

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
KALAMA GARDENS
36 Walaka Street
Kihei, Maui, Hawaii

REGISTRATION NO. 888

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: January 5, 1977
Expires: February 5, 1978

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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED NOVEMBER 4, 1976 AND INFORMATION SUBSEQUENTLY SUBMITTED AS OF DECEMBER 1, 1976. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514, HAWAII REVISED STATUTES.

1. KALAMA GARDENS is a proposed fee simple condominium project consisting of six apartment units, contained in one two-story building. There are a total of eight 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 basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved Floor Plans) have not yet been filed in the office of the recording officer.
4. No advertising or promotional matter has been submitted pursuant to rules and regulations promulgated by the Commission.
5. The purchaser or prospective purchaser 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 is made a part of the registration of KALAMA GARDENS condominium project. The Developer is responsible for placing 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 Horizontal Property Regime Public Report.
7. This Preliminary Public Report automatically expires 13 months after date of issuance, January 5, 1977, unless a Final or 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: KALAMA GARDENS

LOCATION: The 10,009 square feet of land committed to the Regime is located at 36 Walaka Street, Kihei, Island of Maui, State of Hawaii.

TAX KEY: SECOND DIVISION 3-9-16-16

ZONING: Apartment (A-2)

DEVELOPER: ALBO COMPANY, a limited partnership registered in the State of Hawaii, whose general partner is ALOYSIUS KLINK.

Telephone: 572-7512; Address: P. O. Box 475, Makawao, Maui Hawaii, 96768.

ATTORNEY REPRESENTING DEVELOPER: SANFORD J. LANGA, Wailuku Townhouse Building, Wailuku, Maui, Hawaii; telephone: 244-9168.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime states that the project is to consist of six freehold estates designated and comprised of the spaces within center planes of the perimeter walls, floors and ceilings of each of six apartment units of the Project contained in one wood-frame building with reinforced concrete foundation, and described as follows:

- (1) Each apartment contains two bedrooms and a bath on the second floor; one kitchen, one living room, one dining room, a hallway and a lavatory on the first floor; and a staircase connecting the first and second floors. Each contains approximately 936 square feet of living area.
- (2) The apartments are numbered 1 through 6 and are located in the manner shown on the set of floor plans filed with the Commission.
- (3) Each apartment has entries at front and back and access by way of a common exterior walkway at the first floor level.
- (4) The respective apartments shall not be deemed to include any pipes, wires, conduits or other utility lines running through such apartments which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions and fixtures within its perimeter.

COMMON ELEMENTS: One freehold estate is hereby designated of all remaining portions of the project, herein called "common elements", including specifically, but not limited to:

- (1) Said land in fee simple;
- (2) All foundations, columns, girders, beams, supports, roofs, chases, entries and walkways of said building;
- (3) All yards, grounds and landscaping;
- (4) All parking areas and driveways;
- (5) All ducts, electrical equipment, wiring and other central and appurtenant installations including power, light, water, sewage system, irrigation system and telephone.

LIMITED COMMON ELEMENTS: None.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment will have appurtenant thereto a 1/6 undivided interest in the common elements, said interest being referred to herein as the "Common Interest", and the same proportionate share in all common profits and expenses of the project, and for all other purposes including voting. There will be conveyed to the purchaser a fee simple interest in the apartment and its common interest.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration specifies that the apartments shall be used by the respective owners, their tenants, families, domestic servants and social guests, for residential purposes and for such other purposes as may be permitted by law subject to all provisions of the Declaration.

OWNERSHIP OF TITLE: The Preliminary Report dated October 1, 1976, prepared by Title Guaranty of Hawaii, Inc., certifies that ALBO COMPANY, a Hawaii limited partnership, has title to the land committed to the project.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated October 1, 1976, prepared by Title Guaranty of Hawaii, Inc. certifies that there are no liens or encumbrances of whatever kind or nature of record against the title, save and except the following:

- (1) Real Property Taxes for the fiscal year July 1, 1976 to June 30, 1977. Reference is hereby made to the Tax Office on the Island of Maui (Office of the Tax Assessor of the Second Division) for subsequent taxes which may be due and owing and a lien on said land.
- (2) Restrictive covenants set forth in instrument recorded in Liber 5788, Page 236, as follows:
 - (a) No used or second-hand lumber shall be used or incorporated in the construction of any improvements to be erected upon the above described premises, nor shall there be erected, placed or maintained upon the above described premises any "quonset hut" type of building or any buildings or parts thereof which have been previously located on other property, nor shall any corrugated iron be used for roof on any buildings thereof.
 - (b) No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except dogs, cats or other household pets; provided, however, that such household pets may not be kept, bred or maintained for commercial purposes.
 - (c) The foregoing conditions and covenants shall run with the land, and jurisdiction may be taken in equity at the suit of the Grantor, his heirs, executors and administrators, or of any other grantee within said subdivision, to restrain by injunction, mandatory or restraining any violation or threatened violation of any covenant above set forth and on the part of the Grantee to be observed and performed, without prejudice to the right of the Grantor, or any other grantee, to adopt or pursue any other remedy thereafter for the same breach or failure or for any subsequent breach or failure, or to adopt or pursue suitable process to recover damages for any such breach or failure.
- (3) Compliance with the provisions of Chapter 425, Hawaii Revised Statutes, as amended, relating to the registration of the partnership of Albo Company.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated October 1, 1976 between Albo Company and Title Guaranty Escrow Services, Inc. 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 514, Hawaii Revised Statutes, and particularly with Sections 514-36 through 514-40, Hawaii Revised Statutes.

Among other provisions, the executed Escrow Agreement states that a purchaser under contract of sale, upon written request, shall be entitled to a refund of all moneys deposited with Escrow, without interest, and less Escrow's \$25 cancellation fee, if any of the following events shall have occurred:

- (1) Escrow receives a written request from Seller to return to Purchaser the funds of such Purchaser; or
- (2) If a Purchaser'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 Purchaser's sales agreement, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless the Purchaser has given written approval or acceptance of the change; or
- (3) If a Purchaser's funds were obtained prior to the issuance of a final public report and the request is prior to the time the Final Public Report is issued; or
- (4) If the Final Public Report differs in any material respect from the preliminary public report, unless the Purchaser has given written approval of acceptance of the difference; or
- (5) If the Final Public Report is not issued within one year from the date of issuance of the preliminary public report.

Among other provisions, the specimen Sales Contract provides that in the event that less than 80% of the apartments are sold prior to March 1, 1977, Sellers may at their option cancel the agreement, refund to Buyer all moneys paid, and be relieved and released of all further liability thereunder. The terms of the Escrow Agreement are also made a part of the Contract of Sale by reference. The Escrow Agreement establishes how the proceeds from the dwelling units and all sums received from any source are placed in trust, as well as the retention and disbursement of said trust funds.

NOTE: The purchaser should be aware that the Sellers have the right to mortgage the land and improvements to any recognized lending institution for any purpose and such mortgage shall have priority over any interest whatsoever that Buyer may have obtained by said Sales Contract. Prior to the conveyance of the apartment to Buyer, Seller shall release the apartment from any such mortgage.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sales Contract and executed Escrow Agreement.

MANAGEMENT AND OPERATIONS: The By-Laws vest the Board of Directors of the apartment owners association with the authority to acquire and pay for the services of a person or firm to manage the Horizontal Property Regime. No property manager has been identified in the notice of intention to sell.

STATUS OF PROJECT: No building contract has been executed.

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 November 4, 1976 and information subsequently submitted as of December 1, 1976.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 888 filed with the Commission on November 4, 1976.

The report when reproduced shall be a true copy of the Commission's Preliminary Public Report. The paper stock used in making facsimilies must be yellow.



Au Kau Young, Chairman
Real Estate Commission
State of Hawaii

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FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

REGISTRATION NO. 888
January 5, 1977