rights of the Buyer under the Sales Contract are and shall be subject and subordinate to the lien of any building loan agreement, mortgage, assignment, security agreement and financing statement securing the repayment of the interim loan made to finance the cost of construction and other cost and construction and to any and all other costs and constructions and to any and all advances already made or incurred pursuant to the terms thereof or incidental thereto or to protect the security thereof and to any and all sums which may become a lien pursuant to the terms of such interim loan or any other agreement relating thereto. And this subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of the lender's right to make advances before they become due in accordance with the schedule of payments. Buyer further irrevocably appoints Seller the attorney-in-fact of Buyer to execute and deliver on behalf of the Buyer any instrument of subordination which the interim lender or its successors in interest may require.

It is incumbent upon the purchaser and prospective purchaser that they read with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of condominiums are placed in trust as well as the retention and disbursement of said funds.

MANAGEMENT AND OPERATIONS: The Developer has reserved the right to secure the management agent for three years in the Sales Contract. It has entered into a one year management contract on behalf of the Association of Owners of Kihei Surfside, subject to

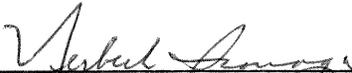
ratification by the Association. The Declaration reflects that the initial managing agent will be Ronald A. Kawahara, whose address is 204 Lahaina Shopping Center, Office Building, Lahaina, Maui, Hawaii 96761.

STATUS OF PROJECT: The Developer advises the Real Estate Commission that the construction of the project commenced on January 7, 1975 and is scheduled for completion on December 30, 1975.

The purchaser or prospective purchaser shall be cognizant of the fact that this public report represents information disclosed by the Developer in the required Notice of Intention submitted on February 26, 1975 and information subsequently filed as of April 21, 1975.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 757 filed with the Commission February 26, 1975.

This report when reproduced shall be a true copy of the Commission's Public Report. The paper stock must be white in color.



(FOR) DOUGLAS R. SODEVANI, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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Bureau of Conveyances
Planning Department, County of Maui
Federal Housing Administration
Escrow Agent

REGISTRATION NO. 757

May 9, 1975