

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on

PAPAKEA (PHASE II)
HONOKOWAI, KAAPAPALI
MAUI, HAWAII

REGISTRATION NO. 894

This Report Is Not an Approval or Disapproval of This Condominium Project

It was prepared as a supplement to ~~an~~ earlier Report, dated ^{January 17, 1977} and July 1, 1977 issued by the Real Estate Commission on the above 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: September 18, 1978
Expires: August 1, 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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 22, 1976 AND INFORMATION SUBSEQUENTLY FILED AS OF SEPTEMBER 12, 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 Public Report of January 17, 1977, and the Final Public Report on July 1, 1977, on PAPAKEA (PHASE II), Registration No. 894, the Developer reports that certain changes have been made in the project. This Supplementary Public Report amends the Preliminary and Final Public Reports and becomes a part of PAPAKEA (PHASE II) registration.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the issuance of this Supplementary Public Report.
3. No advertising or promotional materials have been submitted pursuant to the rules and regulations promulgated by the Commission.
4. The Developer advises that the Papakea (Phase II Amendment) Third Amendment of Declaration Submitting Property to the Horizontal Property Regime ("Third Amendment"), dated August 2, 1978, has been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 893466, and recorded in the Bureau of Conveyances of the State of Hawaii in Book 13062 at Page 593.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A of the Hawaii Revised Statutes and the condominium rules and regulations which relate to horizontal property regimes.
6. This Supplementary Public Report is made a part of the registration on PAPAKEA (PHASE II) condominium project. The Developer is responsible for placing a true copy of this Supplementary Public Report (pink paper stock) in the hands of all purchasers and prospective purchasers, along with a copy of the Preliminary Public Report (yellow paper stock), and a copy of the Final Public Report (white paper stock). Securing a receipt for all three public reports from each purchaser and prospective purchaser is also the responsibility of the Developer.
7. This Supplementary Public Report expires on August 1, 1979, unless another Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective period of this report.

Upon request from Developer, the Commission has granted an extension of the Final Public Report to expire August 1, 1979 through this Supplementary Public Report.

The information in the Preliminary Public Report of January 17, 1977, under paragraph 1 and under the topical headings: DESCRIPTION, COMMON ELEMENTS, INTEREST TO BE CONVEYED TO BUYER, PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE, ENCUMBRANCES AGAINST TITLE, and STATUS OF PROJECT has been changed. The Developer reports that the other information in the Preliminary Public Report and in the Final Public Report has not been changed.

DESCRIPTION: The Third Amendment reveals that the commercial apartment provided for under this heading of the Preliminary Public Report, has been deleted from the project plans.

COMMON ELEMENTS: The Third Amendment reflects that, upon the deletion of the commercial apartment, the common elements for the entire project have been reallocated and increased.

INTEREST TO BE CONVEYED TO BUYER: The Third Amendment shows that the undivided interest in the common elements is as follows:

Entire Project Phases I and II. Upon the recording of a conveyance for any apartment in Phase II, the common interest appurtenant to each apartment in both Phases I and II for voting and all other purposes shall be as follows:

Type of Apartment	Area (Ft. ²) (Each Apt.)	Percentage of Undivided Interest in the Common Elements (Each Apt.)	No. of Apts.	Total Area (Ft. ²) (Each Apt. Type)	Percentage of Ownership in the Common Elements per Type (Total)
2-bedroom					
A-1	1,308	.4282	16	20,928	6.8512
A-2	1,343	.4395	6	8,058	2.6370
A-3	1,342	.4392	6	8,052	2.6352
A-4	1,274	.4170	6	7,644	2.5020
A-5	1,325	.4337	10	13,250	4.3370
A-6	963	.3152	21	20,223	6.6192
A-7	981	.3211	9	8,829	2.8899
A-8	980	.3208	9	8,820	2.8872
A-9	1,009	.3303	9	9,081	2.9727
A-10	963	.3152	12	11,556	3.7824
1-bedroom					
B-1	699	.2288	144	100,656	32.9472
B-2	716	.2345	18	12,888	4.2210
B-3	744	.2436	9	6,696	2.1924
B-4	953	.3109	33	31,449	10.2597
B-5	814	.2665	15	12,210	3.9975
B-6	1,117	.3656	5	5,585	1.8280
Studio					
C-1	556	.1820	18	10,008	3.2760
C-2	537	.1758	18	9,666	3.1644
			364	305,599	100.0000

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: All reference to the commercial apartment under this topical heading in the Preliminary Public Report of January 17, 1977, is deleted in its entirety.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated August 29, 1978, and issued by Security Title Corporation reveals the following encumbrances:

1. For any real property taxes due and owing, reference is made to the Office of the Tax Assessor, Second Division.
2. As to that portion of the land herein described bordering on the Ocean:

The effect of Sections 205-31 to 205-37, inclusive, Hawaii Revised Statutes, as now or hereafter amended pertaining to shoreline setbacks.
3. Any adverse claim of State of Hawaii based upon the contention that some portion of the land hereinafter described lies seaward of the line of vegetation, pursuant to the ruling in County of Hawaii v. Sotomura, [1973] 55 H. 176, 517 P.2d 57.
4. The reservation in favor of the State of Hawaii of all mineral and metallic mines as mentioned in Transfer Certificate of Title No. 155,119 (as to PARCEL FIRST).
5. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patents Numbered 636, 4565 and 7661 (as to PARCEL SECOND).
6. a) Free flowage of water in Honokowai Stream;

b) Lease dated October 13, 1967, recorded on December 8, 1967, in the Bureau of Conveyances of the State of Hawaii in Book 5893 at Page 226, made by and between PIONEER MILL COMPANY, LIMITED, a Hawaii corporation, as Lessor, and MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, and HAWAIIAN TELEPHONE COMPANY, a Hawaii corporation, as Lessees, for a term of 35 years commencing from the date hereof, and thereafter from year to year until terminated. Said Lease demises rights-of-way, each twenty-five (25) feet in width, over, across and under all lands owned and held by the Lessor situate in the District of Lahaina on the Island and in the County of Maui, State of Hawaii, and upon all other such lands which the Lessor may hereafter acquire and so hold (as to PARCEL SECOND).

"RESERVING, HOWEVER, unto the Lessor and its tenants and subtenants the right to cultivate, irrigate and use the lands of such rights-of-way for all purposes, including the right to cross over and under the same; provided, that such use of such land by the lessor and its tenants and subtenants shall not interfere with the equipment, particularly pole and wire lines, which the Lessees may have installed upon such lands pursuant to the rights of the Lessees hereunder; and provided, further, that

once the Lessees have installed their equipment upon a right-of-way pursuant to the rights of the Lessees hereunder, then the Lessor shall not construct a structure with a height of twelve (12) feet or more above ground level upon the lands of such right-of-way until the Lessor has secured the approval in writing, of the Lessees for such construction.", as reserved in the foregoing Lease.

7. An easement for ingress and egress, said easement being Easement "A" as shown on Land Court Application 1791 (Map 1).
8. Mortgage dated December 28, 1972, filed in said Office of the Assistant Registrar as Document No. 612639, and also recorded on December 29, 1972, in said Bureau of Conveyances in Book 8838 at Page 317, made by U.S. FINANCIAL, INCORPORATED, a Delaware corporation, as Mortgagor, to DONALD HAYASHI TOKUNAGA, husband of Alice Yaeko Tokunaga, and HARRY JOHN TIEDEMAN, husband of Marjorie Bell Tiedeman, as Tenants in Common, as Mortgagees, to secure the repayment of the sum of \$2,356,364.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to.

By instrument dated April 18, 1977, filed in said Office of the Assistant Registrar as Document No. 818064, and also recorded on May 19, 1977, in said Bureau of Conveyances in Book 12211 at Page 300, the foregoing mortgage was subordinated to the lien of that certain mortgage referred to in Encumbrance No. 13 hereof.

9. Condominium Map No. 228, filed in said Office of the Assistant Registrar on October 1, 1974.

Condominium File Plan No. 383, filed in said Bureau of Conveyances on October 1, 1974.

10. The covenants, agreements, obligations, and conditions set forth in that certain DECLARATION SUBMITTING PROPERTY TO THE HORIZONTAL PROPERTY REGIME "PAPAKEA", dated September 3, 1974, filed in said Office of the Assistant Registrar as Document No. 697641, and also recorded on October 1, 1974, in said Bureau of Conveyances in Book 10165 at Page 533, and the By-Laws attached thereto, to which reference is hereby made.
 - a) By instrument dated February 24, 1976, filed in said Office of the Assistant Registrar as Document No. 754965, and also recorded on February 25, 1976, in said Bureau of Conveyances in Book 11258 at Page 126, the foregoing Declaration was amended.

- b) By instrument dated May 19, 1977, filed in said Office of the Assistant Registrar as Document No. 818058, and also recorded on May 19, 1977, in said Bureau of Conveyances in Book 12211 at Page 202, the foregoing Declaration was further amended.
 - c) By instrument dated August 2, 1978, filed in said Office of the Assistant Registrar as Document No. 893466, also recorded on August 7, 1978, in said Bureau of Conveyances in Book 13062 at Page 593, the foregoing Declaration was further amended.
11. Grant dated September 3, 1975, filed in said Office of the Assistant Registrar as Document No. 745860, and also recorded on December 17, 1975, in said Bureau of Conveyances in Book 11094 at Page 576, in favor of MAUI ELECTRIC COMPANY, LIMITED, a Hawaii corporation, granting a perpetual right and easement to build, etc., construct, overhead and/or underground lines, together with a perpetual easement for all street lights, transformers and other appurtenances as may be required for street lighting and for the transmission and distribution of electricity for light and power etc., under, over and across PARCEL FIRST, also affects other property. Said easement area being ten (10) feet wide and being located approximately as set forth in the area marked in red in Exhibit "C" attached to said Grant of easement. Consents thereto filed as Document Nos. 745862, 745863, and 745864, and also recorded in Book 11095 at Pages 1, 4 and 10, respectively.
12. The terms and provisions of those certain Ground Leases and Apartment Deeds (Condominium Conveyance Documents) noted in Exhibit "B" of the Preliminary Title Report, and the encumbrances thereon.
13. Mortgage and Security Agreement dated May 19, 1977, filed in said Office of the Assistant Registrar as Document No. 818065, and also recorded on May 19, 1977, in said Bureau of Conveyances in Book 12211 at Page 328, made by HONOKOWAI-KAANAPALI PARTNERS, a Hawaii general partnership, as Mortgagor, to WASHINGTON MORTGAGE CO., INC., a Washington corporation, as Mortgagee, to secure the repayment of the sum of \$11,900,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to.
- a) That certain Declaration dated August 15, 1977, filed in said Office of the Assistant Registrar as Document No. 830675, and also recorded on August 16, 1977, in said Bureau of Conveyances in Book 12379 at Page 513, to which reference is hereby made.

b) By instrument dated September 12, 1977, filed in said Office of the Assistant Registrar as Document No. 834675, also recorded on September 13, 1977, in said Bureau of Conveyances in Book 12428 at Page 331, the foregoing Declaration was amended.

14. Undated Financing Statement covering certain fixtures located on the real property herein described, given as security by HONOKOWAI-KAANAPALI PARTNERS, in favor of WASHINGTON MORTGAGE CO., INC., recorded on May 19, 1977, in the Bureau of Conveyances of the State of Hawaii in Book 12211 at Page 381.

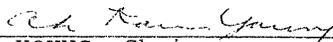
15. Undated Financing Statement covering certain fixtures located on the real property herein described, given as security by HONOKOWAI-PAPAKEA JOINT VENTURE, in favor of WASHINGTON MORTGAGE CO., INC., recorded on May 19, 1977, in said Bureau of Conveyances in Book 12211 at Page 405.

STATUS OF PROJECT: The Developer advises that the final completion date is estimated to be in March, 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 December 22, 1976 and information subsequently filed as of September 12, 1978.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 894 filed with the Commission on December 22, 1976.

This report, when reproduced, shall be a true copy of the Commission's public report. The paper stock used in making facsimilies must be pink.



AH KAU YOUNG, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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

Registration No. 894

Dated: September 18, 1978