

# 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

PRINCESS IOLANI RESORT  
2385 S. Kihei Road  
Kihei, Maui, Hawaii 96753

REGISTRATION NO. 1210

#### **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: January 25, 1980  
Expires: February 25, 1981

#### 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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 4, 1979, AND INFORMATION SUBSEQUENTLY FILED AS OF JANUARY 22, 1980. THE DEVELOPER BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, HAWAII REVISED STATUTES, CHAPTER 514A.

1. PRINCESS IOLANI RESORT is a proposed fee simple condominium project situate in Kihei, Maui, Hawaii, that will contain two hundred seventy-four (274) apartment units and one manager's office and apartment in two (2) six-story buildings and one (1) two-story building, a swimming pool, two (2) tennis courts, and three hundred forty-four (344) parking stalls.
2. The Developer of the project has submitted to the Commission for examination all documents deemed

necessary for the registration of a 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 Map will be filed in the Bureau of Conveyances of the State of Hawaii immediately prior to the application for a Final Public Report.
4. Advertising or promotional materials have not been submitted to the Commission pursuant to its rules and regulations.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Hawaii Revised Statutes, Chapter 514A, and the Rules and Regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, January 25, 1980, unless a Final Public Report or a Supplementary Public Report issues, or the Commission, upon review of registration, issues an order extending the effective date of this report.
7. This Preliminary Public Report is made a part of the registration of the PRINCESS IOLANI RESORT condominium project. The Developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) and the Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed receipt therefor.

NAME OF PROJECT: PRINCESS IOLANI RESORT

LOCATION: The project is located at 2385 S. Kihei Road, Kihei, Island and County of Maui, State of Hawaii, and consists of a parcel of land that is 6.924 acres.

TAX KEY: 3-9-20-20, Second Division

ZONING: H-2, H-M (Hotel)

DEVELOPER: The developer of the project is PRINCESS IOLANI RESORT, a general partnership, with offices at 2385 S. Kihei Road, Kihei, Maui, Hawaii 96753 (ph. 879-1841). The partners are Trans Am Development, P.O. Box 1019, Kihei, Maui, Hawaii 96753 (ph. 879-1841) and Windsor Hawaii, Limited, 120 S. Central, Clayton, Missouri 63105 (ph. 314-727-7766).

ATTORNEY REPRESENTING DEVELOPER: Ueoka & Luna (Attention: B. Martin Luna), 2103 Wells Street, Wailuku, Maui, Hawaii 96793; Telephone 244-7914.

DESCRIPTION OF PROJECT AND APARTMENTS: The proposed project consists of two six-story buildings containing a total of 274 apartment units, and one two-story building containing the

manager's office and manager's apartment unit, together with parking facilities, driveway and landscaping. The buildings are constructed principally of concrete blocks and precast floors. The apartment units are located in the Buildings, as follows:

Building A-1	Building A-2
1st Floor: 101-111, 113-123	1st Floor: 101-111, 113-123
2nd Floor: 201-223	2nd Floor: 201-223
3rd Floor: 301-323	3rd Floor: 301-323
4th Floor: 401-423	4th Floor: 401-423
5th Floor: 501-523	5th Floor: 501-523
6th Floor: 601-623	6th Floor: 601-623

NOTE: There is no apartment numbered 112 in Buildings A-1 and A-2, such areas being utilized for storage areas and corridors.

The apartments are built according to several different types of floor plans, as follows:

Type I and I-R consist of one bedroom, one bathroom, a kitchen and a combination dining and living room with a floor area of 758 square feet and a lanai of approximately 89 square feet, for a total floor area of approximately 847 square feet.

Type I-A consists of one bedroom, one bathroom, a kitchen and a combination dining and living room with a floor area of 804 square feet and a lanai of approximately 89 square feet, for a total floor area of approximately 893 square feet.

Type II consists of one bedroom, one bathroom, a kitchen and a combination dining and living room with a floor area of 858 square feet and a lanai of approximately 160 square feet, for a total floor area of approximately 1018 square feet.

Type III and III-R consist of two bedrooms, two bathrooms, a kitchen and a combination dining and living room with a floor area of 1098 square feet and two lanais of approximately 191 square feet, for a total floor area of approximately 1289 square feet.

Type III-A consists of two bedrooms, two bathrooms, a kitchen and a combination dining and living room with a floor area of 1099 square feet and two lanais of approximately 261 square feet, for a total floor area of approximately 1360 square feet.

Type IV and IV-A consist of two bedrooms, two bathrooms, a kitchen and a combination dining and living room with a floor area of 1098 square feet and two lanais of approximately 152 square feet, for a total floor area of approximately 1250 square feet.

NOTE: IN ACCORDANCE WITH LOCAL PRACTICE, THE APPROXIMATE GROSS FLOOR AREA OF EACH APARTMENT AS SET FORTH ABOVE INCLUDES ALL OF THE WALLS AND PARTITIONS WITHIN ITS PERIMETER WALLS, THE ENTIRETY OF ITS PERIMETER NON-PARTY WALLS AND THE INTERIOR HALF OF ITS PERIMETER PARTY WALLS, WHETHER LOAD BEARING OR NON-LOAD BEARING.

Each apartment located on the ground floor of an apartment building shall have immediate access to the land. Each other apartment shall have immediate access to the open corridor

immediately adjacent to and connecting the apartments of each floor above the ground floor of an apartment building, and the stairs and elevators between the floors.

Each apartment will contain appropriate furnishings, an oven and range, disposal, refrigerator and freezer, dishwasher, carpeting and drapes, washer and dryer, and cablevision.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of 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 be deemed to include all the walls and partitions which are not load bearing within its perimeter walls or party walls, the inner decorated or finished surfaces of all walls, floors and ceilings, doors and door frames, windows and window frames, the lanai air space (if any), and all fixtures originally installed therein.

COMMON ELEMENTS: The common elements will include the land and all improvements on the land other than the apartments, and all common elements mentioned in Chapter 514A, Hawaii Revised Statutes, which are actually constructed on the land, and specifically shall include, but shall not be limited to:

- (a) Said land in fee simple;
- (b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter supports, party and load bearing walls, roofs, corridors, stairwells and stairs, elevators and elevator shafts, lobbies, machine rooms, electric rooms, storage rooms, planters, walkways, entrances and exits of said buildings;
- (c) All yards, grounds, landscaping and refuse areas and trash chutes;
- (d) Buildings "C" and "D" - Parking stalls for 344 cars and two tennis courts;
- (e) All driveways and parking areas;
- (f) All ducts, electrical equipment, wiring and other central and appurtenant installations for services including power, light, gas, water, sewer, telephone, television signal distribution, and cablevision;
- (g) Swimming pool, whirlpool and facilities;
- (h) Building "B" (Manager's Unit and Pavilion), which consist of office, lobby, telephone room, pool equipment and storage rooms, mailboxes, vending machine space, planters, restrooms, and manager's apartment unit;
- (i) Any and all other devices or installations upon the land described, existing for or rationally of common use to all the owners of apartments within the project.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called the "limited common elements", are hereby designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

Each entry hallway, all exterior doors and windows adjoining and serving an apartment or apartments appurtenant to and for the exclusive use of such apartment or apartments which it serves.

PERCENTAGE OF UNDIVIDED INTEREST: Each apartment shall have appurtenant thereto an undivided percentage interest in all common elements of the project and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting as follows:

<u>UNIT</u>	<u>NUMBER OF APTS OF EACH UNIT TYPE</u>	<u>COMMON INTEREST PERCENTAGE</u>	<u>TOTAL PERCENTAGE</u>
Buildings A-1 and A-2 102, 103, 106-111, 113-117, 202, 203, 206- 217, 302, 303, 306-317, 402, 403, 406-417, 502, 503, 506-517, 602, 603, 606-617	166	.3227	53.5682
Buildings A-1 and A-2 118, 218, 318, 418, 518, 618	12	.3403	4.0836
Buildings A-1 and A-2 119-122, 219-222, 319-322, 419-422, 519-522, 619-622	48	.3879	18.6192
Buildings A-1 and A-2 101, 105, 201, 205, 301, 305, 401, 405, 501, 505, 601, 605	24	.4911	11.7864
Buildings A-1 and A-2 123, 223, 323, 423, 523, 623	12	.5182	6.2184
Buildings A-1 and A-2 104, 204, 304, 404, 504	10	.4770	4.7700
Buildings A-1 and A-2 604	2	.4771	<u>.9542</u>
			100.0000

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration provides that, except when a first mortgagee has entered into possession of an apartment following (i) a default under a mortgage, (ii) a foreclosure proceeding, or (iii) a conveyance in lieu of foreclosure, the apartments shall be occupied and used

only as private dwellings by the respective owners thereof, their tenants, licensees, families, domestic servants and social guests, and for no other purpose, except that the apartments may also be rented for transient hotel purposes. The owners of the respective apartments shall have the absolute right to rent or lease such apartments subject to all provisions of the Declaration and the By-Laws attached thereto; provided, however, that no apartment owner may lease less than the entire apartment.

The proposed House Rules provide that pets will not be allowed on the premises except upon the approval of the Board of Directors.

OWNERSHIP OF TITLE: A Preliminary Report prepared by Title Guaranty of Hawaii, Inc., dated January 14, 1980, certifies that title to the land committed to this regime is vested in Lawrence N.C. Ing, B. Martin Luna, and Meyer M. Ueoka, as joint tenants, who in turn sold their interests in the property to Windsor Hawaii, Limited, a Missouri corporation, authorized to do business in the State of Hawaii, formerly known as Buckingham Ltd., and Trans Am Development, a Hawaii Limited Partnership, under an Agreement of Sale dated March 6, 1979, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13528, Page 59.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report prepared by Title Guaranty of Hawaii, Inc., states that as of the date of the search (January 14, 1980), title to the land is subject to:

1. Real property taxes, fiscal year July 1, 1979 - June 30, 1980. For further information, check with Tax Assessor of the Second Division.

2. A grant in favor of Alexander B. Akina and Lily C. Akina, husband and wife, and Ona S. Fultz, their heirs and assigns, dated June 5, 1970, recorded in Liber 7614 on Page 227; granting a road easement over and across the land described above, said easement being more particularly described as follows:

A 41.25 feet wide road easement affecting Lot 24-B of the Kamaole Homesteads, portion of Grant 10,515 to Alexander Akina, situate at Kamaole, Kihei, Kula, Island and County of Maui, State of Hawaii.

"Beginning at a point on the East boundary line of Parcel Tax Map Key 3-9-20-18 and the Southwest corner of Parcel Tax Map Key 3-9-20-28; thence in an easterly direction a distance of 41.25 feet to a point on the South boundary line of Parcel Tax Map Key 3-9-20-28; thence in a southeasterly direction parallel to Kihei Road, a distance of 41.25 feet to a point on the North boundary line of Parcel Tax Map Key 3-9-20-15; thence in a westerly direction a distance of 41.25 feet to a point on the North boundary line of Parcel Tax Map Key 3-9-20-15 and the junction of the Southeast corner of Parcel Tax Map Key 3-9-20-18 and the Southwest corner of Parcel Tax Map Key 3-9-20-20; thence in a northwesterly direction a distance of 41.25 feet to the point of beginning, containing 1600 square feet, more or less, ..."

3. License Agreement in favor of Mau-Van Development, Inc., dated July 24, 1979, recorded in the said Bureau of Conveyances in Liber 13896 on Page 497; granting the right to use for driveway purposes and ingress and egress to the property covered by Tax Key 3-9-20-16.

Consent thereto given by Windsor Hawaii Limited, formerly known as Buckingham Ltd., and Trans Am Development, a Hawaii limited partnership, dated July 25, 1979.

4. Easement for waterline purposes within the mauka portion of the land hereinbefore described in favor of the Department of Water Supply, County of Maui, as set forth in Deed dated March 2, 1979, recorded in the said Bureau of Conveyances in Liber 13527 on Page 795 and as shown on Map prepared by Albert S. Saiki, Registered Professional Surveyor, dated May 24, 1979.

5. Agreement of Sale between Lawrence N. C. Ing, et al., as Vendor, and Buckingham Ltd., and Trans Am Development, as Vendee, dated March 6, 1979, and recorded in Liber 13528 on Page 59.

6. Easement "D" situate within the southwestern portion of Lot "A", as shown on said Map prepared by Albert S. Saiki.

7. Easement "F" (10 feet wide, area 434 square feet) for electrical line purposes situate within the southwestern portion of Lot "A", as shown on said Map prepared by Albert S. Saiki.

8. Easement "G" (10 feet wide, area 473 square feet) for electrical line purposes situate within the southwestern portion of Lot "A", as shown on said Map prepared by Albert S. Saiki.

NOTE: Said Easements "D", "F" and "G" were granted to Maui Electric Company, Limited and Hawaiian Telephone Company, by Grant of Easement dated May 28, 1979, recorded in the said Bureau of Conveyances in Liber 13884 on Page 711. The titleholders herein and Vendee herein did not join in this Grant of Easement.

9. Agreement dated May 22, 1979, recorded in the said Bureau of Conveyances in Liber 13745 on Page 687, by and between the County of Maui, Department of Water Supply, "County", and Trans Am Development, a Hawaii limited partnership, for and on behalf of Princess Iolani Resorts, a joint venture, "Applicant."

10. A Grant in favor of the County of Maui, dated June 27, 1979, recorded in Liber 14069 on Page 346; granting a nonexclusive easement and right-of-way to construct, reconstruct, maintain, operate, repair and remove a water pipeline or pipelines, fire hydrant assemblies, valves, meter, meter boxes and manholes, etc., over and across Easements "A" and "B", more particularly described in Exhibit "A" attached.

NOTE: The fee owners did not join in the foregoing Grant.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated September 12, 1979, between Title Guaranty Escrow Services, Inc., as Escrow, and Developer has been filed with the Commission. On examination, the executed Escrow Agreement filed with the Commission is found to be in compliance with Chapter 514A, Hawaii Revised Statutes, and particularly Sections 514A-37, 514A-39, and 514A-63 through 514A-66 thereof.

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 Buyer. The Escrow Agreement also provides that Escrow shall refund all monies of the Buyer held by Escrow upon the happening of, among other things, the following: (i) Receipt of written notice from Seller and Buyer 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 Buyer; (ii) Receipt of written notice from Seller and Buyer 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 Buyer that the Final Public Report issued by the Real Estate Commission differs in any material respect from the Preliminary Report.

The specimen Sales Contract states that certain of its terms are subject to the terms of the Escrow Agreement. Further, the Sales Contract shall be a reservation agreement, with Seller and Buyer having the right to cancel said contract, until Buyer acknowledges in writing that (i) he has received Seller's notice that Seller has determined that the Project will proceed and (ii) he has surrendered his right to cancel, whereupon this contract shall be a binding sales contract. The Sales Contract also provides, in part that: (1) Buyer agrees that all rights and interest of the Buyer 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 delayed due to governmental restrictions or regulations or if said delay is caused by fire, earthquake, acts of God, the elements, war or civil disturbances, or economic controls making it impossible to obtain the necessary labor or material, or any other event, matters or conditions beyond Seller's control, including any litigation or threat of litigation concerning the Project, and Seller determines that increases in development and construction costs have or will occur because of such delay, Seller may increase the Total Purchase Price for the Property by an amount not in excess of the Property's proportionate share of the total amount of such increases in development and construction costs; (3) Buyer shall be deemed to agree to pay the increased Total Purchase Price (the "New Price") unless Buyer cancels this Contract by giving written notice of such cancellation to Seller within 30 days from the date Seller gives Buyer notice of the amount of the New Price; and (4) if Buyer 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 Buyer 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.

NOTE: Prospective purchaser should be aware that the Seller's mortgage loans (interim, renewals and extensions) 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 lien under the sales contract in favor of the mortgage loan.

NOTE: Developer advises that no representation or references will be made to either purchasers or prospective purchasers concerning rental of the apartment, income from the apartment or any other economic benefit to be derived from the rental of the apartment, including but not limited to, any reference or representation to the effect that Developer or the Managing Agent of the project will provide, directly or indirectly, any services relating to the rental or sale of the apartment. Rental of the apartments and the provisions of management services in connection therewith is and shall be the sole responsibility of the purchaser.

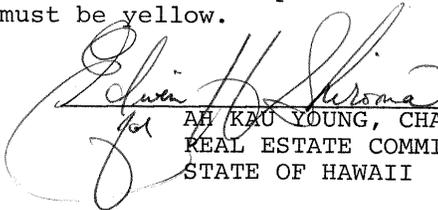
MANAGEMENT OF THE PROJECT: The proposed Declaration and By-Laws state that the Association will have the responsibility for general administration of the project, including establishing and collecting monthly assessments, and arranging for the management of the project by a managing agent. The Board of Directors is given the power and duty to manage, operate, care, and maintain the property of the regime, the common elements and the limited common elements, to approve the annual budget, and to employ and dismiss personnel necessary for the maintenance, operation, repair, and replacement of the common elements. The Developer has appointed Turner Management Corporation as the initial managing agent. A copy of the Management Agreement dated September 11, 1979, is on file with the Commission.

FINANCING OF THE PROJECT: The Developer's attorney has advised the Commission that the Developer will obtain a Construction Mortgage and by virtue of said Mortgage the construction of the project will begin. Presently, there is no commitment to provide permanent mortgages for the buyers of the individual apartment units; however, the Developer will attempt to obtain such a commitment.

STATUS OF PROJECT: The Developer advises that it estimates construction of the project will commence in January 1980, and according to the Notice of Intention it should be completed by December 1981.

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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 December 4, 1979, and information subsequently filed as of January 22, 1980.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1210 filed with the Commission December 4, 1979. 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 MAUI  
FEDERAL HOUSING ADMINISTRATION  
ESCROW AGENT

REGISTRATION 1210

January 25, 1980