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

ON

MAUI VISTA
KULA, MAUI, HAWAII

REGISTRATION NO. 1042

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: October 25, 1978
Expires: November 25, 1979

SPECIAL ATTENTION

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

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED SEPTEMBER 22, 1978, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF OCTOBER 13, 1978. THE DEVELOPER IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. MAUI VISTA is a proposed fee simple condominium project consisting of two hundred and eighty (280) residential apartments located in three (3) separate four-story buildings. There will be a total of three hundred and fifty-two (352) parking stalls. These parking spaces are unassigned, except

that the Board of Directors of the Apartment Owners Association shall have the right to designate up to twenty (20) guest parking spaces.

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 Preliminary Public Report.

3. The Developer reports that the Declaration of Horizontal Property Regime, the By-Laws and the Condominium File Plan have not been filed in the Bureau of Conveyances of the State of Hawaii, but will be filed prior to the application for a Final Public Report.

4. At the present time, there are no advertising and promotional materials; however, when such materials are available, they will be submitted to the Commission pursuant to its rules and regulations.

5. The purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the rules and regulations of the Hawaii Real Estate Commission relating to Horizontal Property Regimes.

6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, October 25, 1978, unless a Final Public Report or a Supplementary Public Report issues or the Commission upon review of the registration issues an order extending the effective period of this Report.

7. This Preliminary Public Report is made a part of the registration of MAUI VISTA. The Developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) in the hands of all prospective purchasers and purchasers and securing a signed copy of the receipt for this Preliminary Public Report from each purchaser.

NAME OF PROJECT: MAUI VISTA

LOCATION: The project is located at Kamaole, Kula, Island and County of Maui, State of Hawaii, and consists of one (1) 8.82 acres parcel of real property.

TAX MAP KEY: Portion of 3-9-18-03 (Second Taxation Division - County of Maui).

ZONING: A-2 (Apartment District).

DEVELOPER: KACOR REALTY, Inc., a California corporation duly authorized to do business in the State of Hawaii, whose principal place of business in Hawaii is 7120 Kalanianaole Highway, Honolulu, Hawaii 96825, and whose post office address is P. O. Box 25007, Honolulu, Hawaii 96825.

ATTORNEY REPRESENTING DEVELOPER: KACOR REALTY, Inc. - Law Department (Attention: Michael J. Hannon), P. O. Box 25007, Honolulu, Hawaii 96825. Telephone: 395-2331.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime reflects the project is to consist of two hundred and eighty (280) residential apartments contained within three (3) buildings to be constructed on one (1) parcel of land, approximately 8.82 acres in area. The respective apartments shall not be deemed to include the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each apartment 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 shall include an adjacent balcony/lanai. Each apartment shall be deemed to include all walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and fixtures originally installed therein.

The principal materials of which the apartment buildings shall be constructed are as follows: reinforced concrete, steel, glass and composition roofing with asphalt shingles and appropriate trim. Each building is served by one (1) elevator and three (3) stairways. The two hundred and eighty (280) apartments contained within the buildings vary in type and number as follows:

Type A: Nine (9) apartment, each containing approximately five hundred and seventy-six (576) square feet, exclusive of a lanai of approximately seventy-nine (79) square feet, consisting of one bedroom, one bathroom, kitchen, living-dining room and lanai.

Type A1: Eighteen (18) one-bedroom apartments, which are identical to the Type A apartments except for a reverse floor plan.

Type B: Eighty-four (84) apartments, each containing approximately five hundred and sixty (560) square feet, exclusive of a lanai of approximately seventy-one (71) square feet, consisting of one bedroom, one bathroom, kitchen, living-dining room and lanai.

Type B1: Eighty-two (82) one-bedroom apartments, which are identical to the Type B apartments except for a reverse floor plan.

Type C1: Two (2) apartments, each containing approximately six hundred and two (602) square feet, exclusive of a lanai of approximately seventy-three (73) square feet, consisting of one bedroom, one bathroom, kitchen, living-dining room and lanai.

Type C2: Two (2) apartments, each containing approximately five hundred and eighty two (582) square feet, exclusive of a lanai of approximately seventy-three (73) square feet, consisting of one bedroom, one bathroom, kitchen, living-dining room and lanai.

Type D: Three (3) two-story apartments, each containing approximately eight hundred and sixteen (816) square feet, exclusive of a lanai of approximately seventy-nine (79) square feet, consisting of two bedrooms, one and one-half bathrooms, kitchen, living-dining room and lanai.

Type D1: Six (6) two-bedroom, two-story apartments, which are identical to the Type D apartments except for a reverse floor plan.

Type E: Twenty-nine (29) two-story apartments, each containing approximately seven hundred and ninety-four (794) square feet, exclusive of a lanai of approximately seventy-one (71) square feet, consisting of two bedrooms, one and one-half bathrooms, kitchen, living-dining room and lanai.

Type E1: Twenty-eight (28) two-bedroom, two-story apartments, which are identical to the Type E apartments except for a reverse floor plan.

Type F: One (1) two-story apartment, containing approximately eight hundred and forty-six (846) square feet, exclusive of a lanai of approximately seventy-three (73) square feet, consisting of two bedrooms, one and one-half bathrooms, kitchen, living-dining room and lanai.

Type G: One (1) apartment, containing approximately five hundred and fifty-five (555) square feet, exclusive of a lanai of approximately seventy-three (73) square feet, consisting of one bedroom, one bathroom, kitchen, living-dining room and lanai.

Type H: Three (3) apartments, each containing approximately five hundred and eighty-eight (588) square feet, exclusive of a lanai of approximately seventy-one (71) square feet, consisting of one bedroom, one bathroom, kitchen, living-dining room and lanai.

Type H1: Two (2) one-bedroom apartments, which are identical to the Type H apartments except for a reverse floor plan.

Type J: Six (6) apartments, each containing approximately five hundred and seventy-four (574) square feet, exclusive of a lanai of approximately seventy-three (73) square feet, consisting of one bedroom, one bathroom, kitchen, living-dining room and lanai.

Type K: One (1) two-story apartment, containing approximately eight hundred and twenty-seven (827) square feet, exclusive of a lanai of approximately seventy-one (71) square feet, consisting of two bedrooms, one and one-half bathrooms, kitchen, living-dining room and lanai.

Type K1: One (1) two-bedroom, two-story apartment, which is identical to the Type K apartment except for a reverse floor plan.

Type L: Two (2) two-story apartments, each containing approximately eight hundred and thirteen (813) square feet, exclusive of a lanai of approximately seventy-three (73) square feet, consisting of two bedrooms, one and one-half bathrooms, kitchen, living-dining room and lanai.

Each apartment has immediate access to a balcony passage on the floor on which it is located, which leads to the elevator (1) and stairways (3), which in turn afford access to the common elements at ground level and the street by walkways and driveways.

The floor area of each respective apartment measured as set forth in the Declaration, including the separately itemized area of each such apartment's appurtenant lanai and the appurtenant individual percentage interest in the common elements are hereinafter listed. The first digit of each apartment number indicates the building within which the apartment is located, the second digit indicates the floor of the building on which the apartment is located, and the last two digits indicate the apartment.

	Apt. No.	Type	Sq. Ft. Apt. Area	Sq. Ft. Lanai Area	% Interest Common Area
Bldg. 1	1101	A	576	79	.3300
	1102	B1	560	71	.3208
	1103	B	560	71	.3208
	1104	B1	560	71	.3208
	1105	B	560	71	.3208
	1106	B1	560	71	.3208
	1107	B	560	71	.3208
	1108	B1	560	71	.3208
	1109	B	560	71	.3208
	1110	B1	560	71	.3208
	1111	B	560	71	.3208
	1112	B1	560	71	.3208
	1113	(Not used)			
	1114	C2	582	73	.3334
	1115	B	560	71	.3208
	1116	B1	560	71	.3208
	1117	B	560	71	.3208
	1118	A1	576	79	.3300
	1119	(Manager's Unit)			
	1120	B	560	71	.3208
	1121	B1	560	71	.3208
	1122	B	560	71	.3208
	1123	B1	560	71	.3208
	1124	B	560	71	.3208
	1125	A1	576	79	.3300
	1201	A	576	79	.3300
	1202	B1	560	71	.3208
	1203	B	560	71	.3208
	1204	B1	560	71	.3208
	1205	B	560	71	.3208
	1206	B1	560	71	.3208
	1207	B	560	71	.3208
	1208	B1	560	71	.3208
	1209	B	560	71	.3208
	1210	B1	560	71	.3208
	1211	B	560	71	.3208
	1212	B1	560	71	.3208
	1213	B	560	71	.3208
	1214	B1	560	71	.3208
	1215	B	560	71	.3208
	1216	B1	560	71	.3208
	1217	B	560	71	.3208
	1218	A1	576	79	.3300
	1219	C1	602	73	.3449
	1220	B	560	71	.3208
	1221	B1	560	71	.3208
	1222	B	560	71	.3208
	1223	B1	560	71	.3208
	1224	B	560	71	.3208
	1225	A1	576	79	.3300

	Apt. No.	Type	Sq. Ft. Apt. Area	Sq. Ft. Lanai Area	% Interest Common Area
Bldg. 1 (cont'd.)	1301	A	576	79	.3300
	1302	B1	560	71	.3208
	1303	B	560	71	.3208
	1304	B1	560	71	.3208
	1305	B	560	71	.3208
	1306	B1	560	71	.3208
	1307	B	560	71	.3208
	1308	B1	560	71	.3208
	1309	B	560	71	.3208
	1310	B1	560	71	.3208
	1311	B	560	71	.3208
	1312	B1	560	71	.3208
	1313	B	560	71	.3208
	1314	B1	560	71	.3208
	1315	B	560	71	.3208
	1316	B1	560	71	.3208
	1317	B	560	71	.3208
	1318	A1	576	79	.3300
	1319	C1	602	73	.3449
	1320	B	560	71	.3208
	1321	B1	560	71	.3208
	1322	B	560	71	.3208
	1323	B1	560	71	.3208
	1324	B	560	71	.3208
	1325	A1	576	79	.3300
	1401	D	816	79	.4675
	1402	E1	794	71	.4549
	1403	E	794	71	.4549
	1404	E1	794	71	.4549
	1405	E	794	71	.4549
	1406	E1	794	71	.4549
	1407	E	794	71	.4549
	1408	E1	794	71	.4549
	1409	E	794	71	.4549
	1410	E1	794	71	.4549
	1411	E	794	71	.4549
	1412	E1	794	71	.4549
	1413	E	794	71	.4549
	1414	E1	794	71	.4549
	1415	E	794	71	.4549
	1416	E1	794	71	.4549
	1417	E	794	71	.4549
	1418	D1	816	79	.4675
	1419	F	846	73	.4847
	1420	E	794	71	.4549
	1421	E1	794	71	.4549
	1422	E	794	71	.4549
	1423	E1	794	71	.4549
	1424	E	794	71	.4549
	1425	D1	816	79	.4675

	Apt. No.	Type	Sq. Ft. Apt. Area	Sq. Ft. Lanai Area	% Interest Common Area
Bldg. 2	2101	A	576	79	.3300
	2102	B1	560	71	.3208
	2103	B	560	71	.3208
	2104	B1	560	71	.3208
	2105	(Not used)			
	2106	C2	582	73	.3334
	2107	B	560	71	.3208
	2108	B1	560	71	.3208
	2109	B	560	71	.3208
	2110	B1	560	71	.3208
	2111	B	560	71	.3208
	2112	A1	576	79	.3300
	2113	J	574	73	.3289
	2114	B1	560	71	.3208
	2115	B	560	71	.3208
	2116	B1	560	71	.3208
	2117	B	560	71	.3208
	2118	B1	560	71	.3208
	2119	B	560	71	.3208
	2120	B1	560	71	.3208
	2121	B	560	71	.3208
	2122	B1	560	71	.3208
	2123	B	560	71	.3208
	2124	A	576	79	.3300
	2201	A	576	79	.3300
	2202	B1	560	71	.3208
	2203	B	560	71	.3208
	2204	B1	560	71	.3208
	2205	B	560	71	.3208
	2206	B1	560	71	.3208
	2207	B	560	71	.3208
	2208	B1	560	71	.3208
	2209	B	560	71	.3208
	2210	B1	560	71	.3208
	2211	B	560	71	.3208
	2212	A1	576	79	.3300
	2213	J	574	73	.3289
	2214	B1	560	71	.3208
	2215	B	560	71	.3208
	2216	B1	560	71	.3208
	2217	B	560	71	.3208
	2218	B1	560	71	.3208
	2219	B	560	71	.3208
	2220	B1	560	71	.3208
	2221	B	560	71	.3208
	2222	B1	560	71	.3208
	2223	B	560	71	.3208
	2224	A1	576	79	.3300

	Apt. No.	Type	Sq. Ft. Apt. Area	Sq. Ft. Lanai Area	% Interest Common Area
Bldg. 2 (cont'd.)	2301	A	576	79	.3300
	2302	B1	560	71	.3208
	2303	B	560	71	.3208
	2304	B1	560	71	.3208
	2305	B	560	71	.3208
	2306	B1	560	71	.3208
	2307	B	560	71	.3208
	2308	B1	560	71	.3208
	2309	B	560	71	.3208
	2310	B1	560	71	.3208
	2311	B	560	71	.3208
	2312	A1	576	79	.3300
	2313	J	574	73	.3289
	2314	B1	560	71	.3208
	2315	B	560	71	.3208
	2316	B1	560	71	.3208
	2317	B	560	71	.3208
	2318	B1	560	71	.3208
	2319	B	560	71	.3208
	2320	B1	560	71	.3208
	2321	B	560	71	.3208
	2322	B1	560	71	.3208
	2323	B	560	71	.3208
	2324	A1	576	79	.3300
	2401	D	816	79	.4675
	2402	E1	794	71	.4549
	2403	E	794	71	.4549
	2404	E1	794	71	.4549
	2405	E	794	71	.4549
	2406	E1	794	71	.4549
	2407	E	794	71	.4549
	2408	E1	794	71	.4549
	2409	E	794	71	.4549
	2410	E1	794	71	.4549
	2411	E	794	71	.4549
	2412	D1	816	79	.4575
	2413	L	813	73	.4658
	2414	E1	794	71	.4549
	2415	E	794	71	.4549
	2416	E1	794	71	.4549
	2417	E	794	71	.4549
	2418	E1	794	71	.4549
	2419	E	794	71	.4549
	2420	E1	794	71	.4549
	2421	E	794	71	.4549
	2422	E1	794	71	.4549
	2423	E	794	71	.4549
	2424	D	816	79	.4675

	Apt. No.	Type	Sq. Ft. Apt. Area	Sq. Ft. Lanai Area	% Interest Common Area
Bldg. 3	3101	A	576	79	.3300
	3102	B1	560	71	.3208
	3103	B	560	71	.3208
	3104	B1	560	71	.3208
	3105	B	560	71	.3208
	3106	B1	560	71	.3208
	3107	B	560	71	.3208
	3108	B1	560	71	.3208
	3109	(Not used)			
	3110	G	555	73	.3180
	3111	B1	560	71	.3208
	3112	B	560	71	.3208
	3113	A1	576	79	.3300
	3114	J	574	73	.3289
	3115	B1	560	71	.3208
	3116	B	560	71	.3208
	3117	B1	560	71	.3208
	3118	H	588	71	.3369
	3119	B	560	71	.3208
	3120	B1	560	71	.3208
	3121	B	560	71	.3208
	3122	A	576	79	.3300
	3201	A	576	79	.3300
	3202	B1	560	71	.3208
	3203	B	560	71	.3208
	3204	B1	560	71	.3208
	3205	B	560	71	.3208
	3206	B1	560	71	.3208
	3207	B	560	71	.3208
	3208	B1	560	71	.3208
	3209	H1	588	71	.3369
	3210	B	560	71	.3208
	3211	B1	560	71	.3208
	3212	B	560	71	.3208
	3213	A1	576	79	.3300
	3214	J	574	73	.3289
	3215	B1	560	71	.3208
	3216	B	560	71	.3208
	3217	B1	560	71	.3208
	3218	H	588	71	.3369
	3219	B	560	71	.3208
	3220	B1	560	71	.3208
	3221	B	560	71	.3208
	3222	A1	576	79	.3300

	Apt. No.	Type	Sq. Ft. Apt. Area	Sq. Ft. Lanai Area	% Interest Common Area
Bldg. 3 (cont'd.)	3301	A	576	79	.3300
	3302	B1	560	71	.3208
	3303	B	560	71	.3208
	3304	B1	560	71	.3208
	3305	B	560	71	.3208
	3306	B1	560	71	.3208
	3307	B	560	71	.3208
	3308	B1	560	71	.3208
	3309	H1	588	71	.3369
	3310	B	560	71	.3208
	3311	B1	560	71	.3208
	3312	B	560	71	.3208
	3313	A1	576	79	.3300
	3314	J	574	73	.3289
	3315	B1	560	71	.3208
	3316	B	560	71	.3208
	3317	B1	560	71	.3208
	3318	H	588	71	.3369
	3319	B	560	71	.3208
	3320	B1	560	71	.3208
	3321	B	560	71	.3208
	3322	A1	576	79	.3300
	3401	D	816	79	.4675
	3402	E1	794	71	.4549
	3403	E	794	71	.4549
	3404	E1	794	71	.4549
	3405	E	794	71	.4549
	3406	E1	794	71	.4549
	3407	E	794	71	.4549
	3408	E1	794	71	.4549
	3409	K	827	71	.4738
	3410	E	794	71	.4549
	3411	E1	794	71	.4549
	3412	E	794	71	.4549
	3413	D1	816	79	.4675
	3414	L	813	73	.4658
	3415	E1	794	71	.4549
	3416	E	794	71	.4549
	3417	E1	794	71	.4549
	3418	K1	827	71	.4738
	3419	E	794	71	.4549
	3420	E1	794	71	.4549
	3421	E	794	71	.4549
	3422	D1	816	79	.4675

COMMON ELEMENTS: The proposed Declaration reflects that the common elements shall include all of the land and all of the improvements other than the apartments, specifically including but not limited to:

1. Said land in fee simple;

2. All foundations, columns, girders, beams, floor slabs, supports, perimeter and load-bearing walls (except for the inner decorated surface within each apartment), roofs, elevators, stairways, walkways, entrances and exits of said buildings;

3. All restrooms, yards, grounds, landscaping, swimming pools, swimming pool equipment rooms, tennis courts, recreational areas, refuse areas, electrical room and elevator lobby areas, if any;

4. All driveways, loading areas and parking areas (including parking spaces);

5. All pipes, cables, conduits, ducts, electrical equipment, trash chutes, wiring and other central and pertinent transmission facilities and installation over, under and across the project which serve more than one apartment for services such as power, lights, gas, water, sewer, telephone and television signal distribution, if any;

6. The manager's apartment (Apartment No. 1119);

7. Any and all other apparatus and installations of common use and all other parts of the project necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: The proposed Declaration states that those portions of the common elements which are rationally related to less than all of the apartments shall be limited common elements set aside for the exclusive use of such apartments.

The proposed Declaration also states that each apartment shall have appurtenant to it a nonexclusive easement for the purpose of ingress and egress.

COMMON INTEREST TO BE CONVEYED TO BUYER: The proposed Declaration states that each apartment shall have appurtenant thereto an undivided percentage interest in all the common elements of the project (referred to as the "Common Interest"), and the same proportionate share in all common profits and expenses of the project and for all other purposes, including voting. The interests in the common elements of the project are allocated among the apartments approximately on the basis of interior apartment area, excluding the lanai area. The various percentages have been set forth previously in the "DESCRIPTION" section herein. The buyer will receive an apartment deed executed by Developer, demising an apartment together with its aforementioned share of the Common Interest in fee simple.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The proposed Declaration provides that all apartments shall at all times be used only as permanent or temporary residences and for no other purpose, except that the Developer may use any of the apartments for sale or display purposes prior to the sale and conveyance thereof by the Developer.

The House Rules provide, among other things, that: (1) Occupancy is limited to not more than four (4) persons per one-bedroom apartment and six (6) persons per two-bedroom apartment; and (2) No animals whatsoever (including dogs, cats and other animals commonly accepted as household pets) shall be allowed or kept in any part of the project.

OWNERSHIP OF LAND AND ENCUMBRANCES AGAINST TITLE: An updated preliminary report issued on September 7, 1978, by Title Guaranty of Hawaii, Inc., certifies that title to Lot 22-B-2, the same being a portion of Lot 22-B of the tract of land known as "Kamaole Homesteads" is held by the Developer subject only to the following encumbrances:

1. For any taxes that may be due and owing, reference is made to the office of the Tax Assessor, second division.

2. That certain mortgage by and between Kaiser Aetna, as mortgagor, and Meyer M. Ueoka, as trustee for MDG Supply, Inc., as mortgagee, dated January 4, 1974 and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9679 at Page 171.

In addition, the Developer disclosed that it reserves the right to mortgage the land and the proposed improvements to secure the repayment of a loan for the construction of improvements and/or for any other purpose and that such mortgage or mortgages shall have priority over any rights that the purchaser may acquire by virtue of the reservation agreement or sales contract until such time as the sale is closed in accordance with the terms thereof.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement, dated September 21, 1978, identified TITLE GUARANTY ESCROW SERVICES, INC., a Hawaii corporation, as escrow agent. On examination, the Basic Terms, Reservation Agreement, Sales Contract Form, Sales Contract and Receipt for Final Public Report 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-65 of the Hawaii Revised Statutes.

Among other provisions, the executed Escrow Agreement states that:

> After a reservation agreement for an apartment is entered into between the Developer and a prospective buyer, and prior to such time as a sales contract for the sale and purchase of the apartment is entered into, all funds received by Escrow shall promptly be returned to such buyer (without interest and less Escrow's cancellation fee) upon the happening of any of the following:
>
> 1. Receipt by Escrow of a written request signed by such prospective buyer and specifically releasing all interest in the apartment subject to the reservation agreement; or
>
> 2. Upon the expiration of thirty (30) days from the date the prospective buyer has received notice from Kacor of the opportunity to purchase the apartment, together with the Sales Contract and Receipt for Final Public Report and the Final Public Report for the Project and the prospective buyer's failure to execute and return said Sales Contract and Receipt for Final Public Report within said thirty (30) days; or

3. Upon five (5) days written notice by Developer to the prospective buyer and Escrow of Developer's determination to terminate or cancel the reservation agreement; or

4. Twelve (12) months after the date of the reservation agreement.

After a sales contract for the sale and purchase of an apartment is entered into between the Developer and a buyer, the buyer shall be entitled to return of his funds, and Escrow shall pay such funds to the buyer (without interest and less Escrow's cancellation fee) promptly after receipt by Escrow of a written request signed by such buyer and specifically releasing all interest in the apartment subject to the sales contract if any one of the following shall have occurred:

1. Developer shall have requested Escrow to return to Buyer the funds of buyer then being held hereunder by Escrow; or

2. Developer shall have notified Escrow of Developer's exercise of its option to rescind the sales contract pursuant to any right of rescission stated therein or otherwise available to Developer; or

3. With respect to a buyer 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 buyer has otherwise consented in writing; or

4. The Final Report differs in a material respect from the Preliminary Report, and the buyer's written approval of such change shall not have been obtained; or

5. The Final Report shall not have been issued within one (1) year from the date of issuance of the Preliminary Report.

Upon any such return of funds to a buyer, Escrow will return to the Developer all reservation, sales and any conveyancing documents theretofore delivered to Escrow.

Further, the executed Escrow Agreement and the Sales Contract Form provide in part what sums of money, if any, the buyer is entitled to as refunds if the buyer is in default in any payment when required or fails to perform any other obligation required by the buyer.

The specimen Basic Terms, Reservation Agreement and Sales Contract Form provides that said Agreement executed prior to the issuance of a Final Public Report for the project shall constitute a "reservation" and not a "binding contract" for the purchase of an apartment which may be cancelled and terminated at any time at the option of either party until such time as the Purchaser and Developer execute a separate instrument expressing their intent to enter into a binding contract.

The specimen Basic Terms, Reservation Agreement and Sales Contract Form further provides, in part: (1) Developer makes no warranties, express or implied, with respect to the apartments or the project and further agrees, without incurring any legal liability therefor, to cooperate with Purchaser and use its best efforts to have all warranties performed by the builder and the suppliers to the fullest extent; (2) All rights of Purchaser pursuant to the terms and conditions of the sales contract are and shall be subject and subordinate to the lien of any mortgage made by Developer to finance the cost of construction and other costs during construction and to any and all advances made thereon and to any and all sums which may become a lien pursuant to the terms of such mortgage; (3) Apartment owners in the project are prohibited from entering into a rental pool or other rental sharing agreement until after the sales of all the apartments in the project have been closed; and (4) The Developer at any time prior to the sale of the last apartment in the project and the completion of all other improvements, may, at its option, construct one (1) additional swimming pool and two (2) additional tennis courts.

It is incumbent upon the buyer and the prospective buyer that he reads with care the Basic Terms, Reservation Agreement and Sales Contract Form and the Sales Contract and Receipt for Final Public Report and the executed Escrow Agreement.

MANAGEMENT AND OPERATIONS: The proposed Declaration provides that operation of the project shall be conducted for the Association by a responsible corporate Managing Agent who shall be appointed by the Association. However, the Developer has not yet appointed the initial Managing Agent.

RESERVATION BY THE DEVELOPER: The proposed Declaration provides in part that the Developer reserves the right to enter and go upon the land and the project as needed for the development, construction and sale of the project, including (without limitation thereto) the right to perform surveying, excavation and landscaping, to permit parking and storage of construction equipment and materials, to maintain sales offices, models and advertising signs and for all other purposes necessary or convenient to the development, construction and sale of the project, provided that the Developer shall at all times assure access to the project and shall undertake to minimize interference with the use and enjoyment of the apartments in the project.

The Developer reserves the right at its expense (1) to designate and grant easements over, under and across the land for utilities, sanitary and storm sewers, cable television and/or master television, and rights-of-way and all other purposes necessary for the development and construction of the project and (2) to relocate or realign any existing easements (including easements for utilities, sanitary and storm sewer lines and cable television and/or master television), utilities and rights-of-way and to connect the same over, under and across the common elements, provided that such easements and such relocations and connections of utility and other lines shall not materially impair or interfere with the use of any apartment in the project.

The Developer shall have the right to execute and record in the Bureau of Conveyances of the State of Hawaii and with the Department of Regulatory Agencies of the State of Hawaii and the County of Maui, without the consent or joinder of any apartment owner, or lien holder hereafter acquiring any interest in the project, an amendment or amendments to the Declaration, the Condominium File Plan and any other constituent documents of the project

designating, granting or relocating easements over, under and across the common elements as permitted above. Every owner of an apartment and every lien holder hereafter acquiring an interest in an apartment in the project by the acceptance of an apartment deed or the instrument creating a lien affecting such apartment, shall be automatically deemed to consent to the Developer's rights reserved pursuant to the Declaration, and shall, if requested by the Developer, join in, execute and acknowledge all instruments and documents necessary or desirable to the Developer's exercise of such reserved rights, and shall be deemed to have granted an irrevocable power of attorney coupled with an interest to the Developer to execute and acknowledge all such instruments and documents on behalf of such apartment owners and lien holders.

RULE OF THE BOARD OF WATER SUPPLY, COUNTY OF MAUI: Buyers and prospective buyers are advised and the Sales Contract Form states that on March 30, 1978, the Board of Water Supply of the County of Maui, the "Board," adopted a rule entitled "SPECIAL RULE REGULATING FOR AN INTERIM PERIOD THE APPROVAL OF SUBDIVISION APPLICATION: THE APPROVAL OF BUILDING PERMITS AND THE APPROVAL OF WATER METERS FROM THE MOKUHAU, IAO-KEPANIWAI, AND WAIEHU WATER SOURCES," the "Rule" herein.

The Rule was adopted to regulate and protect certain water sources and systems in the County of Maui pending the completion of the Central Maui Water Transmission Source and Pipeline Project and the acceptance thereof by the Board. The regulation and protection of these water sources and systems were made necessary due to several factors, including the rapidly expanding demand for water in the service area, unusually dry weather conditions on the County of Maui, and certain delays in the construction of said Central Maui Water Transmission Source and Pipeline Project. The Kihei area and hence the project fall within one of the areas covered by the Rule. Under the Rule, the project will be issued a building permit only on the condition that no water meter of any size, other than a temporary construction meter, shall be issued for said project until after the completion, acceptance by the Board and the satisfactory operation of the said Central Maui Water Transmission Source and Pipeline Project. The present anticipated completion date is approximately the middle of February, 1979.

The closing of the sale of any apartment may not occur until after the completion of said Source and Pipeline Project because the Sales Contract Form provides that closing will occur only after the certificate of occupancy is issued, and the County of Maui will not issue a certificate of occupancy until water meters are issued and installed, which water meters under the Rule, as discussed above, will not be issued until the completion, acceptance and satisfactory operation of said Source and Pipeline Project.

STATUS OF PROJECT: Construction has not begun on the project, however, final plans and specifications for the project are being prepared. Developer has advised that it expects to begin construction approximately on April 1, 1979.

THE BUYER UNDERSTANDS THAT AT THIS TIME THERE IS NO EFFECTIVE HUD PROPERTY REPORT WITH RESPECT TO THE PROJECT AND THAT THE DEVELOPER DOES NOT INTEND TO MAKE APPLICATION FOR SAME.

The buyer or prospective buyer should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted September 22, 1978 and information subsequently submitted as of October 13, 1978.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1042 filed with the Commission on September 22, 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 yellow.

Distribution:
- Department of Taxation
- Planning Department, County of Maui
- Escrow Agent
- Federal Housing Administration
- Bureau of Conveyances

Ah Kau Young

AH KAU YOUNG, Chairman
Real Estate Commission
State of Hawaii

Registration No. 1042

Date: October 25, 1978