

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
KIHEI ALII KAI
"KAMAOLE HOMESTEADS"
Kihei, Maui, Hawaii

Registration No. 909

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

It was prepared as a supplement to an earlier Report dated _____ 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: December 15, 1977
Expires: October 6, 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 MAY 3, 1977, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF AUGUST 30, 1977, AND SEPTEMBER 22, 1977. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report of September 6, 1977, on KIHEI ALII KAI, Registration No. 909, the Developer reports that a change has been made in the escrow company handling the project and in the attorney representing the Developer, and an error has been noted regarding the current officers of the development company as presented in the May 3, 1977, notice of intention to sell.

The changes subsequently made are determined to be a material revision to the information disclosed earlier. This Supplementary Public Report (pink paper stock) amends the Preliminary Public Report (yellow paper stock), becoming a part of the KIHEI ALII KAI registration. The Developer is responsible for placing a true copy of this Supplementary Public Report in the hands of all purchasers and prospective purchasers, along with a copy of the Preliminary Public Report. The buyer shall sign the required receipt signifying that he has had an opportunity to read the two reports.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration and the updating of information disclosed therein.
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 filed in the office of the recording officer.
4. No advertising or promotional material has been submitted pursuant to the 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 promulgated thereunder which relate to Horizontal Property Regimes.
6. This Supplementary Public Report automatically expires on October 6, 1978, unless a final or another supplementary public report is issued or the Commission upon review of the registration issues another order extending the effective period of this report.

The information in the Preliminary Public Report dated September 6, 1977, have not been disturbed, except for the following:

DEVELOPER: Mau-Van Development, Inc., a Hawaii corporation, whose business and post office address is 1032 S. Kihei Road, Suite B417, Kihei, Maui, Hawaii 96753 (Telephone No. 879-1841).

The officers of the corporation are:

Wilhelm Kainz, President/ Treasurer	1032 S. Kihei Road, Suite B417, Kihei, Maui, Hawaii 96753
Franz Giegerl, Vice President/ Secretary	1032 S. Kihei Road., Suite B417, Kihei, Maui, Hawaii 96753

ATTORNEY REPRESENTING DEVELOPER: B. Martin Luna, 2103 Wells Street, Wailuku, Maui, Hawaii 96793 (Telephone No. 244-7914).

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement duly executed and dated September 21, 1977, between the Developer, as Seller, and Title Guaranty Escrow Services, Inc., a Hawaii corporation, as Escrow, has been submitted to the Commission as

part of the 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 Section 514-35 and Sections 514-36 through 514-40.

Among other provisions the executed Escrow Agreement states that a purchaser under a Sales Contract, upon written request, shall be entitled to a refund of all monies deposited with Escrow without interest and less Escrow's TWENTY-FIVE AND NO/100 DOLLARS (\$25.00) cancellation fee if any of the following events shall have occurred:

(a) Escrow has received a written request from Developer to return to Purchaser the funds of such Purchaser then held by Escrow; or

(b) If Purchaser's funds were obtained prior to an issuance of Final Public Report and if there is any change in the building plans, subsequent to the execution of the Sales Contract, requiring the approval of an official of the County in which the project is situate having jurisdiction over the issuance of construction 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

(c) If a 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 previously given written approval or acceptance of such difference; or

(d) If the Final Public Report is not issued within one (1) year from the date of issuance from the Preliminary Public Report.

The Escrow Agreement provides that in certain circumstance the disbursement may be made from the Escrow fund for construction costs, architectural, engineering, financing or legal fees and other incidental Project expenses; however, how disbursements may be made from the Escrow fund unless and until the Commission has issued a Final Public Report on the Project and Developer shall have furnished a written opinion to Escrow prepared by Developer's attorney to the effect that the Sales Contracts of Purchasers are of full force and effect and that all requirements of Sections 514-36 through 514-40, Hawaii Revised Statutes, as amended, have been met.

The Escrow Agreement further provides that any interest earned on such escrowed funds shall accrue to the benefit of Developer.

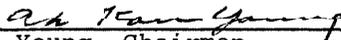
The Sales Contract provides, in part: (1) In the event less than ninety (90) apartment units are sold prior to February 1, 1978, Developer shall have the option to cancel said contract, in which event Developer will cause escrow to refund to purchaser all moneys paid, without interest; and (2) Developer shall have the right (i) to mortgage the land and improvements to secure repayment of a loan for the construction of improvements and/or any other purposes and that such mortgage or mortgages shall have priority over any and all interests whatsoever that the purchaser may have acquired and (ii) to insure the work in progress for its own account.

It is incumbent upon the Purchaser and the prospective Purchaser that he read with care the Sales Contract and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of apartments are placed in trust, as well as the retention and disbursement of said trust funds.

The purchaser or prospective purchaser should be cognizant of the fact that this report represents information disclosed by the Developer in the required Notice of Intention submitted May 31, 1977, and information subsequently filed as of August 30, 1977, and September 22, 1977.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 909 filed with the Commission on May 3, 1977.

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



Ah 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. 909
December 15, 1977