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

AWIHI TOWNHOUSE
Awihi Place
Kihei, Maui, Hawaii

REGISTRATION NO. 978

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: June 26, 1978
Expires: July 26, 1979

SPECIAL ATTENTION

A comprehensive reading of this report by the prospective buyer 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 SUBMITTED FEBRUARY 16, 1978, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED ON JUNE 21, 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, AS AMENDED.

1. The AWIHI TOWNHOUSE is a proposed fee simple condominium project consisting of 10 residential apartment units in a 2-story building. There will be one single-car attached garage for each apartment and three (3) uncovered guest parking stalls provided in a parking area. Buyers will receive an apartment deed granting a fee simple interest directly from the Developer.

2. The Developer of the project has filed all documents and material deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of the Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, Bylaws of the Association of Apartment Owners and a copy of Approved Floor Plans) have not yet been filed in the office of the recording officer.

4. The Developer has advised the Commission that advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public exposure.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, and the Rules and Regulations promulgated thereunder which relate to Horizontal Property Regimes.

6. This Preliminary Public Report is made a part of the registration of AWIHI TOWNHOUSE condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers and securing a signed copy of the receipt therefor from each such person.

7. This preliminary Public Report automatically expires thirteen (13) months after date of issuance, June 26, 1979, unless a Supplementary Public Report issues, or the Commission upon review of registration, issues an order extending the effective period of this report.

NAME OF PROJECT: AWIHI TOWNHOUSE

LOCATION: The site, comprising approximately 20,972 square feet, is located off Awihi Place, Kihei, Maui, Hawaii.

TAX MAP KEY: 3-9-16; 35 and 36 (Second Division)

ZONING: A-2

DEVELOPER: R & S, INC., a Hawaii corporation, whose principal place of business is 1662 Halama St., Kihei, Maui, Hawaii. The officers of the corporation are:

Hans H. Riecke, President
David Sharp, Vice President
Marianne Sharp, Secretary-Treasurer

ATTORNEY REPRESENTING OWNER: Case, Kay, Clause & Lynch (Robert E. Rowland, Esq.), 33 Lono Avenue, Suite 470, Kahului, Maui, Hawaii 96732, Telephone: 877-3980

BUILDING DESCRIPTION: The project will consist of a single two story building containing ten townhouse apartment units. The building will have a concrete slab foundation, wood framed walls and a shake roof. Sheetrock will be used to cover the interior walls and wood will cover the exterior walls. The principal materials of construction will be concrete, wood, glass and related building supplies.

DESCRIPTION OF APARTMENTS: Each apartment will be numbered consecutively "1" through "10" beginning nearest the southeast corner of the Property and proceeding in a clockwise direction. Each unit will be two stories with interior stairs. The apartments designated 1, 2, 9 and 10 will contain an entry, a living-dining area, a kitchen, a bathroom, and a garage at ground level. Two bedrooms, the second bathroom and a lanai will be located on the upper level. Apartments designated 3 through 8 will contain an entry, a garage and a bathroom at garage level, a living-dining area and kitchen four feet six inches below garage level, a bedroom, bathroom and lanai four to six feet above garage level and a bedroom approximately nine feet above garage level. Walkways and a common driveway from Awihi Place will provide access to each of the apartments.

The apartment number, total enclosed area, garage area, lanai area, yard area and percentage interest in the common elements appertaining to each apartment is as follows:

Apartment Number	Total Enclosed Area (S.F.)	Garage Area (S.F.)	Lanai Area (S.F.)	Private Yard Area (S.F.)	Common Interest
1	995	251	51	330	10%
2	995	251	51	410	10%
3	1089	264	57	1490	10%
4	1075	242	51	960	10%
5	1155	249	53	1070	10%
6	1105	256	53	1514	10%
7	1075	242	51	246	10%
8	1075	242	51	246	10%
9	995	251	51	317	10%
10	995	251	51	946	10%

The apartment units shall not include the perimeter walls or interior load bearing walls or the floors and ceilings surrounding each apartment (except in each case for the interior decorated or finished surfaces of the perimeter walls, interior load bearing walls, floors or ceilings) 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 unit shall include all of the walls and partitions which are not load bearing within its perimeter walls, the inner or decorated surfaces of all walls, floors and ceilings and all fixtures contained or installed therein.

COMMON ELEMENTS: The common elements shall include:

1. All the land in fee simple;

2. All foundations, columns, girders, beams, floor slabs, supports, perimeter walls, load bearing walls, floors and ceilings (except the inner or decorated surfaces of the perimeter walls, load bearing walls, floors and ceilings) and the roof.

3. All grounds, planters, landscaping, refuse facilities, driveways, walkways, three nonexclusive, uncovered parking stalls, mail boxes, equipment rooms and recreational facilities.

4. All ducts, pipes, wiring, electrical and other central and appurtenant transmission facilities and installations which serve more than one apartment for services such as electrical power, water, sewer, telephone and television signal distribution.

5. All other apparatus and installations for common use and all other parts of the property necessary or convenient to its existence, maintenance, or safety and normally in common use.

6. The limited common elements described in paragraph 4 below.

LIMITED COMMON ELEMENTS: Limited Common Elements include the following:

1. Each apartment shall have the exclusive right to use the private yard area adjacent to each apartment, each yard having the approximate area described in the tabulation in paragraph 2 hereinabove, in the column entitled "Private Yard Area," and shown on the Condominium File Plan.

NOTE: The proposed Declaration reflects that the care and maintenance of the private yard area adjacent to each apartment and any fences, walls or entry ways appurtenant thereto shall be the sole responsibility of the owner of such apartment and that all charges, costs and expenses incurred in connection with such care and maintenance shall not be considered part of the common expenses of the project but shall be paid by each apartment owner on an individual basis.

2. Each apartment shall have appurtenant to it the exclusive right to use a mail box in the mail facilities located as shown on the Condominium File Plan.

INTEREST TO BE CONVEYED TO PURCHASER: The proposed Declaration reflects that the common elements, referred to above, established and to be conveyed with the respective apartments, shall have a permanent character and shall not be altered without the consent of all of the apartment owners affected, expressed in an amendment to the proposed Declaration which shall be duly recorded, or except as otherwise set forth in the proposed Declaration, that the common interest and easements shall not be separated from the apartment to which they appertain and shall be deemed to be conveyed, leased or encumbered with such apartment even though such interest or easements are not expressly mentioned or described in the conveyance or other instrument. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by the Horizontal Property Act set forth in Chapter 514A of the Hawaii Revised Statutes as amended. Each apartment shall have appurtenant thereto an undivided 10% interest in all 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.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration reflects that the apartments shall be occupied and used only as private residences and for no other purposes. The apartment owners shall have the absolute right to rent or lease their apartment, subject to the limitations, restrictions, covenants and conditions contained in the Declaration and Bylaws of the project.

OWNERSHIP OF TITLE: A Certificate of Title prepared by Title Guaranty, Inc. issued on January 6, 1978, and updated on May 10, 1978, states that R & S INC., a Hawaii corporation, holds the record title to the land committed to the project.

ENCUMBRANCES AGAINST TITLE: Said Certificate of Title prepared by Title Guaranty, Inc. issued on January 6, 1978, and updated on May 10, 1978, identifies the following encumbrances on the land committed to the Project:

1. 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. Those certain restrictive covenants prohibiting: A. The use of second-hand lumber in the construction of improvements on the premises; B. The construction of "quonset hut" type buildings on the property; C. Raising animals, livestock or poultry on the premises (household pets excepted) contained in Deed dated September 24, 1968, recorded in said Bureau in Liber 6233, Page 461.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated January 30, 1978, identifies Title Guaranty Escrow Services, Inc., a Hawaii corporation, Escrow Agent. On examination the specimen Deposit Receipt and Sales Contract and the executed Escrow Agreement are found to be in compliance with Hawaii Revised Statutes, Section 514A-37, Section 514A-39 and Sections 514A-63 through Section 514A-66. Among other provisions the executed Escrow Agreement states that no money received by Escrow Agent shall be disbursed until the Seller has a valid and binding contract for the sale of the unit for which money was received and the requirements of Sections 514A-39, 514A-63, 514A-64 and 514A-66 have been met, all as provided in Section 514A-65, Hawaii Revised Statutes.

The specimen Deposit Receipt and Sales Contract provides in part: 1. Buyer agrees that all of the rights of Buyer shall be subject and subordinate to the lien of any mortgages, security interests or assignments securing the repayment on any interim loan made to finance the cost of construction and other costs of the Project and to any and all sums which may become a lien pursuant to the terms of such interim loan; and 2. Developer will have the right at

its sole option to increase the total sale price of the unit to cover all or any part of the increase in construction costs.

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 condominium units are placed in trust, as well as the retention and disbursement of said trust funds.

STATUS OF PROJECT: Developer advises that it estimates construction to begin September 26, 1978, and completion by May 26, 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 February 16, 1978, and information subsequently filed with the Commission on June 21, 1978.

This PRELIMINARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 978 filed with the Commission on February 16, 1978.

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

(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

June 26, 1978

REGISTRATION NO. 978