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 GARDEN ESTATES
Corner of Lipoa and Uluniu Streets
Kihei, Maui, Hawaii

REGISTRATION NO. 806

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: June 29, 1979
Expires: July 29, 1980

SPECIAL ATTENTION

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 purchaser and prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED ON SEPTEMBER 2, 1975, AND INFORMATION SUBSEQUENTLY FILED ON JUNE 22, 1979. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF THEIR INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report dated October 9, 1975 on Registration No. 806, the Developer has forwarded additional information reflecting material changes which have been made in the documents for the Project.

2. This Final Public Report is made a part of the registration on the Kihei Garden Estates Condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) together with a copy of the Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers. Securing a signed copy of the receipt for both Public Reports and Abstract from each 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.

4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a copy of the approved Floor Plans) have been filed in the office of the recording officer.

   The Declaration of the Horizontal Property Regimes, dated February 1, 1977, with the By-Laws of the Association of Apartment Owners, was filed with the Bureau of Conveyances of the State of Hawaii in Liber 12437 on Page 358, as amended in Liber 12685 on Page 241 in said Bureau of Conveyances, and further amended in Liber 13641 on Page 89.

   The Registrar of said Bureau of Conveyances had designated Condominium Map Number 514 to the project.

5. No advertising or promotional material has been submitted pursuant to the rules and regulations promulgated by the Commission.

6. Purchasers or prospective purchasers are advised to acquaint themselves with the provisions of Chapter 514A, Hawaii Revised Statutes, and the condominium rules and regulations which relate to Horizontal Property Regimes.

7. This Final Public Report automatically expires thirteen (13) months after date of issuance, June 27, 1979, unless a Supplementary Public Report is issued or the Commission upon review of the registration issues an order extending the effective period of this report.

The information of the Preliminary Public Report issued October 9, 1975 has not been disturbed except for the following:

DEVELOPER: Kihei Garden Estates (a Hawaii Registered Partnership) is now the Developer of the project. The place of business is located at 1299 Uluniu Road, Kihei, Maui, Hawaii 96753, telephone 879-1404. The general partners are:

Raymond R. Pursche	Uluniu Road, Kihei, Hawaii
Donald E. Schmider	Uluniu Road, Kihei, Hawaii
Jerald C. Briske	3909 Cope, Anchorage, Alaska
H. Dean Briske	3909 Cope, Anchorage, Alaska
Donald L. Summers	6832 Cutty Sark, Anchorage, Alaska

COMMON ELEMENTS: The project will contain twelve (12) unassigned stalls for guest parking in lieu of ninety-eight (98) unassigned parking stalls as stated in the Preliminary Public Report dated October 9, 1975.

LIMITED COMMON ELEMENTS: Certain parts of the common elements called "limited common elements" are set aside and reserved for the exclusive use of certain apartments and such apartments will have appurtenant thereto an exclusive easement for the use of such limited common elements. Said limited common elements set aside and reserved are as follows: (a) entry hallway adjoining an apartment or apartments will be appurtenant to and for the exclusive use of such apartment or apartments which it adjoins; (b) parking stalls assigned as shown on Exhibit "A" attached hereto.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed House Rules provide, in part, that household pets shall not be kept in the apartments without the written approval of the Board of Directors.

OWNERSHIP TO TITLE: The Preliminary Title Report prepared on May 15, 1979 by the licensed title abstractor, Title Guaranty of Hawaii, Inc., verifies that title to the land is vested in Donald E. Schmider and Raymond R. Pursche. By Development Agreement dated June 22, 1979 the fee owners have granted the Developer, Kihei Garden Estates, the right to develop the project.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report of May 15, 1979 identifies the following encumbrances:

1. For any taxes that are due and owing, reference is made to the Office of the Tax Assessor, Second Division.

2. Proposed Master Plan 44-foot right-of-way as shown on Map prepared by Robert T. Tanaka, Registered Professional Land Surveyor, dated April 12, 1967.

3. Covenants, conditions, restrictions, easements, reservations and all other provisions set forth in Declaration of Horizontal Property Regime dated February 1, 1977, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 12437 on Page 358 and the By-Laws attached thereto, as amended by Amended Enabling Declaration dated October 13, 1977, recorded in the said Bureau of Conveyances in Liber 12685 on Page 241. (Project covered by Condominium Map No. 514.) Said Declaration was further amended by Instrument dated April 25, 1979, recorded in the said Bureau of Conveyances in Liber 13641 on Page 89.

4. Mortgage and Financing Statement:

   Mortgagor: Raymond R. Pursche, unmarried, and Donald E. Schmider, unmarried, Joint Venturers of Kihei Garden Estates, a Hawaii Joint Venture

   Mortgagee: Security Savings and Loan Association, an Iowa corporation

   Dated: March 31, 1978
   Recorded: Liber 12803, Page 485
   Amount: $370,000.00

By instrument dated March 20, 1978 and recorded in the said Bureau of Conveyances in Liber 12803 on Page 528, said above mortgage was subordinated to the lien of that certain mortgage recorded in the said Bureau of Conveyances in Liber 12803 on Page 532.

5. Mortgage and Financing Statement:

Mortgagor: Raymond R. Pursche, unmarried, and Donald E. Schmider, unmarried, Joint Venturers of Kihei Garden Estates, a Hawaii Joint Venture

Mortgagee: Honolulu Federal Savings and Loan Association, a federal savings and loan association

Dated: November 19, 1977
Recorded: Liber 12803, Page 532
Amount: $3,230,000.00

6. A grant in favor of Maui Electric Company, Limited and Hawaiian Telephone Company, dated April 6, 1979, recorded in the said Bureau of Conveyances in Liber 13658 on Page 57, granting a perpetual right and easement to build, construct, reconstruct, rebuild, repair, maintain and operate pole and wire lines and underground lines, etc.

PURCHASE MONEY HANDLING: A copy of the specimen Contract of Sale and a newly-executed Escrow Agreement dated April 30, 1979 have been submitted as part of the registration. The "Escrow" is Title Guaranty Escrow Services, Inc. Upon examination, the executed Escrow Agreement and specimen Sales Contract are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, particularly with Section 514A-37, 39, 40, and 63 through 66. The purchaser or prospective purchaser should carefully examine the form and contents of the Sales Contract to determine the time for and amounts of installment payments due on the purchase price and his obligation to pay the closing costs. It is incumbent upon the purchaser to read and understand the Escrow Agreement before signing the Sales Contract, since the Escrow Agreement prescribes the procedure for receiving and disbursing the purchaser's funds.

The Escrow Agreement dated April 30, 1979 states in part that:

1. No disbursements of funds held in escrow shall be made unless and until the following conditions have been fulfilled:

(a) The Real Estate Commission shall have issued a Final Report on the Project; provided, however, to the extent any sales contracts are entered into and a purchaser's funds are obtained prior to the issuance of a Final Public Report of the Real Estate Commission, no disbursements shall be made from such purchaser's funds until (i) such Final Public Report shall have been issued; and (ii) the purchaser shall have been

given a copy of said Final Report, shall have acknowledged receipt of same, and either forty-eight (48) hours shall have elapsed since such receipt or Developer's attorney shall have delivered a written opinion to Escrow that the purchaser's sales contract has become effective; and

(b) The Developer's attorney shall have delivered a written opinion to Escrow stating that the requirements of Sections 514A-39, 514A-63, 514A-64 and 514A-66, Hawaii Revised Statutes, as amended, have been met; and

(c) The Developer shall have given Escrow a written waiver of any option reserved in any sales contract to cancel such sales contract.

2. Subject to the provisions of the preceding paragraph, disbursements from the funds held in escrow may be made by Escrow from time to time and for a mutually acceptable fee payable by the Developer as follows, each such disbursement to be approved by the Developer in writing prior to disbursement:

(a) To pay for construction costs of the 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 in accordance with the terms of the construction contract, as certified by a registered architect or professional engineer and as approved by Developer's mortgagee or a financially disinterested person who shall be designated in writing by the Developer and Developer's mortgagee, if any, and who shall certify to Escrow in writing that he is financially disinterested (and Escrow shall have the right to rely on said certification).

(b) To other persons for architectural, engineering, finance, advertising and legal fees and other incidental expenses of the Project (but not selling expenses or brokerage fees relating to sales of any apartments) to the extent approved by the Developer's mortgagee or said financially disinterested person.

(c) The balance of monies remaining in escrow shall be disbursed in accordance with the directions of the Developer and Developer's mortgagee or said financially disinterested person only upon completion of the buildings of the Project and when Escrow shall have received satisfactory evidence that all mechanics' and materialmen's liens have been cleared or sufficient funds have been set aside to cover claims if liens are filed; otherwise, forty-six (46) days after the filing of the affidavit of publication of notice of completion in the office of the clerk of the circuit court where the Project is located, a copy of which shall have been delivered to Escrow; provided, further, that if any notice of mechanics' or materialmen's liens shall have been filed, the funds shall be disbursed only when such liens have been cleared or sufficient funds have been set aside to cover such claims.

3. A purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such purchaser, without interest, if any one of the following has occurred:

(a) Developer and the purchaser shall have requested Escrow to return to purchaser the funds of purchaser held hereunder by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, there shall have been a change in the building plans requiring approval of a county officer having jurisdiction over the issuance of building permits (except such changes as are specifically authorized in the Declaration of Horizontal Property Regime or by the terms of the sales contract or to which said purchaser has otherwise consented in writing); or

(d) The Final Report differs in a material respect from the Preliminary Report, and the purchaser's written approval of such change shall not have been obtained; or

(e) The Final Report shall not have been issued within one (1) year from the date of issuance of the Preliminary Report and the purchaser has not waived his right to a refund.

4. In any of the foregoing events, Escrow shall, upon the occurrence of the event described in (a) or (b) above or upon receipt of a written request for a refund from purchaser upon the occurrence of an event described in (c), (d) or (e) above, pay said funds to said purchaser and thereupon said sales contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer and shall be deemed no longer held hereunder; provided, however, that no refund shall be made to a purchaser at purchaser's request prior to receipt by Developer of written notice from Escrow of its intent to make such refund.

The specimen Contract of Sale states in part that the rights derived under the contract are subject and subordinate to the lien rights and security interest of the lending institution financing the construction of the project and/or the financing of the purchases of the apartments therein.

MANAGEMENT AND OPERATIONS: The initial responsible managing agent to manage and control the property subject at all times to direction of the Board of Directors is Turner Management Corporation, whose place of business and post office address is P. O. Box 1220, Kihei, Hawaii 96753.

STATUS OF PROJECT: Construction of the project commenced on April 25, 1978. The developer has filed with the Commission a copy of the Affidavit of Publication of the Notice of Completion which indicates that the project was substantially completed on April 30, 1979.

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 September 2, 1975, and information subsequently filed on June 22, 1979.

The FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 806, filed with the Commission on September 2, 1975.

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

for AN KAU YOUNG, CHAIRMAN
Real Estate Commission
State of Hawaii

DISTRIBUTION:

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

REGISTRATION NO. 806

DATE: June 29, 1979

EXHIBIT "A"

PARKING STALL ASSIGNMENTS

FOR

KIHEI GARDEN ESTATES

LOT 11 (TMK 3-9-08-26)

STALL #	UNIT #	STALL #	UNIT #	STALL #	UNIT #
1	C-110	23	B-102	45	B-204
2	C-109	24	B-101	46	D-101
3	C-108	25	Guest	47	D-102
4	C-107	26	F-204	48	D-103
5	C-106	27	F-203	49	D-104
6	C-105	28	F-202	*50	D-201
7	C-104	29	F-201	*51	D-202
8	C-103	30	F-104	*52	D-203
9	C-102	31	F-103	*53	D-204
10	C-101	32	F-102	*54	Guest
11	Guest	33	F-101	*55	Guest
12	Guest	34	A-101	*56	C-201
13	E-204	35	A-102	*57	C-202
14	E-203	36	A-103	*58	C-203
15	E-202	37	A-104	*59	C-204
16	E-201	38	A-201	*60	C-205
17	E-104	39	A-202	*61	C-206
18	E-103	40	A-203	*62	C-207
19	E-102	41	A-204	*63	C-208
20	E-101	42	B-201	*64	C-209
21	B-104	43	B-202	*65	C-210
22	B-103	44	B-203		

LOT 26 (TMK 3-9-08-11)

STALL #	UNIT #	STALL #	UNIT #	STALL #	UNIT #
1	Guest	12	G-107	23	Guest
2	Guest	13	G-108	24	H-204
3	Guest	14	G-201	25	H-203
4	Guest	15	G-202	26	H-202
5	Guest	16	G-203	27	H-201
6	G-101	17	G-204	28	H-104
7	G-102	18	G-205	29	H-103
8	G-103	19	G-206	30	H-102
9	G-104	20	G-207	31	H-101
10	G-105	21	G-208	32	Guest
11	G-106	22	Guest	33	Guest

*NOTE: Parking stall numbers 50-65 are for compact cars.