

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

MAALAEA YACHT MARINA
Hauoli Street
Maalaea, Maui, Hawaii

REGISTRATION NO. 860

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: November 9, 1978
Expires: December 9, 1979

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:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MAY 26, 1976 AND INFORMATION SUBSEQUENTLY FILED ON NOVEMBER 3, 1978. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS 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 Report of June 8, 1977 on MAALAEA YACHT MARINA, Registration No. 860, the Developer reports that certain material changes have been made in the project. This Final Public Report amends the Preliminary Public Report becoming a part of the MAALAEA YACHT MARINA condominium registration.

This Final Public Report is made a part of the registration on the MAALAEA YACHT MARINA condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers along with a copy of the Preliminary Public Report (yellow paper stock). Securing a signed copy of the receipt for both public reports from each purchaser is also the responsibility of the Developer.

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 Final Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a Report of the Approved Floor Plans) have been filed in the office of the recording officer.

The Declaration of the Horizontal Property Regimes, dated August 4, 1978, with the By-Laws of the Association of Apartment Owners, was filed with the Bureau of Conveyances of the State of Hawaii in Liber 13067 on Page 443, on August 9, 1978.

The Registrar of said Bureau of Conveyances has designated Condominium Map Number 559 to the project.

4. No advertising or promotional material has been submitted pursuant to the rules and regulations promulgated by the Commission.
5. 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 relates to Horizontal Property Regimes.
6. This Final Public Report automatically expires thirteen (13) months after date of issuance, November 9, 1978, 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 in the Preliminary Public Report issued June 8, 1977, has not been disturbed except for the following:

DESCRIPTION: The project will now contain 58 parking stalls, of which 14 are for compact cars.

COMMON ELEMENTS: Only subsection (e) under this topical heading of the Preliminary Public Report has been amended in its entirety to read as follows:

- (e) All driveway and parking areas and stalls for 58 cars;

ENCUMBRANCES AGAINST TITLE: A preliminary title report issued by Title Guaranty of Hawaii, Inc., as of August 9, 1978, certifies that the records reveal no liens or encumbrances against said title, save and except:

- (1) Real property taxes for fiscal year July 1, 1978 to June 30, 1979, 1st installment has been paid;
- (2) The reservation in favor of the State of Hawaii of all mineral and metallic mines;
- (3) Location of the seaward boundary in accordance with the law of the State of Hawaii;
- (4) A perpetual easement 20 feet in width in favor of the County of Maui for ingress and egress to and along existing natural drainage ditch and 10 feet on each side of the common boundary between Lots 4 and 5, as shown on map entitled "MAALAEA BEACH LOTS", dated March 15, 1951, and on file in the Office of East Maui Irrigation Company, Limited;
- (5) Grant of littoral rights in favor of the State of Hawaii, its successors, assigns, licensees and permittees, appurtenant to the lands described as Parcel D of Maalaea Bay Front (Lot 3, Maalaea Beach Lots) and Parcel E of Maalaea Bay Front (Lot 4, Maalaea Beach Lots), by deed of Maui Fisheries & Marine Products, Ltd., a Hawaii corporation, dated October 29, 1958, recorded in Liber 3515 on Page 425;
- (6) Mortgage, Security Agreement and Financing Statement by and between David P. Ting and Sons, Inc., a Hawaii corporation, as Mortgagor, and Pioneer Federal Savings and Loan Association of Hawaii, a Federal Savings and Loan Association, as Mortgagee, dated June 7, 1978, and recorded in Liber 12940 on Page 576, in the amount of \$2,400,000.00; and
- (7) Covenants, conditions, restrictions, easements, reservations and all other provisions set forth in Declaration of Horizontal Property Regime dated August 4, 1978, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13067 on Page 443 and the By-Laws attached thereto as the same are or may hereafter be amended in accordance with law, said Declaration or By-Laws. (Project covered by Condominium Map No. 559.)

PURCHASE MONEY HANDLING: A revised copy of the Escrow Agreement duly executed and dated August 8, 1978, between David P. Ting and Sons, Inc., as Developer, and Title Guaranty Escrow Services, Inc., as Escrow, has been submitted to the Commission as part of this registration. On examination, the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, and particularly Sections 514A-37, 514A-39 and 514A-63 through 514A-66 of the Hawaii Revised Statutes.

Among other conditions, the Escrow Agreement provides for the payment of all monies under the specimen Sales Contract to the Escrow and that Escrow shall not disburse any funds to the Seller prior to the completion of the building unless and until a Final Public Report has been issued to the Purchaser. The Escrow Agreement also provides that Escrow shall refund all monies of the Purchaser held by Escrow upon the happening of, among other things, the following: (i) Receipt of written notice from Seller and Purchaser that changes in the condominium building plans have been made which require the approval of the County Officer having jurisdiction thereof, and that such

changes have not been approved and accepted in writing by the Purchaser; (ii) Receipt of written notice from Seller and Purchaser that the Final Public Report has not been issued within one year from the date of issuance of the Preliminary Report; (iii) Receipt of written notice from the Seller and Purchaser that the Final Public Report issued by the Real Estate Commission differs in any material respect from the Preliminary Report.

The Escrow Agreement also provides, in part, that a purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such purchaser, without interest, promptly after purchaser has requested such return if Escrow shall have received from Developer a written notice that any one of the following has occurred:

- (a) Developer shall have requested Escrow to return to purchaser the funds of purchaser then being held hereunder by Escrow; or
- (b) Developer shall have notified Escrow of Developer's exercise of the option to rescind the sales contract pursuant to any right of rescission stated 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.

In any of the foregoing events, Escrow shall, upon receipt of a written request for a refund from purchaser, pay said funds to said purchaser (less cancellation fees to Escrow of \$25.00 per apartment) 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 Sales Contract states that certain of its terms are subject to the terms of the Escrow Agreement. The Sales Contract also provides, in part: (1) that Purchaser agrees that all rights and interest of the Purchaser are and shall be subject and subordinate to the lien of any mortgage made to finance the cost of construction of the project by Developer; (2) if construction of the project is not

completed by June 30, 1980, either Developer or Purchaser may, upon fifteen (15) days written notice to the other, terminate the Sales Contract and all sums paid by Purchaser shall be refunded without interest; (3) if Purchaser has defaulted on the Sales Contract, Developer may terminate said contract, at which time, Escrow shall charge a \$25.00 cancellation fee and thereafter treat all funds of such Purchaser as the escrowed funds of Developer.

It is incumbent upon the purchaser or prospective purchaser to read with care the Sales Contract and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds paid into escrow are placed in trust, as well as the retention, disbursement and refund of said trust funds.

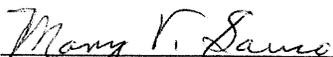
FINANCING OF THE PROJECT: The Developer's attorney has advised the Commission that the Developer has obtained a Construction Mortgage from Pioneer Federal Savings and Loan Association of Hawaii. Initial construction was begun on August 1, 1977, and by virtue of said Mortgage the construction of the project was accelerated and is anticipated to be completed by June 19, 1979.

STATUS OF THE PROJECT: The Developer's attorney has advised the Commission that construction of the project commenced on or about August 1, 1977. The estimated date of completion is June 1979, as set forth by the Developer in its verified Statement of Costs dated July 26, 1978.

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 May 26, 1976, and information subsequently filed on November 3, 1978.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 860 filed with the Commission May 26, 1976.

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) AH KAUYOUNG, 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. 860

November 9, 1978