

# 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

POHAILANI MAUI  
Lower Honoapiilani Highway  
Kahana, Lahaina, Maui, Hawaii

REGISTRATION NO. 1000

### **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: May 21, 1979  
Expires: June 21, 1980

#### 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 and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MAY 5, 1978 AND INFORMATION SUBSEQUENTLY FILED AS OF MAY 15, 1979. 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.

1. Since the issuance of the Commission's Preliminary Report of September 1, 1978, and Supplementary Report of February 22, 1979, on POHAILANI MAUI, Registration No. 1000, the Developer reports that certain material changes have been made in the project. This Final Public Report amends both the Preliminary Public Report and Supplementary Report.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a Report of the Approved Floor Plans) have been filed in the office of the recording officer.

The Declaration of the Horizontal Property Regimes, dated March 29, 1979, with the By-Laws of the Association of Apartment Owners, was filed with the Bureau of Conveyances of the State of Hawaii in Liber 13591 on Page 21, on April 3, 1979, as amended by instruments dated April 17, 1979 and May 9, 1979, and recorded in Liber 13644, Page 777 and Liber 13676, Page 602, respectively.

The Registrar of said Bureau of Conveyances has designated Condominium Map Number 602 to the project.

4. No advertising or promotional material has been submitted pursuant to the rules and regulations promulgated by the Commission.
5. Purchasers or prospective purchasers are advised to acquaint themselves with the provisions of Chapter 514A, Hawaii Revised Statutes, and the condominium rules and regulations which relates to Horizontal Property Regimes.
6. This Final Public Report automatically expires thirteen (13) months after date of issuance, May 21, 1979, unless a Second Supplementary Public Report is issued or the Commission upon review of the registration issues an order extending the effective period of this report.
7. This Final Public Report is made a part of the registration on the POHAILANI MAUI condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers along with a copy of the Preliminary Public Report (yellow paper stock) and Supplementary Report (pink paper stock). Securing a signed copy of the receipt for all public reports from each purchaser is also the responsibility of the Developer.

The information in the Preliminary Public Report issued September 1, 1978, and Supplementary Public Report issued February 22, 1979, have not been disturbed except for the following:

DESCRIPTION OF PROJECT AND APARTMENTS: The description in the Preliminary Public Report remains the same except the following:

- (a) Type E apartment has an interior area of approximately 683 square feet, including a combination living/dining room, kitchenette, and bedroom, and two bathrooms. Type E apartment has an adjoining lanai containing approximately 186 square feet.

- (b) Type B 1 apartment has an interior living area of approximately 619 square feet, including a living/dining room, kitchen, one bedroom, and two baths. Type B 1 apartment has a lanai off the living/dining room containing an area of approximately 176 square feet.

The summary of the square foot area of each apartment by model type remains the same except:

| <u>MODEL TYPE</u> | <u>INTERIOR AREA</u> | <u>LANAI AREA</u> |
|-------------------|----------------------|-------------------|
| B 1               | 619                  | 176               |

Each apartment unit will contain appropriate furnishings, an electric range and oven, and refrigerator.

COMMON ELEMENTS: The common elements remain the same except the following:

- "8. Office and resident manager apartment; except the office area set forth as limited common elements below;"

LIMITED COMMON ELEMENTS: The limited common elements are the following:

1. House laundry and guest storage areas located at the northern end on the first and second floors, respectively, of the recreational building on the mauka parcel, which said laundry and guest storage facilities shall be appurtenant to Apartment 156;
2. Storage areas located in the northeast corner on the second and third floors of Building No. 1 on the makai parcel, which said storage facilities shall be appurtenant to Apartment 103.
3. Office area to be located in a portion of the electrical room #105 on the ground floor in the southwest corner of Building No. 1 on the makai parcel, which said office facilities shall be appurtenant to Apartment 103.
4. Each electrical meter and wiring located on the apartment buildings in the project which shall be appurtenant to the apartment unit or units that said meter and wiring shall serve.

ENCUMBRANCES AGAINST TITLE: A preliminary title report issued by Pacific Guaranty Title Corporation as of April 27, 1979, verifies that there has been no change in title but in addition to the seven encumbrances against title reflected in the Supplementary Public Report previously in the said Supplementary Public Report, there are four new encumbrances:

8. An easement for public utilities in favor of Maui Electric Company, Limited, a Hawaii corporation, and Hawaiian Telephone Company, a Hawaii corporation, dated March 5, 1979, recorded March 8, 1979, in the Bureau of Conveyances, State of Hawaii, in Liber 13534, Page 778.

9. A Financing Statement covering certain personal property therein described recorded in the Bureau of Conveyances, State of Hawaii, in Liber 13496, Page 479.  
Date Recorded: February 20, 1979.  
Debtor: Maui Mining and Manufacturing Corp.  
Secured Party: State Savings and Loan Association.
10. Condominium Map No. 602, filed in the Bureau of Conveyances, State of Hawaii.
11. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions, easements and by-laws set forth in the Declaration of Horizontal Property Regime dated March 29, 1979, recorded April 3, 1979, in the Bureau of Conveyances, State of Hawaii, in Liber 13591, Page 21. Said Declaration was amended by instrument dated April 17, 1979, recorded April 27, 1979, in Liber 13644, Page 777, and further amended by instrument dated May 9, 1979, in Liber 13676, Page 602.

PURCHASE MONEY HANDLING: A copy of a new Escrow Agreement duly executed and dated February 2, 1979, between Pohailani Maui Developers, as Developer, and Title Guaranty Escrow Services, Inc., as Escrow, has been submitted to the Commission as part of this registration. On examination, the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, and particularly Sections 514A-37, 514A-39 and 514A-63 through 514A-66 of the Hawaii Revised Statutes.

Among other conditions, the Escrow Agreement provides for the payment of all monies under the specimen Sales Contract to the Escrow and that Escrow shall not disburse any funds to the Seller prior to the completion of the building unless and until a Final Public Report has been issued to the Purchaser. The Escrow Agreement also provides that Escrow shall refund all monies of the Purchaser held by Escrow upon the happening of, among other things, the following: (i) Receipt of written notice from Seller and Purchaser that changes in the condominium building plans have been made which require the approval of the County Officer having jurisdiction thereof, and that such changes have not been approved and accepted in writing by the Purchaser; (ii) Receipt of written notice from Seller and Purchaser that the Final Public Report has not been issued within one year from the date of issuance of the Preliminary Report; (iii) Receipt of written notice from the Seller and Purchaser that the Final Public Report issued by the Real Estate Commission differs in any material respect from the Preliminary Report.

The Escrow Agreement also provides, in part, that a purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such purchaser, without interest, promptly after purchaser has requested such return if Escrow shall have received from Developer a written notice that any one of the following has occurred:

- (a) Developer shall have requested Escrow to return to purchaser the funds of purchaser then being held hereunder by Escrow; or
- (b) Developer shall have notified Escrow of Developer's exercise of the option to rescind the sales contract

pursuant to any right of rescission stated therein or otherwise available to Developer; or

- (c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, there shall have been a change in the building plans requiring approval of a county officer having jurisdiction over the issuance of building 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
- (d) The Final Report differs in a material respect from the Preliminary Report, and the purchaser's written approval of such change shall not have been obtained; or
- (e) The Final Report shall not have been issued within one (1) year from the date of issuance of the Preliminary Report.

In any of the foregoing events, Escrow shall, upon receipt of a written request for a refund from purchaser, pay said funds to said purchaser (less cancellation fees to Escrow of \$25.00 per apartment) and thereupon said sales contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer and shall be deemed no longer held hereunder; provided, however, that no refund shall be made to a purchaser at purchaser's request prior to receipt by Developer of written notice from Escrow of its intent to make such refund.

The specimen Sales Contract states that certain of its terms are subject to the terms of the Escrow Agreement. The Sales Contract also provides, in part: (1) that Purchaser agrees that all rights and interest of the Purchaser are and shall be subject and subordinate to the lien of any mortgage made to finance the cost of construction of the project by Developer; (2) if construction of the project is not completed by June 30, 1980, either Developer or Purchaser may, upon fifteen (15) days written notice to the other, terminate the Sales Contract and all sums paid by Purchaser shall be refunded without interest; (3) if Purchaser has defaulted on the Sales Contract, Developer may terminate said contract, at which time, Escrow shall charge a \$25.00 cancellation fee and thereafter treat all funds of such Purchaser as the escrowed funds of Developer.

It is incumbent upon the purchaser or prospective purchaser to read with care the Sales Contract and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds paid into escrow are placed in trust, as well as the retention, disbursement and refund of said trust funds.

STATUS OF THE PROJECT: The Developer's attorney has advised the Commission that the Developer (1) has obtained a Construction Mortgage Loan from State Savings and Loan Association of Hawaii; (2) has entered into a Management Agreement with Ronald A. Kawahara & Co. on behalf of the Association (a copy dated March 29, 1979, has been submitted to the Commission); and (3) anticipates completion of the

mauka portion of the project by December, 1979 (it is now about 60% finished).

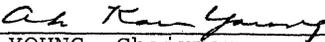
NOTE: Purchasers and prospective purchasers should note in particular paragraphs 4 and 6 of the Developer's Disclosure abstract concerning:

- 1) no warranties on certain units; and
- 2) the sale by a prior owner of apartment occupancy leasehold interests in 24 units of the project. Though the Developer is not connected in any way with the leasehold program, purchasers should be aware of its existence and the use of one of the 24 units as a reservations office.

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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 May 5, 1978, and information subsequently filed as of May 15, 1979.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1000 filed with the Commission on May 5, 1978.

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

  
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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. 1000

May 21, 1979