

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
LAE NANI
410 Papaloa Road
Olohena, Kauai, Hawaii

REGISTRATION NO. 908

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: May 20, 1977
Expires: June 20, 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 April 25, 1977, AND INFORMATION SUBSEQUENTLY FILED ON May 12, 1977. THE DEVELOPER BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514 OF THE HAWAII REVISED STATUTE.

1. LAE NANI is a proposed fee simple condominium project consisting of eighty-four (84) condominium apartment units contained in six buildings with one hundred

twenty-six (126) parking stalls. There will also be a swimming pool and a tennis court.

2. The developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and 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 been recorded in the Bureau of Conveyances of the State of Hawaii.
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 Rules and Regulations promulgated thereunder which relate to the Horizontal Property Act.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, May 20, 1977, unless a final or supplementary public report is published or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: LAE NANI

LOCATION: The project is located at 410 Papaloa Road, Oloheua, Kauai, Hawaii, and contains an area of approximately 200,376 square feet.

TAX MAP KEY: Fourth Division, 4-3-2-10(4)

ZONING: R 20

DEVELOPER: VENTURA INVESTMENTS, LTD., Suite 412, Amfac Building, Honolulu, Hawaii, 96813. Telephone: 537-6119.

The officers of the corporation are:

Melvin C. Ventura	President, Secretary & Treasurer
Pauline D. Ventura	Vice-President

ATTORNEY REPRESENTING DEVELOPER: Libkuman, Ventura, Moon & Ayabe, (Attention: Sidney K. Ayabe), Suite 412, 700 Bishop Street, Honolulu, Hawaii, 96813. Telephone: 537-6119.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime reflects that the project is to consist of eighty-four (84) apartment units of which there shall be thirty-nine (39) one bedroom apartments, thirty-nine (39) two bedroom apartments and

six (6) three bedroom apartments. The apartments are arranged throughout six buildings numbered 1 through 6. The buildings are of two and three stories, buildings number 1 and 6 are two stories in height and buildings number 2, 3, 4 and 5 are all three stories. Building number 6 will have one apartment located on the second floor and a storage area, office, and laundry room located on the first level.

Each of the buildings are of wood frame structures with exteriors of rough sawn cedar siding. The roof will be red cedar hand-split shakes. The floors on the ground level are concrete and on the upper levels are plywood overlaid with sound board, insulated with batts and celbar between joists. The interior partitions will be gypsum board with wood studs. The ceilings will be gypsum board, except for certain units which will have open beam ceilings.

All apartment units will have wall to wall carpeting, a kitchen and a bath. The respective kitchens will be equipped with range and oven, disposal, dishwasher and refrigerator. The counter top in the kitchen and lavatory tops in the bathrooms will be of corian - a solid, strong, hard, non-porous polymer.

There will be one hundred twenty-six (126) parking stalls. There will also be a swimming pool and a tennis court.

The number of each Apartment, its floor level within its building, the approximate size of each apartment's living area and of its lanai and its type are as follows:

<u>Building</u>	<u>Apartment Number</u>	<u>Floor</u>	<u>Approximate Square Feet Of Living Area In Each Apartment</u>	<u>Approximate Square Feet Of Lanai In Each Apartment</u>	<u>Type</u>
1	111	1st	808	150	1A
	112	1st	808	150	1A
	113	1st	808	150	1A
	114	1st	808	150	1A
	121	2nd	1,300	150	3B
	122	2nd	1,300	150	3B
	123	2nd	1,300	150	3B
	124	2nd	1,300	150	3B
2	211	1st	808	150	1A
	212	1st	1,072	150	2C
	213	1st	1,072	246	2B
	214	1st	808	150	1A
	215	1st	808	150	1A
	221	2nd	808	150	1A
	222	2nd	1,072	150	2C
	223	2nd	1,072	246	2B
	224	2nd	808	150	1A
	225	2nd	808	150	1A
	231	3rd	808	150	1A
	232	3rd	1,072	150	2C

<u>Building</u>	<u>Apartment Number</u>	<u>Floor</u>	<u>Approximate Square Feet Of Living Area In Each Apartment</u>	<u>Approximate Square Feet Of Lanai In Each Apartment</u>	<u>Type</u>
	233	3rd	1,072	246	2B
	234	3rd	808	150	1A
	235	3rd	808	150	1A
3	311	1st	1,072	246	2B
	312	1st	1,072	150	2A
	313	1st	808	150	1A
	314	1st	808	150	1A
	315	1st	1,072	246	2B
	316	1st	1,072	150	2A
	317	1st	808	150	1A
	318	1st	808	150	1A
	321	2nd	1,072	246	2B
	322	2nd	1,072	150	2A
	323	2nd	808	150	1A
	324	2nd	808	150	1A
	325	2nd	1,072	246	2B
	326	2nd	1,072	150	2A
	327	2nd	808	150	1A
	328	2nd	808	150	1A
	331	3rd	1,072	246	2B
	332	3rd	1,072	150	2A
	333	3rd	808	150	1A
	334	3rd	808	150	1A
	335	3rd	1,072	246	2B
	336	3rd	1,072	150	2A
	337	3rd	808	150	1A
	338	3rd	808	150	1A
4	411	1st	1,336	250	3A
	412	1st	808	150	1A
	413	1st	808	150	1A
	414	1st	808	150	1A
	415	1st	1,072	246	2B
	416	1st	1,072	150	2C
	421	2nd	1,072	150	2C
	422	2nd	1,072	246	2B
	423	2nd	808	150	1A
	424	2nd	808	150	1A
	425	2nd	1,072	246	2B
	426	2nd	1,072	150	2C
	431	3rd	1,072	150	2C
	432	3rd	1,072	246	2B
	433	3rd	808	150	1A
	434	3rd	808	150	1A
	435	3rd	1,072	246	2B
	436	3rd	1,072	150	2C
5	511	1st	1,336	250	3A
	512	1st	808	150	1A
	513	1st	808	150	1A
	514	1st	808	150	1A

<u>Building</u>	<u>Apartment Number</u>	<u>Floor</u>	<u>Approximate Square Feet Of Living Area In Each Apartment</u>	<u>Approximate Square Feet Of Lanai In Each Apartment</u>	<u>Type</u>
	515	1st	1,072	246	2B
	516	1st	1,072	150	2C
	521	2nd	1,072	150	2C
	522	2nd	1,072	246	2B
	523	2nd	808	150	1A
	524	2nd	808	150	1A
	525	2nd	1,072	246	2B
	526	2nd	1,072	150	2C
	531	3rd	1,072	150	2C
	532	3rd	1,072	246	2B
	533	3rd	808	150	1A
	534	3rd	808	150	1A
	535	3rd	1,072	246	2B
	536	3rd	1,072	150	2C
6	621	2nd	864	150	2D

The layout, location and number of each apartment is shown on the Condominium Map.

The description of the type of apartments are as follows:

(a) One Bedroom Apartments. Type 1A is a one bedroom apartment which includes a living room, dining room, kitchen, entry, entry closet, powder room (1/2 bath), bedroom, a full bath with tub with an approximate living area of 808 square feet, plus a lanai of approximately 150 square feet with a storage area.

(b) Two Bedroom Apartments. There are four different types of two bedroom units. Type 2A includes a living room, dining room, kitchen, entry with a utility closet, two bedrooms, two bathrooms with an approximate living area of 1,072 square feet, plus a lanai area of approximately 150 square feet with a storage area. Type 2B includes a living room, dining room, kitchen, entry with a utility closet, two bedrooms, two bathrooms with an approximate living area of 1,072 square feet, plus a lanai area of approximately 246 square feet with a storage area. Type 2C includes a living room, dining room, kitchen, entry with a utility closet, two bedrooms, two bathrooms with an approximate living area of 1,072 square feet, plus a lanai of approximately 150 square feet with a storage area. Type 2D includes a living room, dining room, kitchen, two bedrooms and a full bath with tub with an approximate living area of 864 square feet plus a lanai area of approximately 150 square feet.

(c) Three Bedroom Apartments. There are two different types of three bedroom units. Type 3A is a three bedroom apartment similar to Type 2A, 2B and 2C of the two bedroom apartments as described above with an additional bedroom. There is a living area of approximately 1,336 square feet, plus a lanai area of approximately 250 square feet with a storage area. Type 3B is a two story apartment with the first floor containing a living room, dining room, kitchen, entry with a closet and a bedroom with a full bath. The second floor has two bedrooms and two bathrooms. There is a living area of approximately 1,300 square feet, plus a lanai area of approximately 150 square feet, which lanai is located on the lower level.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior loadbearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits, or other utility lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall include the adjacent lanai shown on the Condominium Map. Each apartment shall be deemed to include all the walls and partitions which are not loadbearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and the fixtures originally installed therein.

COMMON ELEMENTS: The proposed Declaration reflects that the common elements include specifically but not limited to the following:

- (a) Said land in fee simple;
- (b) All foundations, floor slabs, columns, girders, beams, supports, load-bearing walls (except the inner decorated surfaces within each unit), roofs, all other structural elements, stairways, and walkways;
- (c) All parking areas including the 126 parking stalls, all planted areas, grounds, refuse areas and landscape sprinkling systems;
- (d) All pipes, cables, ducts, electrical equipment, wiring and other central and appurtenant installations for services including power, lights, water, telephone and trash disposal, including but not limited to any pipes, shafts, wires, conduits or other utility or service lines running through any apartment that are utilized for or serve more than one apartment;
- (e) A swimming pool and tennis court;

(f) Storage lockers, laundry room and office;

(g) All other parts of the project necessary or convenient to its existence, maintenance, and safety, or normally in common use for the operation of the buildings and the common elements.

LIMITED COMMON ELEMENTS: The proposed Declaration reflects that certain parts of the common elements are herein called and designated "limited common elements" and are set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are any walkway or corridor which connects the apartment or exterior of the project shall be appurtenant to and for the exclusive use of said adjoining apartment or apartments.

INTEREST TO BE CONVEYED TO PURCHASER: The apartments of the project shall have appurtenant common interests in all of the common elements of the project and the same proportionate share in all common profits and expenses of the project, and for all other purposes including voting in the percentages hereinafter set forth.

<u>Type</u>	<u>Percentage of Undivided Interest</u>
1A (39)	1.0020
2A (6)	1.2780
2B (19)	1.3780
2C (13)	1.2780
2D (1)	1.0606
3A (2)	1.6611
3B (4)	1.5188

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration reflects that the apartments shall be used as permanent or temporary residences and for no other purposes, provided however the apartment owners shall have the absolute right to rent or lease their apartments subject to all provisions of the Declaration and By-Laws. Each apartment owner shall not use his apartment for any purposes which will injure the reputation of the project, or suffer anything to be done or kept in his apartment or elsewhere in the project which will (a) jeopardize the soundness of the building or the premises, (b) interfere with or unreasonably disturb the rights of the owners or occupants, (c) obstruct any balcony, stairway or corridor of the building, (d) increase the rate of fire insurance on the building or the contents thereof, or (e) reduce the value of the premises.

OWNERSHIP OF TITLE: A Preliminary Report issued March 16, 1977 and prepared by Title Guaranty of Hawaii, Inc. certifies that title is vested in California Industrial Processing Co., a California corporation.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated March 16, 1977 reflects the following encumbrances:

(a) For any taxes that may be due and owing, reference is made to the Office of the Tax Assessor, Fourth Division.

(b) A Mortgage dated March 23, 1976 and recorded in Liber 11307 at Page 34 in favor of Ekaterina Derby, unmarried, and William Vaughan Derby, unmarried, as tenants in common.

(c) Option Agreement dated June 4, 1976 recorded in Liber 11625 at Page 14 entered into, by and between California Industrial Processing Co., a California corporation, as Optionor, and Melvin C. Ventura as Optionee; as amended by instrument dated September 23, 1976 and recorded in Liber 11725 at Page 564.

Note: There has been an unrecorded Assignment dated March 7, 1976 wherein the said Option Agreement was assigned by Melvin C. Ventura to Ventura Investments, Ltd., a Hawaii corporation.

(d) Drainage ditch running through the land under search as shown on tax map.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement dated March 21, 1977 between Title Guaranty Escrow Services, Inc. as Escrow, and Ventura Investments, Ltd., a Hawaii corporation, has been submitted to the Commission as part of this registration. On examination, the Deposit, Receipt & Sales Contract with the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes and particularly Section 514-35 and Section 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 monies deposited with Escrow without interest, less Escrow's \$25.00 cancellation fee, if any, if the following events shall have occurred:

(a) Escrow receives a written request from Seller to return to purchaser the funds of such purchaser then held hereunder by Escrow; or

(b) If purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the building plans, subsequent to the execution of purchaser's contract, requiring the approval of the city and county officer having jurisdiction over the issuance of permits for construction, unless the purchaser has given written approval or acceptance of the change; or

(c) If the purchaser's funds were obtained prior to the

issuance of a Final Public Report and the Final Public Report differs in any material respect from the Preliminary Public Report, unless the purchaser has given written approval or acceptance of the difference; or

(d) If the Final Public Report is not issued within one year from the date of issuance of the Preliminary Public Report.

The specimen Sales Contract sets forth the conditions upon which purchaser may elect to avoid the Sales Contract. The specimen Sales Contract also provides that the Developer shall have the option to cancel the Sales Contract if (a) the purchaser's credit shall be found unsatisfactory to seller; (b) there is a delay in construction whereby the construction cost is increased over and above five percent (5%) of the sales price; (c) if construction of the project is not commenced within one year from the execution of the sales contract.

NOTE: Prospective purchaser should be aware that the Seller's mortgage loan (interim, renewals and extensions) used for the construction of the Project shall be and remain at all times a superior lien on the Project, and purchasers intentionally waive and subordinate the priority of lien under the sales contract in favor of the mortgage loan.

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

BY-LAWS: The By-Laws attached to the proposed Declaration provide in part that no livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the project.

HOUSE RULES: The proposed House Rules provide in part that occupancy is limited to no more than two persons per bedroom except that this occupancy may be exceeded by members of the immediate family of the owner, rentee or lessee.

MANAGEMENT AND OPERATIONS: The proposed Declaration of Horizontal Property Regime states that the administration of the project shall be vested in the Association of Apartment Owners, consisting of all apartment owners of the project in accordance with the By-Laws of the Association. The Developer has not entered into a Management Agreement as of this date but will enter into such an agreement in the future.

STATUS OF PROJECT: The Developer has not entered into a Construction Contract as of this date.

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The purchaser or prospective purchaser shall be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted on April 25, 1977, and information subsequently filed on May 12, 1977.

This PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 908 filed with the Commission on April 25, 1977.

The report, when reproduced, shall be a true copy of the Commission's public report. In making facsimilies, the paper stock shall be yellow in color.



AU KAU YOUNG, Chariman
Real Estate Commission
State of Hawaii

Distribution:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, COUNTY OF KAUAI
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 908

May 20, 1977