

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

KIHEI BAY SURF
Kihei Road
Kihei, Maui, Hawaii

REGISTRATION NO. 967

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: January 10, 1979
Expires: February 10, 1980

SPECIAL ATTENTION

A comprehensive reading of this report by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED JANUARY 10, 1978, AND INFORMATION SUBSEQUENTLY FILED AS OF JANUARY 5, 1979. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. KIHEI BAY SURF is a leasehold condominium project consisting of seven (7) two-story buildings without basements, and one hundred eighteen (118) apartments and one hundred forty-nine (149) unassigned parking stalls (113 standard and 36 compact).

2. Since the issuance of the Commission's Preliminary Public Report on Registration No. 967, dated March 28, 1978, the Developer has forwarded additional information reflecting material changes that have been made in the documents for the project.

3. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this condominium project and the issuance of this Final Public Report.

4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the 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 October 2, 1978, with By-Laws attached, was recorded as aforesaid in Liber 13180, Page 312. The First Amendment to Declaration dated December 12, 1978, was recorded as aforesaid in Liber 13341, Page 406.

The approved Floor Plans showing the layout, location, apartment numbers, etc., have been designated Condominium File Plan No. 573.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Horizontal Property Act, 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, January 9, 1979, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.

7. This Final Public Report amends the Commission's Preliminary Public Report, and is made a part of registration on KIHEI BAY SURF condominium project. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock) and a copy of the Preliminary Public Report (yellow paper stock) in the hands of all purchasers. Securing a signed copy of the Receipt for both Horizontal Property Regimes Public Reports from each purchaser is also the responsibility of the Developer.

The information in the topical headings TAX MAP KEY, DEVELOPER, DESCRIPTION, OWNERSHIP OF TITLE, ENCUMBRANCES AGAINST TITLE, MANAGEMENT OF THE PROJECT and STATUS OF PROJECT has been altered as follows. All other topical hearings have not been disturbed.

TAX MAP KEY: SECOND DIVISION: 3-9-1-107.

DEVELOPER: The Shores of Maui, Inc., a Hawaii corporation, 1750 Kalakaua Avenue, Honolulu, Hawaii 96826, Telephone: 955-6677; Officers: Walter Luckau, President/Treasurer, 309-C Lalo Place, Kahului, Maui, Hawaii 96753, and Jo Paul Rognstad, Vice President/Secretary, 1750 Kalakaua Avenue, Honolulu, Hawaii 96826.

DESCRIPTION: The second to the last paragraph of the Exhibit, appearing at the bottom of page 1 and the top of page 2 thereof, was amended to read as follows:

"Each apartment in the project shall have an appurtenant common interest of 1/118th fractional interest (a .8474 + percentage interest)."

"All one hundred and eighteen (118) apartments of the project contain four rooms, including a living-sleeping room, a bathroom, a dressing room, a kitchen, and a lanai. Except as hereinafter noted, each of the apartments is built according to the same floor plan, or its mirror image, and contains a floor area of approximately 523 square feet, including the lanai of approximately 78 square feet. The apartments with different floor plans from the above are as follows:

<u>Apartment Nos.</u>	<u>Approximate Total Square Footage Floor Area Including Lanai</u>	<u>Approximate Lanai Square Footage</u>
111	581	136
120	497	52
121	499	54
122	509	54
123	497	52
132	497	52
133	509	54
134	499	54
135	497	52
152	658	102
201	577	132
210	577	132
211	581	136
220	497	52
221	487	42
222	595	140
223	497	52
232	497	52
233	595	140
234	487	42
235	497	52
248	581	136
252	658	102
259	581	136

The other information in this topical heading has not been disturbed.

OWNERSHIP OF TITLE: A Preliminary Report dated December 20, 1978, issued by Security Title Corporation, as submitted to the Commission, indicates that the fee simple owner of the property to be committed to the regime is vested in Walter G. Luckau, unmarried, as to an undivided two-thirds interest, and Jo Paul Rognstad, husband of Betty Ann Rognstad, as to the remaining undivided one-third interest, as tenants in common; said fee owners have leased the property to the Developer pursuant to Master Lease dated November 8, 1978, recorded as aforesaid in Liber 13360, Page 430.

ENCUMBRANCES AGAINST TITLE: A Preliminary Report issued by Security Title Corporation dated December 20, 1978, and other documents supplied to the commission, provide that the following are encumbrances against title to the property:

1. For any taxes that may be due and owing and a lien on the land, reference is hereby made to the Office of the Tax Assessor of the Second Division, County of Maui, Hawaii.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines are reserved in Royal Patent No. 7447.
3. Declaration of Horizontal Property Regime dated October 2, 1978, recorded as aforesaid in Liber 13180, Page 312, with Condominium File Plan No. 573. First Amendment to Declaration dated December 12, 1978, recorded as aforesaid in Liber 13341, Page 406.
4. The terms and provisions of that certain Water Agreement, dated July 12, 1978, recorded as aforesaid in Liber 13161, Page 222, made by and between the County of Maui, Department of Water Supply, and The Shores of Maui, Inc., to which reference is hereby made.
5. The terms and provisions of Master Lease dated November 8, 1978, recorded as aforesaid in Liber 13360, Page 430, made by and between WALTER G. LUCKAU, unmarried, and JO PAUL ROGNSTAD, husband of Betty Ann Rognstad, as Lessor(s), to THE SHORES OF MAUI, INC., a Hawaii corporation, as Lessee(s).

Said Lease is subject to the following:

- (a) Mortgage dated December 15, 1978, recorded as aforesaid in Liber 13360, Page 484, made by THE SHORES OF MAUI, INC., a Hawaii corporation, as Mortgagor(s), to AMFAC FINANCIAL CORP., a Hawaii corporation, as Mortgagee(s), to secure the repayment of the sum of \$4,000,000.00, any additional advances and other amounts secured thereby,

all according to the terms of that certain promissory note of said mortgagor(s) therein referred to. Guaranty thereto recorded as aforesaid in Liber 13360, Page 492.

(b) Undated Financing Statement covering contract rights and accounts, given as security by THE SHORES OF MAUI, INC. in favor of AMFAC FINANCIAL CORP., recorded as aforesaid in Liber 13360, Page 513.

(c) Undated Financing Statement covering certain fixtures located on the real property, given as security by THE SHORES OF MAUI, INC. in favor of AMFAC FINANCIAL CORP., recorded as aforesaid in Liber 13360, Page 515.

(d) Assignment of Leases, Sales Agreements and Escrow Deposits dated December 15, 1978, recorded as aforesaid in Liber 13360, Page 518, THE SHORES OF MAUI, INC., a Hawaii corporation, assigned all of its right, title and interest in and to any Leases, Sales Agreements and Escrow Deposits, whether now or hereafter executed, to AMFAC FINANCIAL CORP., a Hawaii corporation, as additional security for the repayment of the promissory note dated December 15, 1978 for the sum of \$4,000,000.00.

6. Additional Security Mortgage dated December 15, 1978, recorded as aforesaid in Liber 13360, Page 498.

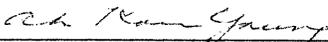
NOTE: The Developer advises it plans to grant utility easements over portions of the lands of the project.

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent. The Developer indicates that it has appointed as initial managing agent for the project Pacific Islands Management, Ltd., 483 South Kihei Road, Maui, Hawaii 96753, pursuant to agreement dated October 17, 1978.

STATUS OF PROJECT: The Developer advises that it estimates construction of the project will begin in December 1978. The estimated date for completion of construction is November 30, 1979.

The purchaser or prospective purchaser should be cognizant of the fact that this Report represents information disclosed by the Seller in the required Notice of Intention submitted January 10, 1978, and information subsequently filed as of January 5, 1979.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 967 filed with the Commission on January 10, 1978. This report when reproduced shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be white.



AH KAU YOUNG, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

REGISTRATION NO. 967

January 10, 1979