

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
MAALAEA LANDING
Hauoli Street, Old Wailuku-Lahaina Road
Maalaea, Maui, Hawaii
REGISTRATION NO. 1167

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 26, 1979

Expires: November 26, 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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED AUGUST 30, 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, AS AMENDED.

1. MAALAEA LANDING is a leasehold, commercial and residential condominium project consisting of one four-story building in the shape of the letter "L", containing 33 separate apartments including 7 exclusively commercial apartments on the first floor and 26 residential/commercial apartments on the second, third, and fourth floors, 69 parking stalls, plus associated improvements, all in accordance with plans filed with the Real Estate Commission as part of this registration.
2. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Asssocation of Apartment Owners, and a copy of the approved Plans) have not been recorded in the Bureau of Conveyances of the State of Hawaii.
3. The Developer of the project has submitted to the Real Estate Commission for examination all documents deemed necessary for the issuance of this Preliminary Public Report.
4. This Preliminary Public Report is made a part of the registration of the MAALAEA LANDING condominium project. The Developer is responsible for placing this Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed copy of the receipt for Horizontal Property Regime Preliminary Public Report and Disclosure Abstract from each person.
5. The purchaser or propective purchaser is advised to acquaint himself with the provisions of the Horizontal Property Act, Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Real Estate Commission.
7. This Preliminary Public Report automatically expires 13 months after the date of its issuance, October 26, 1979, unless a Supplementary or Final Public Report issues, or the Commission, upon review of registration, issues an order extending the effective period of this report.

NAME OF PROJECT: MAALAEA LANDING

LOCATION: On approximately 28,662 square feet of land committed to the Horizontal Property Regime, situated along Hauoli Street and the Old Wailuku-Lahaina Road, Maalaea, County of Maui, State of Hawaii.

Note: Purchasers are advised that the project is subject to possible flood inundation.

TAX MAP KEY: 7-8-14; 27 and 30

ZONING: M-1, Light Industrial

DEVELOPER: The Developer is Maalaea Landing, Inc., a Hawaii corporation, whose principal place of business is 850 Kapiolani Boulevard, Suite 202, Honolulu, Hawaii and whose post office address is P. O. Box 23092, Honolulu, Hawaii 96822 (telephone: (808) 524-3129). The officers are as follows:

C. Bruce Ficke	President	1808 Halama Street Kihei, Maui, Hawaii 96753
Mary Bishop	Vice President	P. O. Box 280 Kihei, Maui, Hawaii 96753
Charles F. Lubrecht	Secretary/ Treasurer	920 Ward Avenue, No. 12D Honolulu, Hawaii 96814

ATTORNEYS REPRESENTING DEVELOPER: The attorneys representing the Developer are Davis, Playdon & Gerson (Roy L. Anderson), Suite 1333, Pacific Trade Center, 190 South King Street, Honolulu, Hawaii 96813; telephone (808) 524-2466.

DESCRIPTION: The land will be improved according to the Developer's Plans, as amended, and the proposed Declaration of Horizontal Property Regime, by constructing thereon one four-story apartment building consisting of thirty-three (33) separate apartments, plus a partial basement area with a covered parking area containing 53 parking stalls, an upper parking area on the first level containing 16 parking stalls, a swimming pool, and various associated improvements. The building will be constructed principally of wood frame, concrete block, and steel, with exterior and party walls between apartments constructed of concrete block. The building and the condominium apartments in the project are described in the proposed Declaration of Horizontal Property Regime as follows:

The first floor of the building has seven (7) exclusively commercial apartments, including a store, five (5) separate shops, and a restaurant.

The second, third, and fourth floors have a total of twenty-six (26) apartments which are designated for commercial and/or residential purposes at the option of the owner of each of the respective apartments, the uses of which will be limited as hereinafter set forth. Of the twenty-six residential/commercial apartments on the second, third, and fourth floors, ten (10) are one bedroom apartments, fourteen (14) are two bedroom apartments, and two (2) are three bedroom apartments. In addition to the four stories described above, there is a basement area below the first floor which has direct access to the lower parking level.

There is one elevator and one stairway located at the juncture of the two wings of the building and one stairway at the end of the building, all of which serve to connect the basement/lower parking level and each of the four floors of the building.

The basement area, which leads to the lower parking area, contains an electrical equipment room and a trash room.

The first floor contains seven (7) exclusively commercial apartments, six (6) of which are designed for general business/commercial usage, including retailing. The remaining commercial apartment is a restaurant adjacent to the swimming pool and recreation area.

The second floor contains eight (8) residential/commercial apartments, of which six (6) are one bedroom/one bathroom apartments and two (2) are two bedroom/two bathroom apartments.

The third and fourth floors are identical to each other, each having nine (9) residential/commercial apartments, of which two (2) are one bedroom/one bathroom apartments, six (6) are two bedroom/two bathroom apartments, and one is a three bedroom/two and one-half bathroom apartment.

Each apartment has immediate access to one of the corridors which lead to both stairways and the elevator, which lead to the basement level and first floor parking areas, recreation/swimming pool area, the grounds around the building, and to the parking area driveways which lead to Hauoli Street and Old Wailuku-Lahaina Road.

The thirty-three (33) separate apartments in the building are described as follows:

I. The First Floor Commercial Area:

The seven (7) separate exclusively commercial areas on the first floor of the building are described as follows:

a. The restaurant area contains approximately 1,213 square feet and includes a kitchen and storage area in addition to the bar/dining area.

b. The retail store area contains approximately 1,927 square feet.

c. There are five separate shop areas numbered 1 through 5 and each consists of one room subject to division into more than one room by the respective owner, and each is separately described as follows:

Shop number 1 contains approximately 1,038 square feet.

Shop numbers 2, 3, and 4 each contain an area of approximately 782 square feet.

Shop number 5 contains an area of approximately 618 square feet.

The store, the restaurant and each of the five shops have immediate access to the covered walkway, the upper parking area, and to a men's and women's restroom which is a limited common element between them as hereinafter described.

II. The Second, Third, and Fourth Floor Residential/Commercial Area:

The twenty-six (26) residential/commercial apartments on the second, third, and fourth floors are described as follows:

The second floor contains eight (8) separate apartments numbered 201 through 208, the third floor contains nine (9) separate apartments numbered 301 through 309, the fourth floor contains nine (9) separate apartments numbered 401 through 409.

The ten (10) different types of apartment located on the second, third, and fourth floors are referred to by letter and are described as follows:

a. Ten (10) apartments are designated type "A" apartments, and are numbered 303, 304, 305, 306, 309, 403, 404, 405, 406, and 409. Each type "A" apartment contains approximately 794 square feet and includes a living room, dining area, kitchen, two bedrooms, and two bathrooms.

b. Four (4) apartments are designated type "B" apartments, numbered 204, 205, 206, and 207. Each type "B" apartment contains approximately 770 square feet and includes a living room, dining area, kitchen, one bedroom and one bathroom.

c. Two (2) apartments are designated type "C" apartments, numbered apartments 301 and 401. Each type "C" apartment contains approximately 730 square feet and includes a living room, dining area, kitchen, one bedroom, and one bathroom.

d. Two (2) apartments are designated type "D" apartments, numbered 302 and 402. Each type "D" apartment contains approximately 1,081 square feet and includes a living room, dining area, kitchen, two bedrooms, and two bathrooms.

e. Two (2) apartments are designated type "E" apartments, numbered 307 and 407. Each type "E" apartment contains approximately 738 square feet and includes a living room, dining area, kitchen, one bedroom, and one bathroom.

f. Two (2) apartments are designated type "F" apartments, numbered 308 and 408. Each type "F" apartment contains approximately 1,121 square feet and includes a living room, dining area, kitchen, three bedrooms, and two and one-half bathrooms.

g. One (1) apartment is designated type "G" and is numbered 201. The type "G" apartment contains an area of approximately 924 square feet and includes a living room, dining area, kitchen, one bedroom, and one bathroom.

h. One (1) apartment is designated type "H" and is numbered 202. The type "H" apartment contains approximately 985 square feet and includes a living room, dining area, kitchen, two bedrooms, and two bathrooms, and includes the lanai of approximately 144 square feet.

i. One (1) apartment is designated type "I" and is numbered 203. The type "I" apartment contains an area of approximately 2,448 square feet and includes a living room, dining area, kitchen, two bedrooms, two bathrooms, and a lanai of approximately 216 square feet.

j. One (1) apartment is designated type "J" and is numbered 208. The type "J" apartment contains an area of approximately 600 square feet and includes a living room, dining area, kitchen, one bedroom, and one bathroom.

The Notice of Intention submitted by the Developer states that each of the residential/commercial apartments on the second, third, and fourth floors includes an oven/stove, dishwasher, refrigerator, clothes washer and dryer, electric water heater, carpeting, drapes, and drapery hardware.

The respective apartments will not include the undecorated or unfinished surfaces of the perimeter walls, or the interior load-bearing walls, or the unfinished surfaces of the floors and ceilings which surround the apartments or any pipes, shafts, wires, ducts, conduits, or other utility or service lines, facilities, and appurtenances running through such units which are utilized or which serve more than one condominium apartment. Subject to the foregoing, each apartment shall include the adjacent lanai, if any, and each apartment shall include all the walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all the walls, floors, and ceilings, the exterior of the lanai railing and all air

space encompassed within the apartment, together with fixtures and other improvements located therein.

COMMON ELEMENTS: An estate has been created consisting of all remaining portions of the project being described and referred to in the proposed Declaration as "Common Elements", which definition includes, but is not limited to, the following:

- a. The leasehold interest in the land described in Exhibit "A".
- b. The foundation, floor slabs, columns, girders, beams supports, bearing walls, roofs, corridors, stairways, fire escapes, entrances and exits of the building.
- c. The basement area, the recreation area, and the electric equipment room and trash receptacle area.
- d. The driveways, sidewalks, loading areas, ramps, and the 16 parking stalls which are not reserved for the exclusive use of a particular apartment.
- e. The elevator, its elevator shaft and pit, elevator machine room, and appurtenant installations and apparatus.
- f. All of the parts of the project existing for the common area use and which are necessary to the existence, maintenance, and safety of the project.

LIMITED COMMON ELEMENTS: Certain parts of the Project, herein called and designated as "Limited Common Elements", will be set aside and reserved for the exclusive use of certain apartment units as follows:

(a) The sixty-nine (69) parking stalls are numbered 1 through 69 as shown on the Condominium Map. Fifty-three (53) of the parking stalls are assigned to particular apartments, each apartment having reserved for its exclusive use as a limited common element appurtenant to that apartment at least one (1) parking stall, the stall(s) assigned ("C" indicating compact stall) to each apartment being listed opposite each apartment number as follows:

<u>Apartment No.</u>	<u>Parking Stall No(s).</u>
Shop #1	35C, 36C
Shop #2	37C, 38
Shop #3	39, 40
Shop #4	41, 42
Shop #5	43
Store	32C, 33C, 34C

<u>Apartment No.</u>	<u>Parking Stall No(s).</u>
Restaurant	17, 18, 19, 20, 21, 22, 23, 24, 25, 26C, 27C, 28C, 29C, 30C, 31C
201	44
202	45
203	46
204	47
205	48
206	49
207	50
208	51
301	52
302	53
303	54
304	55
305	56
306	57
307	58
308	59
309	60
401	61
402	62
403	63
404	64C
405	65C
406	66C
407	67C
408	68
409	69

(b) Each apartment shall have reserved for its exclusive use as a limited common element appurtenant to that apartment, one (1) mailbox.

(c) The restaurant, the store, and the five shops shall have reserved for their exclusive use, as a limited common element appurtenant to those apartments, and as a common element between them, an exclusive easement to the use of the men's and women's restroom located on the first floor and the same shall be reserved for the exclusive use and benefit of such apartments, and all costs and expenses of every description pertaining thereto, including but not limited to the costs of maintenance, repair, and replacement thereof and the making of any additional improvement thereto shall be apportioned between the owners of such apartments in proportion to the following percentages of undivided interest in such limited common element:

<u>Unit No.</u>	<u>Percentage</u>
Shop #1	14.53375
Shop #2	10.94931
Shop #3	10.94931
Shop #4	10.94931
Shop #5	8.65303
Store	26.98125
Restaurant	16.98404
	100.00000% Total Undivided Interest in First Floor Restrooms

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment has appurtenant to it an undivided common interest in the common elements, the percentage being based on the approximate square footage (including lanai, if any) of each apartment. The store, shops, and restaurant are on the first floor. The remaining apartments in the building are numbered as shown on the Condominium Map. The type of apartment to which the apartment corresponds, the interior area (including the area of lanai, if any) in square feet of each apartment measured from outside exterior walls and from the center of interior walls, and the percentage of undivided interest in the common elements appertaining to each apartment are as follows:

<u>Apt. Unit No.</u>	<u>Type</u>	<u>Total Area Sq.Ft. (Including Lanai, If Any)</u>	<u>Percentage of Undivided Interest</u>
Store	Commercial	1927	6.32654
Shop #1	Commercial	1038	3.40786
Shop #2	Commercial	782	2.56739
Shop #3	Commercial	782	2.56739

<u>Apt. Unit No.</u>	<u>Type</u>	<u>Total Area Sq.Ft. (Including Lanai, If Any)</u>	<u>Percentage of Undivided Interest</u>
Shop #4	Commercial	782	2.56739
Shop #5	Commercial	618	2.02896
Restaurant	Commercial	1213	3.98240
201	G	924	3.03359
202	H	985	3.23386
203	I	2448	8.03704
204	B	770	2.52799
205	B	770	2.52799
206	B	770	2.52799
207	B	770	2.52799
208	J	600	1.96986
301	C	730	2.39666
302	D	1081	3.54903
303	A	794	2.60678
304	A	794	2.60678
305	A	794	2.60678
306	A	794	2.60678
307	E	738	2.42293
308	F	1121	3.68036
309	A	794	2.60678
401	C	730	2.39666
402	D	1081	3.54903
403	A	794	2.60678
404	A	794	2.60678
405	A	794	2.60678
406	A	794	2.60678
407	E	738	2.42293
408	F	1121	3.68036
409	A	794	2.60678
TOTAL			100.00000%

The above percentages of undivided interest in the common elements shall determine the amount of maintenance of the common elements required to be paid by each apartment owner and the extent of the voting of each apartment owner as a member of the Association of Owners.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration of Horizontal Property Regime states the purposes for which the building and other improvements and each of the condominium apartments are intended and the uses to which they are restricted as follows:

(a) The store area, the restaurant, and the five (5) shop areas located on the first floor of the building may be used only for commercial purposes. Each apartment on the second, third, and fourth floors may be used for residential or commercial purposes, or both, at the option of the apartment owner.

(b) The usage of all apartments is subject, however, to and to be used only in accordance with the allowable uses under all applicable laws, rules, and regulations of the County of Maui and State of Hawaii, and subject to such limitations as may be contained in the By-Laws and House Rules, as the same may be amended from time to time.

(c) The By-Laws of the Association of Owners provides that any lease or sublease for commercial usage of a divided portion of any apartment or other subdivision of any apartment for commercial purposes is prohibited. The presence of any manufacturing or industrial equipment in any apartment is prohibited.

(d) The By-Laws also provide that commercial usage of any apartment located above the first floor is limited to an office-type business of a non-retail nature commensurate with residential usage of other apartments in the building. No sign or other advertising of any nature is permitted on the exterior of any apartment above the first floor, either in the windows or on the doorways, and business equipment is limited to small office equipment such as a reproducing machine, desk, typewriter, and equipment of like nature. Prior to commercial usage of any apartment above the first floor, the occupant must fully describe the nature of the proposed business on a written and signed application to be submitted to and approved by the Board of Directors of the Association of Owners. The application must state that limited guest parking is provided, must contain a description of the business, the hours of operation, and the estimated number of visitors per day. This application must be submitted to the Board on an annual basis and all such applications will be kept filed in a place designated by the Board. The Board may not approve such an application unless it is satisfied that the proposed commercial usage will not interfere with the use and enjoyment of the other apartments in the building.

OWNERSHIP TO TITLE: A Commitment for Title Insurance dated June 6, 1979, and prepared by First American Title Company of Hawaii, Inc. states that title to the land is vested in Maalaea Landing, Inc.

ENCUMBRANCES AGAINST TITLE: The Commitment for Title Insurance dated June 6, 1979, and prepared by First American Title Company of Hawaii, Inc. shows the following encumbrances:

1. For any taxes that may be due and owing, reference is made to the Office of the Tax Assessor.
2. Reservation of any mineral and metallic mines in the State of Hawaii.
3. That certain Mortgage, Security Agreement and Financing Statement dated December 2, 1977, by and between Maalaea Landing, Inc., as Mortgagor, and Pioneer Federal Savings & Loan Association, as Mortgagee, recorded in the Bureau of Conveyances of the State of Hawaii in Book 12584, at Page 612.
4. That certain Second Mortgage dated December 2, 1977, by and between Maalaea Landing, Inc., as Mortgagor, and J.S. and K.G. Uno, husband and wife, as Mortgagee, recorded in the Bureau of Conveyances of the State of Hawaii in Book 12584, at Page 658.
5. That certain Third Mortgage dated December 1, 1977, by and between Maalaea Landing, Inc. as Mortgagor and Guenther Schmidt dba Maui Builders as Mortgagee, recorded in the Bureau of Conveyances of the State of Hawaii in Book 13722, at Page 749.

PURCHASE MONEY HANDLING: An Escrow Agreement dated August 3, 1979, has been executed by the Developer and First American Title Company of Hawaii, Inc. as the escrow, and a copy of same has been filed with the Real Estate Commission. On examination, the specimen form of Sales Contract and the executed Escrow Agreement are consonant with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, particularly Sections 514A-39, 514A-63, 514A-64, and 514A-66.

The Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay the funds to the purchaser, without interest, if purchaser requests in writing refund of his funds, provided, one of the following has occurred:

- (a) Seller has requested Escrow in writing to return to purchaser the funds of purchaser then being held by Escrow; or
- (b) Purchaser's funds were obtained prior to the issuance of a Final Public Report and subsequent to the execution of purchaser's sales contract there is a change in the condominium building plans requiring the

approval of a county officer having jurisdiction over the issuance of permits for the construction of buildings (unless purchaser has given written approval or acceptance of the specific change); or

(c) The Final Public Report differs in any material respect from the Preliminary Public Report; or

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

Upon refund of the funds to purchaser, Escrow shall return to Seller purchaser's sales contract and any conveyancing documents delivered to Escrow, and thereupon purchaser shall no longer be obligated and the documents shall be deemed no longer held.

Among other provisions, the specimen Sales Contract provides the following:

(1) That in the event development and construction of the project is delayed for any of various reasons, the non-occurrence of which was a basic assumption on which the agreement was made, the seller may require an increase in the sale price, terminate the agreement, and offer to the buyer a first right to execute a new agreement at the increased price; if the buyer does not accept such increase within fifteen (15) days of notice thereof, and upon refund of all deposits to the buyer, the parties are completely discharged from any further obligation under the contract.

(2) The Developer intends to undertake a construction loan for a portion of the costs of construction of the project and will mortgage the land and the seller's interest in the project to the construction lender. The purchaser should be aware that the seller's mortgage loan used for the construction of the project shall be and remain at all times a superior lien on the project, and purchasers intentionally waive and subordinate the priority of any claim under their sales contracts in favor of such mortgage loan. The purchasers are advised that paragraph 20 of the Sales Contract prohibits assignment of the Sales Contract without the written consent of the seller, and any assignment or attempted assignment shall constitute a material breach, giving the seller the right to terminate the contract and retain all sums theretofore paid.

It is incumbent upon the purchaser and prospective purchaser that he read with care the Sales Contract and the executed Escrow Agreement. The latter Agreement establishes how the proceeds from the sale of condominium units are placed in trust, as well as the retention and disbursement of those funds.

MANAGEMENT OF THE PROJECT: The By-Laws of the Association of Apartment Owners vest in the Board of Directors the power and duties necessary for the administration of the affairs of the Association of Apartment Owners of the Project. The Board of Directors of the Association of Apartment Owners may employ necessary personnel to carry out management and operation functions of the Project. The Declaration of Horizontal Property Regime submitted to the Real Estate Commission permits the Developer to appoint the initial managing agent.

A specimen copy of the Property Management and Agency Agreement between the Developer for and on behalf of the Association of Apartment Owners of Maalaea Landing and Aaron M. Chaney, Inc., a Hawaii corporation, as agent, has been filed with the Real Estate Commission. This Agreement gives the agent the authority to manage the project and is subject to ratification and confirmation by the Board of Directors of the Association at the time it is organized. The purchaser should read the Property Management and Agency Agreement.

HOUSE RULES: The proposed House Rules provide that household pets of any kind are prohibited and no owners, occupants, tenants, guests, or visitors are permitted to retain pets in the premises.

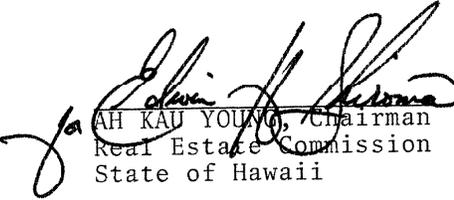
STATUS OF PROJECT: The Notice of Intention indicates that the Developer has not yet entered into a General Construction Contract. The Developer advises, however, that construction of the project is expected to commence on or about September 15, 1979. The Developer estimates that construction of the project will be substantially completed on or about January 15, 1981.

FINANCING: The Developer advises that the cost of the project will be paid from (1) funds available through a construction loan, and (2) authorized disbursements by the escrow agent pursuant to Section 514A-67, Hawaii Revised Statutes, as amended.

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 on August 30, 1979.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1167 filed with the Real Estate Commission on August 30, 1979.

This report, when reproduced, shall be a true copy of the Real Estate Commission's public report. The paper stock used in making facsimilies must be yellow.


AH KAU YOUNG, Chairman
Real Estate Commission
State of Hawaii

Distribution:

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County of Maui
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Federal Housing Administration

Registration No. 1167
October 26, 1979