

# 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  
CHANNEL HOUSE  
Front and Baker Streets  
Lahaina, Maui, Hawaii  
REGISTRATION NO. 947

### 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: June 9, 1978

Expires: July 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 or prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED NOVEMBER 2, 1977, AND INFORMATION SUBSEQUENTLY FILED AS OF MAY 19, 1978. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on Registration No. 947, dated February 10, 1978, the Developer has prepared, assembled and forwarded additional information relating to the project. This Final Public Report is made a part of the registration on the Channel House condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers receiving the Preliminary Public Report (yellow paper stock).

Securing a signed copy of the Receipt for the Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

2. The Developer has submitted to the Commission for examination all documents deemed necessary for the issuance of this Final Public Report prior to the completion of construction.
3. The advertising and promotional matter utilized in connection with the project has been submitted pursuant to the rules and regulations promulgated by the Commission.
4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the approved floor plans) have been recorded in the Bureau of Conveyances of the State of Hawaii. The Declaration of Horizontal Property Regime, dated April 20, 1978 together with the By-Laws of the Association of Apartment Owners, was recorded in the Bureau of Conveyances in Liber 12855, Page 248, and the Condominium plans have been recorded in said Bureau as Condominium File Plan No. 539.
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 Final Public Report automatically expires thirteen (13) months after the date of issuance, June 9, 1978, unless a Supplementary Public Report issues or the Commission, upon review of the Registration, issues an order extending the effective period of this report.

Except for the topical headings which follow, the information contained in the Preliminary Public Report of February 10, 1978 remains undisturbed.

DESCRIPTION: The Preliminary Public Report omitted any reference to Apartment No. C101 which is located on the first floor of Building 'C'. The recorded Declaration of Horizontal Property Regime reflects that Apartment No. C101 is a two-bedroom unit having an approximate living area of 791 square feet and an approximate lanai area of 48 square feet. The percentage common interest allocated to said apartment is 3.6032%.

ENCUMBRANCES AGAINST TITLE: A policy of title insurance dated April 26, 1978, issued by Safeco Title Insurance Company, and other information submitted by Developer identifies the following encumbrances on the land:

- (1) For any real property taxes that may be due and owing, reference is hereby made to the Office of the Tax Assessor, Fourth District;
- (2) Reservation in favor of the State of Hawaii of all mineral and metallic mines;
- (3) A lease in favor of Developer, dated November 1, 1977, and recorded as aforesaid in Liber 12543 at Page 15, for a term of seventy (70) years, as amended by instrument dated April 20, 1978 recorded in Liber 12855 at Page 243;
- (4) The Declaration and By-Laws recorded as aforesaid in Liber 12855 at Page 248, and Condominium File Plan No. 539;
- (5) Mortgage and Security Agreement in favor of City Bank, dated April 24, 1978 and recorded in Liber 12855 at Page 291;
- (6) Undated Financing Statement covering certain fixtures in favor of City Bank recorded in said Bureau of Conveyances in Book 12855, Page 320; and
- (7) NOTE: The property is subject of a quiet title action pending in the Second Circuit Court of the State of Hawaii, Civil No. 3569, Frank H. Sylva vs. Heirs of Wahinepio (w), Heirs of John Baker; Heirs of Nowelo (w), aka Noelo (w), aka Mary (w); Heirs of Koeleele (k); Heirs of Robert Hoapili Baker, aka R. H. Baker, et al. A copy of the complaint filed in said action is on file with the Real Estate Commission. Developer has been advised by legal counsel that said quiet title action should be favorably concluded and all adverse claims against the title of the property extinguished prior to the first conveyance of any apartment.

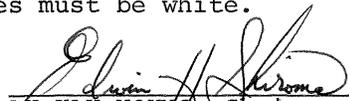
FINANCING: The Developer has advised the Commission that the costs of construction shall be financed out of the proceeds of an interim loan from City Bank. A commitment for permanent financings has been obtained from Hawaiian Federal Savings and Loan Association.

STATUS OF PROJECT: Construction of the project commenced on May 1, 1978, pursuant to a construction contract with Rovens Construction Corp., dated April 7, 1978, and is expected to be completed on or about December 6, 1978. A copy of said construction contract and a performance and payment bond equal to 100% of the construction costs has been filed with the Commission.

NOTE: The Developer reports that the Declaration and By-Laws, and certain other documents initially submitted to the Commission in support of the issuance of the Preliminary Public Report, have been modified in certain respects to conform with the requirements of the construction and permanent lenders. Such modifications include the following: Declaration: paragraphs 8(b) and 18; By-Laws: Article III, Section 9; Article IV, Sections 11(H), (P) and (Q); Article V, Section 7; Article VII, Article VIII, Section I(A); and Article X; Sections 1 and 2; and Condominium Conveyance Document: paragraphs 2, 8, C., E., G., H., K., and L. Copies of said documents, as amended are available for inspection at the Commission.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Owner in the required Notice of Intention submitted November 2, 1977, and additional information subsequently filed as of May 19, 1978.

This is a FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 947, dated November 2, 1977. This report, when reproduced, shall be a true copy of the Commission Public Report. The paper stock used in making facsimiles must be white.

(for)   
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. 947  
June 9, 1978