

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

PUAMANA
Princeville at Hanalei
Hanalei, Kauai, Hawaii

REGISTRATION NO. 1046

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: November 28, 1978
Expires: December 28, 1979

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 purchaser or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION FILED OCTOBER 2, 1978, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF NOVEMBER 17, 1978. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514A, HAWAII REVISED STATUTES.

1. PUAMANA is a proposed leasehold condominium project to consist of twenty-six (26) two-story buildings, without basements, containing a total of ninety-seven (97) apartment units. There will be one hundred and five (105) parking stalls contained on the site of the project.

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 Preliminary Public Report.

3. No advertising matter has been filed pursuant to the rules and regulations promulgated by the Commission.

4. The basic condominium documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners of Puamana and a copy of the approved floor plans) have not been filed in the Office of the recording officer.

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 Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, November 28, 1978, unless a Final Public Report issues of the Commission upon review of the registration, issues an order extending the period of this report.

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

NAME OF PROJECT: PUAMANA

LOCATION: Princeville at Hanalei, Hanalei, Kauai, Hawaii, with approximately 9.7 acres committed to the Regime.

TAX MAP KEY: FIFTH DIVISION: 5-4-05-18

ZONING: Class IV

DEVELOPER: Hartford Holdings, Ltd., a Hawaii corporation, The principal place of business and post office address of which is 7192 Kalaniana'ole Highway, Honolulu, Hawaii 96825. The officers of the Developer are: William W. Becker - President, Warner L. Owen - Vice President, and Marguerite L. Becker - Secretary and Treasurer.

ATTORNEY REPRESENTING DEVELOPER: Hamilton, Gibson, Nickelsen, Rush & Moore (Attention: Ken Harimoto), 20th Floor Hawaii Building, 745 Fort Street, Honolulu, Hawaii 96813, Phone: 521-2611.

✓ DESCRIPTION:

1. Apartments. The proposed Declaration of Horizontal Property Regime and plans submitted by the Developer indicate

a leasehold condominium project consisting of twenty-six (26) two-story buildings, without basements, constructed principally of concrete and wood and there will be ninety-seven (97) freehold estates designated in the spaces within the perimeter walls of each of the ninety-seven (97) apartment units contained in the buildings, which spaces, together with appurtenant lanais, if any, are referred to herein as "apartments" and are designated on said plans and described as follows:

Apartments 1A, 1B, 1C and 1D are located in Building 1 of the project;

Apartments 2A, 2B, 2C and 2D are located in Building 2 of the project;

Apartments 3A, 3B, 3C and 3D are located in Building 3 of the project;

Apartments 4A, 4B, 4C and 4D are located in Building 4 of the project;

Apartments 5A, 5B and 5C are located in Building 5 of the project;

Apartments 6A, 6B, 6C and 6D are located in Building 6 of the project;

Apartments 7A, 7B, 7C and 7D are located in Building 7 of the project;

Apartments 8A, 8B, 8C and 8D are located in Building 8 of the project;

Apartments 9A, 9B and 9C are located in Building 9 of the project;

Apartments 10A, 10B and 10C are located in Building 10 of the project;

Apartments 11A, 11B and 11C are located in Building 11 of the project;

Apartments 12A, 12B, and 12C and 12D are located in Building 12 of the project;

Apartments 13A, 13B, 13C and 13D are located in Building 13 of the project;

Apartments 14A, 14B, 14C and 14D are located in Building 14 of the project;

Apartments 15A, 15B, 15C and 15D are located in Building 15 of the project;

Apartments 16A, 16B and 16C are located in Building 16 of the project;

Apartments 17A, 17B, 17C and 17D are located in Building 17 of the project;

Apartments 18A, 18B and 18C are located in Building 18 of the project;

Apartments 19A, 19B, 19C and 19D are located in Building 19 of the project;

Apartments 20A, 20B, 20C and 20D are located in Building 20 of the project;

Apartments 21A, 21B, 21C and 21D are located in Building 21 of the project;

Apartments 22A, 22B, 22C and 22D are located in Building 22 of the project;

Apartments 23A, 23B and 23C are located in Building 23 of the project;

Apartments 24A, 24B, 24C and 24D are located in Building 24 of the project;

Apartments 25A, 25B, 25C and 25D are located in Building 25 of the project; and

Apartments 26A, 26B, 26C and 26D are located in Building 26 of the project.

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A description of each of the apartments, designating the layout, number of rooms and approximate floor area thereof, is as follows:

Each apartment hereinafter designated as being constructed in accordance with Floor Plan 100 and Floor Plan 101 contains two bedrooms, a dressing room, walk in closet, hallway, utility room, two bathrooms, a powder room, living room, dining area, kitchen and two lanais and a total area of approximately 1,301 square feet, including the lanais;

Each apartment hereinafter designated as being constructed in accordance with Floor Plan 200 is a two-story apartment which contains one bedroom, a powder room, one bathroom, a hallway, kitchen, living room, dining area and a lanai on the first floor and one bedroom, a loft area, dressing room, bathroom, walk-in closet and a lanai on the second floor and a total area of approximately 1,437.6 square feet, including the lanais. The first and second floors of each such apartment are connected by a stairway located within the apartment; and

Each apartment hereinafter designated as being constructed in accordance with Floor Plan 300 is a two-story apartment which contains one bedroom, a powder room, one bathroom, a hallway, kitchen, living room, dining area and a lanai on the first floor and two bedrooms, a dressing room and a bathroom on the second floor and a total area of approximately 1,586 square feet, including the lanai. The first and second floors of each such apartment are connected by a stairway located within the apartment.

FLOOR PLAN 100:

2A, 4A, 5A, 11A, 17A, 18A, 19A, 21D, 22D and 25D;

FLOOR PLAN 101:

1D, 3D, 6A, 7A, 8D, 17D, 20A, 20D, 22A, 23C, 24D and 26A;

FLOOR PLAN 200:

1A, 1B, 1C, 2B, 2C, 2D, 3A, 3B, 3C, 4B, 4C, 4D, 5B, 5C, 6B, 6C, 6D, 7B, 7C, 7D, 8A, 8B, 8C, 9A, 9B, 9C, 10A, 10B, 10C, 11C, 12B, 12C, 13B, 13C, 14B, 14C, 15B, 15C, 15D, 16B, 16C, 17B, 17C, 18B, 18C, 19B, 19C, 19D, 20B, 20C, 21A, 21B, 21C, 22B, 22C, 23A, 23B, 24A, 24B, 24C, 25A, 25B, 25C, 26B, 26C and 26D;

FLOOR PLAN 300:

11B, 12A, 12D, 13A, 13D, 14A, 14D, 15A and 16A.

2. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve more than one apartment. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls, doors and door frames, windows and window frames, the lanai air space (if any), the inner decorated or finished surfaces of all walls, floors and ceilings and all fixtures originally installed therein.

COMMON ELEMENTS: The proposed Declaration provides that one (1) freehold estate is thereby designated in all of the remaining portions and appurtenances of the project, herein called "common elements", including specifically but not limited to:

- (a) Said land in fee simple;

(b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, entries, stairways, walkways, entrances and exits of said building;

(c) All yards, grounds and landscaping;

(d) The 105 parking stalls;

(e) All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any;

(f) The recreation building, tot pool, pool and shuffle board layout shown on said plans; and

(g) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: None.

INTEREST TO BE CONVEYED TO PURCHASERS: The proposed Declaration states that each apartment shall have appurtenant thereto an undivided percentage interest, determined approximately upon the basis of the respective areas of the apartments of the project, in all common elements of the project (herein called the "common interest"), and the same proportionate share in all common profits and expenses of the project and for all other purposes, including voting, as follows:

Each apartment constructed in accordance with Floor Plan 100 shall have a common interest of .94421%;

Each apartment constructed in accordance with Floor Plan 101 shall have a common interest of .94421%;

Each apartment constructed in accordance with Floor Plan 200 shall have a common interest of 1.04345%;
and

Each apartment constructed in accordance with Floor Plan 300 shall have a common interest of 1.1510756%.

Each purchaser will secure a Condominium Conveyance Document conveying an apartment, together with said undivided percentage interest in the common elements of the buildings of the project, and leasing said undivided percentage interest in the land upon which the project is located.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration states that the apartments shall be occupied and used only for purposes permitted from time to time by applicable zoning ordinances, rules and regulations, and for no other purpose.

OWNERSHIP OF TITLE: A Preliminary Report dated September 21, 1978, issued by Long & Melone, Ltd., represents that the owner of the fee simple title to the property submitted to the regime is Consolidated Oil & Gas, Inc., a Colorado corporation. Said owner entered into an unrecorded Agreement of Sale with reference to said property in favor of the Developer, as Buyer, dated September 25, 1978. A copy of said Agreement has been submitted to the Commission.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated September 21, 1978, issued by Long & Melone, Ltd., submitted to the Commission, provides that the following are encumbrances against title to the property:

1. Declaration of Restrictions, Covenants and Conditions by Eagle County Development Corporation dated March 1, 1973, recorded in the Bureau of Conveyances in Liber 7444, Page 93, as amended;

2. Easement S-1 (10 feet wide) over and across lot 2 for sanitary sewer purposes;

3. Grant of Easement in favor of Kauai County Public Improvement Corporation, dated October 29, 1975 recorded in the Bureau of Conveyances in Liber 11034, Page 88;

4. Approval of said subdivision by the Department of Land Utilization of the County of Kauai;

5. Filing of Affidavit of subdivision in the Bureau of Conveyances, State of Hawaii;

6. For any taxes that may be due and owing, reference is made to the office of the Tax Assessor, Fifth Division.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated September 22, 1978, between Bank of Hawaii and the Developer has been filed with the Commission. On examination, the executed Escrow Agreement, as well as the specimen Condominium Reservation Agreement, Deposit Receipt and Contract, filed with the Commission is found to be in compliance with Chapter 514A, Hawaii Revised Statutes.

Among other provisions, the specimen Sales Contract provides:

1. In the event development and construction of the project is delayed due to governmental restrictions or regulations of a contingency, the non-occurrence of which

was a basic assumption on which the Agreement was made, and Seller determines that increases in development and construction costs because of such delay require increases in apartment sales prices to maintain financial feasibility of the project, then and in any such event Seller may at its option terminate the Agreement and cause Escrow to refund to Buyer all monies paid, without interest, and less Escrow's cancellation fee, and Seller shall be released from all liability, provided, however, that Seller shall offer to Buyer the right to execute a new Reservation Agreement in a form similar at the increased apartment unit price;

2. Buyer is advised that Seller intends to preclose, regardless of the status of the construction of the Apartments, by having all documents necessary for closing executed prior thereto and deposited with Escrow, and Buyer agrees to execute all necessary documents for such closing, including irrevocable escrow instructions, and to deposit all sums due upon the Date of Closing with Escrow upon request by Seller.

3. Buyer agrees that all of the rights of Buyer are and shall be subject and subordinate to the lien of any mortgage securing the repayment of the interim loans made to finance the cost of construction and other costs during construction and to any and all advances made thereon.

The Escrow Agreement provides in part that:

A purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to said purchaser, without interest and less Escrow's Twenty-five Dollar (\$25.00) cancellation fee, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

1. Escrow receives a written request from the Seller to return to purchaser the funds of such purchaser then held by Escrow; or

2. If purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the building plans, subsequent to the execution of purchaser's contract, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction, unless the purchaser has given written approval or acceptance of the change; or

3. If the request is prior to the time the Final Public Report is issued, or if after such time, the Final Public Report differs in any material respect from the Preliminary Public Report, unless the purchaser has given written approval or acceptance of the differences; or

4. If the Final Public Report is not issued within one (1) year from the date of issuance of the Preliminary Public Report.

Upon refund of said funds to purchaser as aforesaid, Escrow shall return to Seller such purchaser's Sales Contract and any apartment deed theretofore delivered to Escrow, and thereupon purchaser shall be deemed no longer obligated thereunder.

If at any time the Seller shall certify in writing to Escrow that a purchaser, whose funds are being held by Escrow, has defaulted under the terms of his Sales Contract and that the Seller has terminated said Contract pursuant to the terms hereof, Escrow shall notify said purchaser of said default and shall thereafter treat all funds such purchaser paid under such Contract, less Escrow's Twenty-five Dollar (\$25.00) cancellation fee, as the escrowed funds of said Seller and not of purchaser.

All funds received by Escrow shall be deposited in an interest bearing account or accounts in a federally insured bank or savings and loan institution, to be held therein subject to all the terms and provisions hereof and to be subject to being drawn only upon written approval or signature by Escrow. All interest earned from such account or accounts shall be credited to the account of Seller pursuant to agreement between Seller and purchasers as set forth in said Contract of Sale.

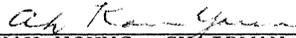
It is incumbent on the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the Condominium Reservation Agreement, Deposit Receipt and Contract, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchaser's funds. The specimen Sales Agreement specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided. Purchaser and prospective purchasers are advised to read the provisions of the Reservation Agreement with care.

MANAGEMENT AND OPERATIONS: The proposed Declaration provides that the operation of the project shall be conducted for the Association of Apartment Owners by a responsible managing agent who shall be appointed by the Association in accordance with the By-Laws. The initial managing agent as indicated in the Disclosure Abstract is Aaron M. Chaney, Inc.

STATUS OF PROJECT: The Developer has advised the Commission that construction of the project has not commenced but is projected to be completed by March, 1980.

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 October 2, 1978, and additional information subsequently filed as of November 17, 1978.

This is a PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 1046 filed with the Commission on October 2, 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.



AH KAU YOUNG, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

REGISTRATION NO. 1046
NOVEMBER 28, 1978