

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

PANIOLO HALE
Kaluakoi, Molokai, Hawaii

REGISTRATION NO. 993

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: July 9, 1979
Expires: August 9, 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 APRIL 12, 1978, ADDITIONAL INFORMATION SUBSEQUENTLY SUBMITTED AS OF JULY 9, 1979.

THE DEVELOPER, IN 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 of May 19, 1978, the Developer reports that changes have been made in the plan or setup of the Project. The changes subsequently made are determined to be a material revision to the information disclosed earlier.

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

3. The Developer advises that the Declaration of Horizontal Property Regime dated April 23, 1979, with By-Laws of the Association of Apartment Owners annexed thereto have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 944674. The approved floor plans have also been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii and designated as Condominium Map No. 375. An amendment to the Declaration was filed on July 9, 1979 in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 950383.

4. No advertising or promotional matter has been filed 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 the Horizontal Property Act, Chapter 514A of the Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to the Horizontal Property Regimes.

6. This Final Public Report is made a part of the registration on PANIOLLO HALE condominium project. The Developer has the responsibility of placing a true copy of the Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers together with a copy of the Preliminary Public Report (yellow paper stock). Securing a signed copy of the Receipt for these Horizontal Property Regime Public Reports from each purchaser and prospective purchaser is also the responsibility of the Developer.

7. This Final Public Report automatically expires thirteen (13) months after the date of issuance, July 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.

The information disclosed in the Preliminary Public Report of May 19, 1978 in the topical headings hereinafter set forth has been amended. Information disclosed in the remaining topical headings has not been disturbed.

DESCRIPTION:

NOTE: The Developer advises that notwithstanding the limits of the apartments as defined in Paragraph A.1(d) of the Declaration, the approximate floor areas of the various apartments as disclosed in the Preliminary Public Report

of May 19, 1979, in accordance with local architectural practice, include all of the walls and partitions within its perimeter walls, the entirety of its perimeter non-party walls and the interior half of its perimeter party walls, whether load-bearing or non-load bearing.

COMMON ELEMENTS: The Declaration of Horizontal Property Regime of Paniolo Hale, as amended, indicates that there are one hundred three (103) parking stalls designated as common elements instead of the one hundred (100) parking stalls reported in the Commission's Preliminary Public Report on Paniolo Hale.

OWNERSHIP OF TITLE: A Preliminary Title Report dated June 7, 1979, issued by Long & Melone, Ltd., discloses that the Developer is the present owner of the fee simple title to the property submitted to the horizontal property regime.

NOTE: The Developer advises that the Deed to Developer from Kalua Koi Corporation included a non-exclusive easement for roadway purposes over, under and across Lot 59, Lot 60 and Lot 69 as shown on Map 9, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1683 of Molokai Ranch, Limited.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report of June 7, 1979, discloses that the following are encumbrances against title to the property:

1. Any and all easements designated on Map 9, filed with Land Court Application No. 1683 of Molokai Ranch, Limited in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as affecting said Lot 66.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines of every description.

3. Declaration of Covenants and Restrictions dated October 1, 1976, filed as Land Court Document No. 784612.

4. Second Supplemental Declaration of Covenants and Restrictions (Lots 63 and 66, Map 9, Land Court Application No. 1683) dated March 20, 1979, filed as Land Court Document No. 928497.

5. Covenants, conditions and restrictions contained in Deed dated March 20, 1979, filed as Land Court Document No. 928498, including without limitation the following:

- (a) No construction on the land described above shall exceed two (2) stories, or twenty-five (25) feet, in height, whichever is the lesser;

(b) No more than one hundred sixteen (116) condominium apartment units shall be constructed on the land described above;

(c) All of the conditions, covenants and restrictions of the Declaration of Covenants and Conditions affecting the land described above and surrounding lands, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 784612.

The foregoing covenants and restrictions shall run with the land in favor of Lots 1 through 23 as shown on Map 7, filed with Land Court Application No. 1683 of Molokai Ranch, Limited in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, and these covenants and restrictions being made for the benefit of all of the foregoing property, the respective owners, now or later, of any of the foregoing property, shall have full right to the benefits, and covenants, and restrictions, and shall be authorized to enforce, in their own right and names, all remedies afforded by law, whereby the Grantor might enforce the covenants and restrictions, or prevent infraction of them, or may recover all lawful damages suffered by them by reason of such infraction.

6. Mortgage and Security Agreement dated June 4, 1979, filed in said Office of the Assistant Registrar as Document No. 944081 in favor of TERRITORIAL SAVINGS AND LOAN ASSOCIATION.

7. Undated Financing Statement by and between Developer, as Debtor, and Territorial Savings and Loan Association, as Secured Party, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13753, Page 68.

8. Mortgage dated March 20, 1979, filed in said Office of the Assistant Registrar as Document No. 928499, in favor of KALUA KOI CORPORATION.

9. Undated Financing Statement by and between Developer, as Debtor, and Kalua Koi Corporation, as Secured Party, recorded in said Bureau of Conveyances in Liber 13562, Page 621.

10. The terms and provisions of that certain Subordination Agreement dated June 5, 1979, filed in said Office of the Assistant Registrar as Document No. 944082.

11. For information on real property taxes, check with the Tax Assessor, Second Division.

NOTE: The Developer advises that in addition to the foregoing, the following encumbrances against the property, which are not disclosed in said Preliminary Title Report have been filed:

1. The terms and provisions of that certain Grant of Water Rights dated June 5, 1979, filed in said Office of the Assistant Registrar as Document No. 944080.

2. The terms and provisions of that certain Confirmation of Water Rights dated June 5, 1979, filed in said Office of the Assistant Registrar as Document No. 944083.

3. The terms and provisions of that certain Agreement to Grant a License and a Right to Obtain an Easement dated June 5, 1979. This agreement while executed has not been filed in the Office of the Assistant Registrar as of July 3, 1979.

4. The terms and provisions of that certain Assignment dated June 5, 1979, filed in said Office of the Assistant Registrar as Document No. 944084, in favor of Territorial Savings and Loan Association and covering the Developer's interest in the agreements noted in paragraphs 2 and 3 above.

Copies of the four documents have been provided the Commission.

NOTE: The Developer advises that the Agreement Granting a License and a Right to Obtain an Easement dated June 5, 1979, noted above, provides for the placement and construction by the Developer upon land adjacent to the Project of a private sewage treatment plant to service the Project. The Developer shall assign all of its right, title and interest in and to said Agreement to the Association of Apartment Owners prior to the initial conveyance of an apartment in the Project and thereafter the Association shall be responsible to perform under said Agreement and the apartment owners will bear the costs and expenses of maintaining, repairing and operating said private sewage treatment plant as a common expense of the Project. In addition Developer has obtained and will assign to the Association prior to the initial conveyance, the above noted Agreement dated June 5, 1979, entitled "Confirmation of Water Rights" from Kalua Koi Corporation respecting Kalua Koi's agreement to provide water to the Project in quantities sufficient to adequately serve the reasonable water requirements of the Project subject to paying the supplier for the cost thereof in accordance with prevailing rates.

NOTE: The Developer advises that in connection with the development of the Project the County of Maui, Department of Water Supply has required the Developer and Kalua Koi Corporation to enter into that certain Agreement dated January 15, 1979, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13422, Page 562, under the terms of which Developer and Kalua Koi Corporation agree, among other things, that (i) the County of Maui is under no obligation to maintain or improve the existing private water source, transmission and distribution system; and (ii) the

Developer and Kalua Koi Corporation and their respective successors and assigns will defend, indemnify and hold harmless the County, its employees and assigns from and against any and all claims for property damage and personal injury, including claims for wrongful death, that may arise from the County's approval of the building permit for the Project or the existing private water source, transmission and distribution system of Kalua Koi Corporation. A copy of said agreement has been provided the Commission.

STATUS OF PROJECT: The Developer advises that it has entered into a construction contract with Cawdrey-Mars-General for construction of the Project. The Developer estimates that construction will commence on or about July 15, 1979, and that it will be completed on or about September 15, 1980.

The purchaser and 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 as of April 12, 1978, and additional information subsequently submitted as of July 9, 1979.

This is a FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 993 filed with the Commission April 12, 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

AH KAU YOUNG, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

REGISTRATION NO. 993

July 9, 1979