

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

KAANAPALI ALII

South Beach Access Road off Kaanapali Parkway
Kaanapali, Island of Maui, Hawaii

REGISTRATION NO. 1212

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 21, 1980
Expires: February 21, 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:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 11, 1979 AND INFORMATION SUBSEQUENTLY FILED AS OF JANUARY 2, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES.

1. KAA NAPALI ALII is a proposed leasehold residential condominium project consisting of four (4) residential buildings containing two hundred sixty-four (264) apartments (one of which is designated a resident manager's apartment), a main office building, and a recreation building with a pavilion, swimming pool, wading pool, jacuzzi, saunas, three (3) tennis courts, outdoor cooking facilities, shuffleboard, and other amenities. The project shall contain three hundred thirty-two (332) parking stalls, including one hundred seventy-four (174) covered regular-sized stalls, eighty-nine (89) uncovered regular-sized stalls, sixty-eight (68) uncovered compact stalls and one (1) covered compact stall.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of this proposed condominium project and the issuance of this Preliminary Public Report.

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

4. The Developer has advised the Commission that advertising and promotional materials required to be filed pursuant to the rules and regulations promulgated by the Commission will be submitted prior to public exposure.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, and the condominium rules and regulations which relate to horizontal property regimes.

6. This Preliminary Public Report is made a part of the registration of KAA NAPALI ALII condominium project. The Developer is responsible for placing a true copy of this Preliminary Public Report (yellow paper stock) and the Developer's Disclosure Abstract in the hands of all purchasers and prospective purchasers. Securing a signed receipt for said Preliminary Public Report and Abstract from all purchasers and prospective purchasers is also the responsibility of the Developer.

7. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, January 21, 1980, unless a Final or Supplementary Public Report is issued or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: KAA NAPALI ALII

LOCATION: The land of the project, consisting of approximately 8.011 acres is situate on the South Beach Access Road just off Kaanapali Parkway at Kaanapali, Maui, Hawaii.

TAX KEY: (Second Division) 4-4-8:22.

ZONING: H-2

DEVELOPER: Royal Kaanapali Joint Venture, a registered Hawaii joint venture whose joint venturers are Hawaii Omori Corporation, a Hawaii corporation, whose principal place of business and post office address is Annex A, West Maui Center, 910 Honoapiilani Highway, Lahaina, Maui, Hawaii and Kaanapali Kai, Inc., a Hawaii corporation, whose principal place of business and post office address is 2180 Main Street, Wailuku, Maui, Hawaii. The joint venture's address is the same as that of Hawaii Omori Corporation, and its phone number is (808) 667-6872.

ATTORNEY REPRESENTING DEVELOPER: Mukai, Ichiki, Raffetto & MacMillan (Attention: James H. Watson and Andy M. Ichiki), 345 Queen Street, Suite 800, Honolulu, Hawaii. Telephone Number: (808) 531-6277.

DESCRIPTION OF PROJECT: The proposed Declaration of Horizontal Property Regime describes the project as follows:

1. Description of Buildings and Facilities. The Project will include four (4) residential buildings. Each residential building will have eleven (11) floors containing six (6) apartments on each floor, for a total of two hundred sixty-four (264) residential apartments (hereinafter referred to as the "apartments") in the Project. One of the apartments (as hereinafter designated) will be a resident manager's apartment.

The Project will also include a detached one-story main office building, containing an office, lobby, mailroom, two storage rooms, porte cochere, rest room and the mailboxes for the apartments, and will include a detached one-story recreation building which will have an open pavilion consisting of a roof over a concrete floor, a counter with sink and disposal, an icemaker, also a recreation nook, men's and women's rest rooms, shower rooms, and saunas, and a storage room with shelves. The recreation facilities also will include a swimming pool, a wading pool, a jacuzzi (spa), three tennis courts atop the north parking garage (hereinafter described), and two shuffleboard courts next to the jacuzzi. There will be seven propane gas-operated grills for outdoor cooking spaced on the Project

grounds, and an upright surfboard storage area next to the shuffleboard area. There will be two bicycle racks.

The residential buildings are designated on the Condominium Map as Buildings I, II, III and IV. Building I is the northernmost makai building, Building II is the northernmost mauka building, Building III is the southernmost makai building and Building IV is the southernmost mauka building. (For purposes of this provision, "mauka" shall mean farther from the shoreline and "makai" shall mean nearer the shoreline.) Each building will be constructed principally of reinforced concrete, hollow concrete blocks, aluminum doors, wood, tile, glass, stucco, gypsum board, and related building materials. Each residential building, the main office building, and the recreation building will be situated on a concrete slab foundation reinforced with wire mesh. Roofs of the detached main office and recreation buildings will consist of slate roofing. Residential building roofs will be built-up roofing. None of the buildings will contain a basement.

Two parking facilities (called "North Garage" and "South Garage") will contain three hundred and thirty (330) parking stalls for the Project, and an additional two (2) stalls (to be common elements) will be located adjacent to the main office building, for a total of 332 stalls for the Project.

The North Garage will have one hundred fifty (150) stalls and the South Garage will have one hundred eighty (180) stalls.

Of the total of 150 stalls in the North Garage, 82 of the stalls (numbered 1 through 82) will be at a partially subgrade level covered by a roof structure on which three (3) tennis courts will be situated. The remaining 68 stalls (numbered 83 through 150) will be uncovered, located adjacent to the roof and tennis court structure. Of the 150 total stalls, 81 stalls (numbered 1 through 3 and 5 through 82) will be for regular sized cars and 69 stalls (numbered 4 and 83 through 150) will be for compact cars.

The South Garage will be a partially subgrade, two-level garage structure having 93 regular sized, covered stalls located on the lower or ground level (numbered G-1 through and including G-93) and 87 regular sized, uncovered stalls located on the upper or deck level (numbered D-1 through and including D-87).

Each apartment will be assigned one regular sized stall, except for three apartments, which will each have assigned a compact stall as hereinafter listed. Twenty-six (26) uncovered stalls (compact) will be guest parking and will be part of the common elements. The guest parking stalls will be located adjacent to the roof and tennis court structure in the North Garage and will be numbered 91 through and including 116.

Twenty (20) additional stalls will be assigned initially to Apartment 1105 in Building III, and twenty (20) will be similarly assigned to Apartment 1106 in Building I (in

addition to the other stall(s) assigned to those apartments), in order to facilitate selling all or some of such forty (40) stalls separately for additional parking for the apartments to which they will be assigned when sold. Developer or an affiliated individual or firm may retain these two apartments and the stalls assigned thereto or Developer may reassign all or a portion of such stalls to any purchaser of such Apartments 1105 or 1106 or other apartments. If such reassignment is after the recordation of the Declaration, Developer shall have the right pursuant to said Horizontal Property Act to amend the Declaration for the purpose of such reassignment.

An additional ten (10) stalls not included in the 330 stalls described above will be provided for public parking adjacent to the South Garage at the Project boundary with a public roadway. These additional ten (10) stalls will not be assigned to any apartment but will be common elements of the Project.

The structures comprised in the two garages will be constructed principally of reinforced concrete.

A structure enclosing a chiller room, hot water heater and water pump, a cooling apparatus, and the main electric room will be situated adjacent to the South Garage. A swimming pool equipment room will be adjacent to the shuffleboard area.

Building I will be connected to Building II and Building III will be connected to Building IV by separate lobbies on each floor (each called herein the "connecting lobby") situated between the connected buildings. Each first floor connecting lobby will contain a directory and enterphone. Each connecting lobby will provide access to a corridor leading to apartment entrances that are on the same floor as the connecting lobby and are in the residential buildings adjoining the connecting lobby. Each connecting lobby will also provide access to two elevators, two janitor's storage rooms, and two trash chutes. In addition, each second floor connecting lobby will provide a view to the first floor connecting lobby below. There will be a ground level trash room for each building, a ground level electrical room attached to each of Buildings II and IV, and, in Buildings I and III, a storage room on the ground level for groundskeeping and maintenance, all having entrances separate from any of the lobbies. The Project will also have a directory on the grounds at the entrance to each ground level connecting lobby.

2. Description of Apartments. The Project is divided into two hundred sixty-four (264) separately designated residential units (hereinafter called "apartments"), as more particularly described herein, in the Declaration, and on the proposed Condominium Map.

The last two digits in each apartment number identify the apartment, and the remaining number or numbers preceding the last two digits identify the floor of the building on which the apartment is located. For example, Apartment No. 305 would be the fifth apartment on the third floor. Each apartment on

the first through the ninth floors has been given a three-digit number, and each apartment on the tenth and eleventh floors has been given a four-digit number.

In Buildings I and IV, odd-numbered apartments face outside toward the Project property boundaries, and even-number apartments face inside toward the courtyard. In Buildings II and III, odd-numbered apartments face inside and even-numbered apartments face outside.

Apartments having numbers that end in "01" and "02" are nearest the connecting lobby on each floor, apartments having numbers ending in "03" and "04" are next farthest from the connecting lobby, and apartments having numbers ending in "05" and "06" are farthest from the connecting lobby. All apartments have numbers that end in either "01", "02", "03", "04", "05", or "06".

The location, numbering, type, approximate floor areas in square feet, number of rooms, appurtenant common interest and assigned parking stall(s) of said apartments are as follows:

<u>Apartment No.</u>	<u>Floor Plan Type</u>	<u>Approx. Net Floor Area in Sq. Ft.</u>	<u>Approx. Lanai Area in Sq. Ft.</u>	<u>No. of Rooms</u>	<u>Percentage Common Interest</u>	<u>Assigned Parking Stall(s)</u>
<u>Building I</u>						
101	C	1,440	136	10	0.35300	D-14
102	C-1	1,446	136	10	0.35440	D-15
103	B	1,641	261	12	0.42610	D-87
104	D	1,217	130	8	0.30170	D-16
105	A	1,675	228	11	0.42630	D-86
106	A	1,675	228	11	0.42630	D-85
201	I	1,440	105	10	0.34610	D-84
202	I	1,440	105	10	0.34610	D-56
203	H	1,641	200	12	0.41240	D-58
204	L	1,518	200	11	0.38490	D-57
205	G	1,675	180	11	0.41550	D-59
206	G	1,675	180	11	0.41550	D-25
301	I	1,440	105	10	0.34610	D-26
302	I	1,440	105	10	0.34610	D-27
303	H	1,641	200	12	0.41240	D-29
304	L	1,518	200	11	0.38490	D-28
305	G	1,675	180	11	0.41550	D-30
306	G	1,675	180	11	0.41550	D-31
401	I	1,440	105	10	0.34610	D-55
402	I	1,440	105	10	0.34610	D-54
403	H	1,641	200	12	0.41240	D-52
404	L	1,518	200	11	0.38490	D-53
405	G	1,675	180	11	0.41550	D-51
406	G	1,675	180	11	0.41550	D-50

<u>Apartment No.</u>	<u>Floor Plan Type</u>	<u>Approx. Net Floor Area in Sq. Ft.</u>	<u>Approx. Lanai Area in Sq. Ft.</u>	<u>No. of Rooms</u>	<u>Percentage Common Interest</u>	<u>Assigned Parking Stall(s)</u>
501	I	1,440	105	10	0.34610	77
502	I	1,440	105	10	0.34610	78
503	H	1,641	200	12	0.41240	80
504	L	1,518	200	11	0.38490	79
505	G	1,675	180	11	0.41550	81
506	G	1,675	180	11	0.41550	82
601	I	1,440	105	10	0.34610	52
602	I	1,440	105	10	0.34610	51
603	H	1,641	200	12	0.41240	49
604	L	1,518	200	11	0.38490	50
605	G	1,675	180	11	0.41550	48
606	G	1,675	180	11	0.41550	47
701	I	1,440	105	10	0.34610	13
702	I	1,440	105	10	0.34610	12
703	H	1,641	200	12	0.41240	10
704	L	1,518	200	11	0.38490	11
705	G	1,675	180	11	0.41550	9
706	G	1,675	180	11	0.41550	8
801	I	1,440	105	10	0.34610	46
802	I	1,440	105	10	0.34610	45
803	H	1,641	200	12	0.41240	43
804	L	1,518	200	11	0.38490	44
805	G	1,675	180	11	0.41550	42
806	G	1,675	180	11	0.41550	41
901	I	1,440	105	10	0.34610	29
902	I	1,440	105	10	0.34610	30
903	H	1,641	200	12	0.41240	32
904	L	1,518	200	11	0.38490	31
905	G	1,675	180	11	0.41550	33
906	G	1,675	180	11	0.41550	34
1001	I	1,440	105	10	0.34610	35
1002	I	1,440	105	10	0.34610	36
1003	H	1,641	200	12	0.41240	38
1004	L	1,518	200	11	0.38490	37
1005	G	1,675	180	11	0.41550	39
1006	G	1,675	180	11	0.41550	40
1101	I	1,440	105	10	0.34610	7
1102	I	1,440	105	10	0.34610	6
1103	H	1,641	200	12	0.41240	3
1104	L	1,518	200	11	0.38490	5
1105	G	1,675	180	11	0.41550	2
1106	G	1,675	180	11	0.41605	1, 85, 86, 87, and 134 to 150 inclusive

<u>Apartment No.</u>	<u>Floor Plan Type</u>	<u>Approx. Net Floor Area in Sq. Ft.</u>	<u>Approx. Lanai Area in Sq. Ft.</u>	<u>No. of Rooms</u>	<u>Percentage Common Interest</u>	<u>Assigned Parking Stall(s)</u>
<u>Building II</u>						
101	C	1,440	136	10	0.35300	90 (Compact)
102	C	1,440	136	10	0.35300	89 (Compact)
103	B	1,641	261	12	0.42610	D-1
104	F	1,307	261	9	0.35130	88 (Compact)
105	E	1,616	167	11	0.39940	D-23
106	E-1	1,631	157	11	0.40050	D-24
201	I	1,440	105	10	0.34610	D-4
202	I	1,440	105	10	0.34610	D-3
203	H	1,641	200	12	0.41240	D-5
204	K	1,307	200	9	0.33760	D-2
205	J	1,616	157	11	0.39720	D-7
206	J-1	1,631	157	11	0.40050	D-6
301	I	1,440	105	10	0.34610	D-11
302	I	1,440	105	10	0.34610	D-12
303	H	1,641	200	12	0.41240	D-10
304	K	1,307	200	9	0.33760	D-13
305	J	1,616	157	11	0.39720	D-8
306	J-1	1,631	157	11	0.40050	D-9
401	I	1,440	105	10	0.34610	D-20
402	I	1,440	105	10	0.34610	D-21
403	H	1,641	200	12	0.41240	D-19
404	K	1,307	200	9	0.33760	D-22
405	J	1,616	157	11	0.39720	D-17
406	J-1	1,631	157	11	0.40050	D-18
501	I	1,440	105	10	0.34610	D-47
502	I	1,440	105	10	0.34610	D-48
503	H	1,641	200	12	0.41240	61
504	K	1,307	200	9	0.33760	D-49
505	J	1,616	157	11	0.39720	63
506	J-1	1,631	157	11	0.40050	62
601	I	1,440	105	10	0.34610	64
602	I	1,440	105	10	0.34610	59
603	H	1,641	200	12	0.41240	65
604	K	1,307	200	9	0.33760	60
605	J	1,616	157	11	0.39720	67
606	J-1	1,631	157	11	0.40050	66
701	I	1,440	105	10	0.34610	56
702	I	1,440	105	10	0.34610	57
703	H	1,641	200	12	0.41240	68
704	K	1,307	200	9	0.33760	58
705	J	1,616	157	11	0.39720	70
706	J-1	1,631	157	11	0.40050	69

<u>Apartment No.</u>	<u>Floor Plan Type</u>	<u>Approx. Net Floor Area in Sq. Ft.</u>	<u>Approx. Lanai Area in Sq. Ft.</u>	<u>No. of Rooms</u>	<u>Percentage Common Interest</u>	<u>Assigned Parking Stall(s)</u>
801	I	1,440	105	10	0.34610	53
802	I	1,440	105	10	0.34610	54
803	H	1,641	200	12	0.41240	20
804	K	1,307	200	9	0.33760	55
805	J	1,616	157	11	0.39720	22
806	J-1	1,631	157	11	0.40050	21
901	I	1,440	105	10	0.34610	73
902	I	1,440	105	10	0.34610	72
903	H	1,641	200	12	0.41240	74
904	K	1,307	200	9	0.33760	71
905	J	1,616	157	11	0.39720	76
906	J-1	1,631	157	11	0.40050	75
1001	I	1,440	105	10	0.34610	17
1002	I	1,440	105	10	0.34610	18
1003	H	1,641	200	12	0.41240	16
1004	K	1,307	200	9	0.33760	19
1005	J	1,616	157	11	0.39720	14
1006	J-1	1,631	157	11	0.40050	15
1101	I	1,440	105	10	0.34610	25
1102	I	1,440	105	10	0.34610	24
1103	H	1,641	200	12	0.41240	26
1104	K	1,307	200	9	0.33760	23
1105	J	1,616	157	11	0.39720	28
1106	J-1	1,631	157	11	0.40050	27

Building III

101	C-1	1,446	136	10	0.35440	D-46
102	C	1,440	136	10	0.35300	D-32
103	D	1,217	130	8	0.30170	D-33
104	B	1,641	261	12	0.42610	D-45
105	A	1,675	228	11	0.42630	D-44
106	A	1,675	228	11	0.42630	D-34
201	I	1,440	105	10	0.34610	D-43
202	I	1,440	105	10	0.34610	D-35
203	L	1,518	200	11	0.38490	D-36
204	H	1,641	200	12	0.41240	D-42
205	G	1,675	180	11	0.41550	D-41
206	G	1,675	180	11	0.41550	D-37
301	I	1,440	105	10	0.34610	D-40
302	I	1,440	105	10	0.34610	D-38
303	L	1,518	200	11	0.38490	D-39
304	H	1,641	200	12	0.41240	G-28
305	G	1,675	180	11	0.41550	G-2
306	G	1,675	180	11	0.41550	G-1

<u>Apartment No.</u>	<u>Floor Plan Type</u>	<u>Approx. Net Floor Area in Sq. Ft.</u>	<u>Approx. Lanai Area in Sq. Ft.</u>	<u>No. of Rooms</u>	<u>Percentage Common Interest</u>	<u>Assigned Parking Stall(s)</u>
401	I	1,440	105	10	0.34610	G-26
402	I	1,440	105	10	0.34610	G-27
403	L	1,518	200	11	0.38490	G-14
404	H	1,641	200	12	0.41240	G-13
405	G	1,675	180	11	0.41550	G-29
406	G	1,675	180	11	0.41550	G-12
501	I	1,440	105	10	0.34610	G-30
502	I	1,440	105	10	0.34610	G-61
503	L	1,518	200	11	0.38490	G-60
504	H	1,641	200	12	0.41240	G-31
505	G	1,675	180	11	0.41550	G-58
506	G	1,675	180	11	0.41550	G-59
601	I	1,440	105	10	0.34610	G-66
602	I	1,440	105	10	0.34610	G-65
603	L	1,518	200	11	0.38490	G-67
604	H	1,641	200	12	0.41240	G-68
605	G	1,675	180	11	0.41550	G-70
606	G	1,675	180	11	0.41550	G-69
701	I	1,440	105	10	0.34610	G-57
702	I	1,440	105	10	0.34610	G-32
703	L	1,518	200	11	0.38490	G-33
704	H	1,641	200	12	0.41240	G-56
705	G	1,675	180	11	0.41550	G-34
706	G	1,675	180	11	0.41550	G-55
801	I	1,440	105	10	0.34610	G-35
802	I	1,440	105	10	0.34610	G-54
803	L	1,518	200	11	0.38490	G-53
804	H	1,641	200	12	0.41240	G-36
805	G	1,675	180	11	0.41550	G-38
806	G	1,675	180	11	0.41550	G-37
901	I	1,440	105	10	0.34610	G-72
902	I	1,440	105	10	0.34610	G-71
904	L	1,518	200	11	0.38490	G-76
903	H	1,641	200	12	0.41240	G-75
905	G	1,675	180	11	0.41550	G-74
906	G	1,675	180	11	0.41550	G-73
1001	I	1,440	105	10	0.34610	G-49
1002	I	1,440	105	10	0.34610	G-50
1003	L	1,518	200	11	0.38490	G-48
1004	H	1,641	200	12	0.41240	G-47
1005	G	1,675	180	11	0.41550	G-45
1006	G	1,675	180	11	0.41550	G-46

<u>Apartment No.</u>	<u>Floor Plan Type</u>	<u>Approx. Net Floor Area in Sq. Ft.</u>	<u>Approx. Lanai Area in Sq. Ft.</u>	<u>No. of Rooms</u>	<u>Percentage Common Interest</u>	<u>Assigned Parking Stall(s)</u>
1101	I	1,440	105	10	0.34610	G-40
1102	I	1,440	105	10	0.34610	G-39
1103	L	1,518	200	11	0.38490	G-41
1104	H	1,641	200	12	0.41240	G-42
1105	G	1,675	180	11	0.41605	G-44, 4, 83, 84, and 117 to 133 inclusive
1106	G	1,675	180	11	0.41550	G-43
<u>Building IV</u>						
101	C	1,440	136	10	0.35300	D-60
102	C	1,440	136	10	0.35300	D-82
103	F	1,307	261	9	None	D-83
104	B	1,641	261	12	0.42610	D-61
105	E-1	1,631	157	11	0.40050	D-81
106	E	1,616	167	11	0.39940	D-80
201	I	1,440	105	10	0.34610	D-79
202	I	1,440	105	10	0.34610	D-78
203	K	1,307	200	9	0.33760	D-62
204	H	1,641	200	12	0.41240	D-71
205	J-1	1,631	157	11	0.40050	D-63
206	J	1,616	157	11	0.39720	D-64
301	I	1,440	105	10	0.34610	D-72
302	I	1,440	105	10	0.34610	D-76
303	K	1,307	200	9	0.33760	D-77
304	H	1,641	200	12	0.41240	D-73
305	J-1	1,631	157	11	0.40050	D-75
306	J	1,616	157	11	0.39720	D-74
401	I	1,440	105	10	0.34610	D-70
402	I	1,440	105	10	0.34610	D-66
403	K	1,307	200	9	0.33760	D-65
404	H	1,641	200	12	0.41240	D-69
405	J-1	1,631	157	11	0.40050	D-67
406	J	1,616	157	11	0.39720	D-68
501	I	1,440	105	10	0.34610	G-25
502	I	1,440	105	10	0.34610	G-4
503	K	1,307	200	9	0.33760	G-3
504	H	1,641	200	12	0.41240	G-5
505	J-1	1,631	157	11	0.40050	G-15
506	J	1,616	157	11	0.39720	G-16
601	I	1,440	105	10	0.34610	G-11
602	I	1,440	105	10	0.34610	G-7
603	K	1,307	200	9	0.33760	G-6
604	H	1,641	200	12	0.41240	G-10
605	J-1	1,631	157	11	0.40050	G-8
606	J	1,616	157	11	0.39720	G-9

<u>Apartment No.</u>	<u>Floor Plan Type</u>	<u>Approx. Net Floor Area in Sq. Ft.</u>	<u>Approx. Lanai Area in Sq. Ft.</u>	<u>No. of Rooms</u>	<u>Percentage Common Interest</u>	<u>Assigned Parking Stall(s)</u>
701	I	1,440	105	10	0.34610	G-17
702	I	1,440	105	10	0.34610	G-23
703	K	1,307	200	9	0.33760	G-24
704	H	1,641	200	12	0.41240	G-18
705	J-1	1,631	157	11	0.40050	G-22
706	J	1,616	157	11	0.39720	G-19
801	I	1,440	105	10	0.34610	G-20
802	I	1,440	105	10	0.34610	G-52
803	K	1,307	200	9	0.33760	G-21
804	H	1,641	200	12	0.41240	G-62
805	J-1	1,631	157	11	0.40050	G-51
806	J	1,616	157	11	0.39720	G-63
901	I	1,440	105	10	0.34610	G-93
902	I	1,440	105	10	0.34610	G-92
903	K	1,307	200	9	0.33760	G-64
904	H	1,641	200	12	0.41240	G-91
905	J-1	1,631	157	11	0.40050	G-90
906	J	1,616	157	11	0.39720	G-89
1001	I	1,440	105	10	0.34610	G-87
1002	I	1,440	105	10	0.34610	G-86
1003	K	1,307	200	9	0.33760	G-88
1004	H	1,641	200	12	0.41240	G-85
1005	J-1	1,631	157	11	0.40050	G-84
1006	J	1,616	157	11	0.39720	G-83
1101	I	1,440	105	10	0.34610	G-81
1102	I	1,440	105	10	0.34610	G-77
1103	K	1,307	200	9	0.33760	G-82
1104	H	1,641	200	12	0.41240	G-78
1105	J-1	1,631	157	11	0.40050	G-79
1106	J	1,616	157	11	0.39720	G-80

Notwithstanding the designation of the limits of the apartments in paragraph 4 hereinbelow, all areas set forth hereinabove are computed by measuring from the outside faces of exterior walls and from the centerline of interior party walls, and no reduction has been made to account for interior walls, ducts, vent shafts and the like located within the exterior walls.

3. Types of Apartments.

(a) Each of the four (4) first floor type "A" apartments in Buildings I and III will contain an entry, a foyer, a hallway, two bedrooms, two bathrooms, two dressing rooms, a living room, a kitchen, a dining room, a sitting room, a laundry room, and a lanai.

(b) Each of the four (4) first floor type "B" apartments in Buildings I, II, III and IV will contain an entry, a foyer, a hallway, two bedrooms, two bathrooms, two dressing rooms, a living room, a kitchen, a dining room, a den, a sitting room, a laundry room and a lanai.

(c) Each of the six (6) first floor type "C" apartments in Buildings I, II, III and IV will contain an entry, a foyer, a hallway, one bedroom, two bathrooms, one dressing room, a living room, a kitchen, a dining room, a den, a sitting room, a laundry/storage room, and a lanai.

(d) Each of the two (2) first floor type "C-1" apartments in Buildings I and III will contain an entry, a foyer, a hallway, one bedroom, two bathrooms, one dressing room, a living room, a kitchen, a dining room, a den, a sitting room, a laundry/storage room, and a lanai.

(e) Each of the two (2) first floor type "D" apartments in Buildings I and III will contain an entry, a foyer, a hallway, one bedroom, one bathroom, one dressing room, a living room, a kitchen, a dining room, a sitting room, a laundry room, and a lanai.

(f) Each of the two (2) first floor type "E" apartments in Buildings II and IV will contain an entry, a foyer, a hallway, two bedrooms, two bathrooms, two dressing rooms, a living room, a kitchen, a dining room, a sitting room, a laundry room, and a lanai.

(g) Each of the two (2) first floor type "E-1" apartments in Buildings II and IV will contain an entry, a foyer, a hallway, two bedrooms, two bathrooms, two dressing rooms, a living room, a kitchen, a dining room, a sitting room, a laundry room, and a lanai.

(h) Each of the two (2) first floor type "F" apartments in Buildings II and IV will contain an entry, a foyer, one bedroom, two bathrooms, a dressing room, a dressing/laundry room, a living room, a kitchen, a dining room, a den, and a lanai.

(i) Each of the forty (40) type "G" apartments on floors two through eleven in Buildings I and III will contain an entry, a foyer, a hallway, two bedrooms, two bathrooms, two dressing rooms, a living room, a kitchen, a dining room, a sitting room, a laundry room, and a lanai.

(j) Each of the forty (40) type "H" apartments on floors two through eleven in Buildings I, II, III and IV will contain an entry, a foyer, a hallway, two bedrooms, two bathrooms, two dressing rooms, a living room, a kitchen, a dining room, a den, a sitting room, a laundry room, and a lanai.

(k) Each of the eighty (80) type "I" apartments on floors two through eleven, in Buildings I, II, III and IV will contain an entry, a foyer, a hallway, one bedroom, two bathrooms, a dressing room, a living room, a kitchen, a dining room, a den, a sitting room, a laundry/storage room, and a lanai.

(l) Each of the twenty (20) type "J" apartments on floors two through eleven in Buildings II and IV will contain an entry, a foyer, a hallway, two bedrooms, two bathrooms, two dressing rooms, a living room, a kitchen, a dining room, a sitting room, a laundry room, and a lanai.

(m) Each of the twenty (20) type "J-1" apartments on floors two through eleven in Buildings II and IV will contain an entry, a foyer, a hallway, two bedrooms, two bathrooms, two dressing rooms, a living room, a kitchen, a dining room, a sitting room, a laundry room, and a lanai.

(n) Each of the twenty (20) type "K" apartments on floors two through eleven in Buildings II and IV will contain an entry, a foyer, one bedroom, two bathrooms, a dressing room, a dressing/laundry room, a living room, a kitchen, a dining room, a den, and a lanai.

(o) Each of the twenty (20) type "L" apartments on floors two through eleven in Buildings I and III will contain an entry, a foyer, a hallway, two bedrooms, two bathrooms, two dressing rooms, a living room, a kitchen, a dining room, a sitting room, a laundry room, and a lanai.

Each of the apartments will also contain closets.

4. Access. Each first floor apartment has immediate access via its entry as shown on the Condominium Map to the corridor leading to the connecting lobby and grounds of the Project. Each apartment above the ground floor has immediate access via its entry as shown on the Condominium Map to stairways and elevators in the connecting lobby, which lead to the grounds of the Project.

5. Limits of Apartments. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or the interior load-bearing walls, the floors and ceilings surrounding each apartment, 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. Subject to the foregoing, each apartment shall be deemed to include all of the walls and partitions which are not load-bearing within its perimeter or party walls, any glass windows or panels within its perimeter, window frames, doors and door frames within its perimeter, the inner decorated or finished surfaces of all walls, floors and ceilings, all adjacent lanais, and any fixtures and appliances originally installed therein.

COMMON ELEMENTS: The proposed Declaration states that the common elements shall include, but shall not be limited to:

1. The leasehold interest in the land described in Exhibit "A" to the Declaration;

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

3. The main office building and the recreation building and facilities described therein, and all furniture, fixtures, furnishings, and equipment (except for mailboxes) located within or for use in connection with each of those buildings;

4. The resident manager's Apartment 103 in Building IV and the parking stall assigned thereto, and the fixtures and equipment excluding furniture and furnishings located in such apartment;

5. All yards, grounds, walkways, roadways, ramps, fences, landscaping, trellises, planters, storage areas other than those within the apartments, refuse facilities, janitor's storage and maintenance facilities, elevators, elevator shafts, and related equipment; the chiller room, hot water heater, water pump, cooling apparatus, swimming pool equipment room and structures therefor and related equipment; and all electric rooms and equipment;

6. The swimming pool, wading pool, jacuzzi, and their filtration, pumping and other related equipment; the shuffleboard and bicycle storage facilities, tennis courts, cooking facilities and grills on the Project grounds, surfboard storage facilities;

7. The connecting lobbies and all corridors and entries to apartments other than those which are parts of the apartments, all directories, enterphones, gates, outside and other lighting fixtures for other than inside the apartments;

8. All driveways, parking structures, pavement and parking facilities, and parking areas (excluding individual parking stalls which are limited common elements);

9. Twenty-six (26) guest parking stalls as designated on said Condominium Map; and the ten (10) stalls set aside for public parking;

10. All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities, installations which serve more than one apartment for services such as power, light, water, gas, air conditioning, refuse, telephone and radio and television signal reception and distribution, and all tanks, pumps, motors, fans, and ducts and other apparatus and installations existing for or in the buildings for common use;

1. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance or safety, and normally in common use and which are not part of any apartment.

LIMITED COMMON ELEMENTS: The proposed Declaration provides that certain parts of the common elements, designated as "limited common elements", are set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

1. One (1) or more automobile parking stalls shall be a limited common element appurtenant to each apartment and shall be for the exclusive use of said apartment. The provisions hereinabove set forth the particular parking stall(s) appurtenant to each apartment. Each apartment shall always have at least one (1) parking stall appurtenant to it, but otherwise any parking stall may be transferred from apartment to apartment in the Project as provided by law.

2. One (1) mailbox within the main office building shall be a limited common element appurtenant to and for the exclusive use of each apartment. The Association or its authorized representative shall designate the particular mailbox for each apartment.

INTEREST TO BE CONVEYED TO PURCHASERS: Developer shall, by means of a condominium conveyance document, convey the apartment and an undivided percentage interest equal to the above-stated percentage interest in the common elements (exclusive of land) appurtenant thereto, and demise a leasehold undivided percentage interest, equal to the above-stated percentage interest, in the land described in the proposed Declaration. The percentage interest appurtenant to each apartment is set forth hereinabove under the heading "Description of Project" and shall be the same proportionate share in all common profits and expenses of the project (except for charges for excess use of utilities as provided for in paragraph G of the Declaration), and for all other purposes including voting.

USE. The apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and may be utilized for long-term or transient rentals. Subject to the foregoing limitations, the owners of the respective apartments, including the Developer and any affiliate thereof as to any number of apartments retained, shall have the absolute right to rent or lease the same subject to the limitations, restrictions, covenants and conditions of this Declaration. Notwithstanding the foregoing, there shall be no sales of time-sharing interests in the apartments or Project.

NOTE: Among other provisions, the House Rules restrict the

items that may be placed on lanais and in apartment entryways, and prohibit waterbeds.

It is incumbent upon each purchaser and prospective purchaser to read the House Rules before executing the Sales Contract.

NOTE: Purchasers and prospective purchasers of apartments should be specifically informed that all apartment owners, their tenants, families, servants and guests, and any other persons who may in any manner use the project, shall be bound by and strictly comply with not only the provisions of the Declaration of Horizontal Property Regime, the By-Laws of the Association, and all agreements, decisions and determinations of the Association (including the House Rules for the Project), but also the provisions of the Declaration of Restrictions, as amended, described in the section "Encumbrances Against Title" and made by AmFac, Inc. and Pioneer Mill Company, Limited, which affect the land in the condominium project. Purchasers and prospective purchasers are therefore advised to read and fully understand such Declaration of Restrictions as amended as well as the Declaration of Horizontal Property Regime, By-Laws, and House Rules. Among other provisions contained in the Declaration of Restrictions as amended, purchasers and prospective purchasers should take note of the following, and should apprise themselves of further details as contained in the Declaration of Restrictions:

1. Plans and specifications for the project and making of any improvements to the project or painting are subject to approval by AmFac, Inc. or the architectural review committee of Amfac, Inc.

2. Use of the land is restricted to development and maintenance of a first-class destination resort.

3. The Association of Apartment Owners of the project will be responsible for maintaining all facilities on or in the project land required to furnish utilities for the project. Members of the Association may be required to pay their pro rata share (as defined in the Declaration of Restrictions, as amended) of (a) the expenses and cost to AmFac, Inc. in providing water and sewer systems service to the boundary of the project land, (b) any hook-up or initial service charges in the event a governmental or private concern takes over supply of such utilities, and (c) expenses and cost of certain improvements and facilities provided by AmFac, Inc. for use of Association members, such as roadways, sewers, parking areas, transportation systems, walkways, utility lines and facilities, recreation facilities and landscaping. Some condominium units that are rented on short-term rentals may come within the definition of a "Resort Rental Unit" in the Declaration of Restrictions, as amended, and owners of such units may have to pay a larger share of such expenses than other condominium unit owners in the project, and may have to provide AmFac, Inc. statistics on rental operations.

4. Periodic repainting and beach maintenance may be required under the Declaration of Restrictions.

5. AmFac, Inc. may claim the right to inspect and require repairs to the project.

6. The project is required to have both an apartment and an office for the resident manager.

7. Association members will be members of the Kaanapali Beach Operators' Association, subject to such Operators' Association by-laws and obligated to pay a pro rata portion of such Operators' Association's annual budget.

8. The Declaration of Restrictions requires water conservation measures.

OWNERSHIP OF TITLE: A preliminary title report, dated October 22, 1979, issued by Title Guaranty of Hawaii, Incorporated, indicates that fee simple title to the land is vested in Royal Kaanapali Joint Venture, the Developer identified above.

ENCUMBRANCES AGAINST TITLE: Said preliminary title report issued by Title Guaranty of Hawaii, Incorporated, reports that title to the land is subject to the following:

1. Real Property Taxes. Reference is made to Tax Assessor, Second Division, State of Hawaii.
2. The reservation of all mineral or metallic mines of every description to the Hawaiian Government; said reservation, however, being subject to that certain covenant that neither the State of Hawaii nor persons authorized by it will enter, occupy or use the said land for the exercise of the reserved mineral and mining rights for a period of 75 years from January 1, 1960, as contained in that certain instrument dated January 29, 1960 and recorded in the Office of the Registrar of Conveyances in Liber 3822, pages 37-40.
3. The location of the seaward boundary in accordance with the laws of the State of Hawaii, and the shoreline setback line in accordance with county regulation and/or ordinance.
4. A. Easement: 32
Purpose: Storm Drainage
Location: Over the Northeasterly portion of Lot 56
B. Easement: 33 (10 feet wide)
Purpose: Utility
Location: Over the Northeasterly corner of said lot

Above easements are shown on Maps 12 and 19, as set forth by Land Court Order No. 27504, filed September 11, 1967.

5. The reservations as set forth in deeds made by Pioneer Mill Company, Limited, as Grantor, to AmFac, Inc., a Hawaii corporation, as Grantee, dated October 11, 1967 and April 25, 1969 and filed as Land Court Document Nos. 428919 and 476140, respectively, to wit:

RESERVING AND EXCEPTING to the Grantor, its successors and assigns forever, as appurtenant to the lands of the Grantor located in the District of Lahaina now owned and used or hereafter acquired and used by the Grantor in its sugar plantation operations, the perpetual right and easement over and upon the granted premises to discharge, emit, diffuse and inflict noise, smoke, soot, dust, lights, noxious vapors, odors and other minor nuisances of every description created by and resulting from the operations of the Grantor in burning sugar cane and bagasse, milling, generating power, trucking, hauling and all other activities incidental to the operation of a sugar plantation.

- 6. A. Easement: 46
Purpose: Storm Drainage
Location: Over the Southeasterly portion of said Lot 56
- B. Easement: 51
Purpose: Utility
Location: Over the Northeasterly portion of said Lot
- C. Easement: 52
Purpose: Utility
Location: Over the Northeasterly portion of said Lot
- D. Easement: 53
Purpose: Utility
Location: Over the Easterly portion of said Lot
- E. Easement: 54
Purpose: Utility
Location: Over the Southeasterly corner of said Lot

Above easements are shown on Map 19, as set forth by Land Court Order No. 31151, filed January 13, 1970.

7. Declaration of Restrictions made by AmFac, Inc. and Pioneer Mill Company, Limited, dated December 23, 1977 and filed as Document No. 853030, also recorded in Liber 12641, page 179; said Declaration amended by instrument dated October 31, 1978 and filed as Document No. 906095. Said Declaration as amended includes but is not limited to the restrictions contained in items 1 through 8 beginning on page 16 under the "NOTE" and ending on page 17 hereof, to which reference is hereby made.

8. Mortgage

Mortgagor: Royal Kaanapali Joint Venture, a Hawaii general partnership

Mortgagee: AmFac, Inc., a Hawaii corporation

Dated: Novmber 3, 1978

Filed: Land Court Document No. 906499

Amount: \$7,040,000.00

9. Additional charge mortgage to the mortgage set forth as encumbrance No. 8.

Mortgagor: Royal Kaanapali Joint Venture, a Hawaii general partnership

Mortgagee: AmFac, Inc., a Hawaii corporation

Dated: November 3, 1978

Filed: Land Court Document No. 906500

Amount: \$300,000.00

PURCHASE MONEY HANDLING: An executed Escrow Agreement, and an executed Supplementary Escrow Agreement both dated December 21, 1979, respectively, identify Title Guaranty Escrow Services, Inc., a Hawaii corporation, as the escrow agent. Upon examination, the specimen Deposit Receipt and Sales Contract and the executed Escrow Agreement and Supplementary Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, and particularly § 514A-39 and § 514A-63 through § 514A-66.

Among other provisions, the Escrow Agreement provides that a purchaser under a Sales Contract shall be entitled to a return of his funds, without interest and less the \$25.00 escrow cancellation fee, after purchaser has requested such return and if Escrow shall have received from Developer a written notice that any of the following has occurred:

(a) Developer and the purchaser shall have requested Escrow to return to purchaser the funds of purchaser then being held by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the Sales Contract pursuant to any right of cancellation or rescission stated therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to issuance of the Final Report, there shall have been a change in the building plans of the project which change requires the approval of a county officer having jurisdiction over the issuance of building permits, unless the purchaser gives his written consent to the specific change or the change is authorized in the Sales Contract or the Declaration; or

(d) The Final Report differs in a material respect from this Preliminary Report unless the purchaser has given written approval of the changes in said Final Public Report; or

(e) The Final Report shall not have been issued within one (1) year from the date of issuance of this Preliminary Report, and the purchaser has not waived his right to a refund.

The Escrow Agreement provides that upon the occurrence of the event described in (a) or (b) above or upon receipt of a written request for a refund from a purchaser upon the occurrence of an event described in (c), (d) or (e) above, Escrow will pay said

funds to said purchaser less a \$25.00 cancellation fee and thereupon the Sales Contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer and shall be deemed no longer held under the Escrow Agreement; provided, however, that no refund shall be made to a purchaser at a purchaser's request prior to receipt by Developer of written notice from Escrow of its intent to make such refund.

In the event of cancellation, as provided below, of the Apartment Reservation and Deposit Receipt, the provisions of the Supplementary Escrow Agreement will govern refund of the Buyer's deposits. In this connection, the Apartment Reservation and Deposit Receipt provides:

It is agreed that one of the instances which shall entitle a prospective purchaser to a return of funds deposited under the reservation shall be cancellation of the Apartment Reservation and Deposit Receipt, and upon such cancellation, Developer shall request that Escrow return the funds of such prospective purchaser as stated in paragraph 6(a) of the Escrow Agreement.

Escrow agrees that no cancellation fee greater than Twenty-Five Dollars (\$25.00) per apartment shall be charged on account of any cancellation of such an Apartment Reservation and Deposit Receipt, and further agrees that no deduction from the purchaser's funds upon such cancellation shall be made by Escrow, but that Escrow shall charge such cancellation fee against the Developer and shall refund the purchaser's funds in full.

The Developer is selling the apartments by a procedure under which the Buyer and the Developer as Seller execute an Apartment Reservation and Deposit Receipt which requires the Buyer to make the payments specified therein and to proceed with financial qualification as stated therein and in the Sales Contract. At the time the Buyer executes such reservation instrument, the Seller will also execute it if such reservation is acceptable to Seller, and the Buyer will execute the Sales Contract, but the sales contract will not become binding until the Seller sends Buyer a notice that Seller intends to accept and execute the Sales Contract, and Buyer affirmatively notifies Seller in writing that Buyer wishes to make the Sales Contract binding, and Seller shall have thereafter executed the Sales Contract. The Apartment Reservation and Deposit Receipt further provides:

Until the Sales Contract has become binding as provided above, either Buyer or Seller shall have the unconditional right to cancel the Apartment Reservation and Deposit Receipt agreement by written notice to the other, without liability for such cancellation. Upon such cancellation by either party, Seller will cause Title Guaranty Escrow Services, Inc., the escrow agent, to refund to Buyer the amounts paid under the reservation in full, without interest.

Buyer hereby agrees that the initial payment and any other payments made under the reservation may be placed on deposit with said escrow agent, and that such deposit(s) shall be subject to the terms of the Escrow Agreement and Supplementary Escrow Agreement, which Buyer acknowledges having received and read. If the Sales Contract becomes binding, any payment made by Buyer hereunder will be credited as the appropriate payment set forth therein.

Buyer is hereby notified that time is of the essence, and Buyer will have only fourteen (14) days within which to affirm or disaffirm said sales contract after the date of receipt from Seller of said notice that Seller intends to accept and execute the sales contract. If written notice of Buyer's intention is not received by Seller within said 14-day period, Buyer shall be deemed to have elected not to purchase the apartment and Seller shall cause Buyer's deposits to be refunded as provided above.

Buyer acknowledges and agrees that Seller must have a quota of buyers under the reservation and other reservations similar to it who are financially qualified to purchase, as required by Seller's construction lender, and if Buyer does not make the payments as stated in the sales contract, or in the absence of Buyer's prompt qualification to purchase, or if Seller should for any reason be unable to obtain such quota of buyers, Seller shall have to revoke the reservation.

Buyer shall not receive any interest on any payments made under the reservation in the event of its cancellation. If the Sales Contract becomes binding as provided in the reservation, Buyer's right to interest, if any, on amounts paid shall be governed by the provisions of the Sales Contract.

The specimen Sales Contract also states, among other provisions: The Seller may, at Seller's option, terminate the apartment reservation and the Sales Contract if the Buyer does not deliver to Seller an executed copy of a mortgage commitment within thirty (30) days after the required application by Buyer therefor, or if such commitment is subsequently withdrawn, or upon Seller's decision in Seller's sole discretion not to accept the required financial statement, letter of credit, and other proof of Buyer's financial ability to purchase.

Interest earned, if any, on Buyer's funds deposited in escrow shall accrue to the benefit of the Seller; provided, however, that if the Sales Contract becomes binding as provided for in the Apartment Reservation and Deposit Receipt, and if Buyer makes all payments required and fully performs all of Buyer's obligations under the Sales Contract, then upon closing, Seller shall pay to Buyer or have credited to the purchase price in favor of Buyer, interest earned, if any, on the amounts paid in by Buyer as Payments A, B, and C (but not Payment D), at the rate of five percent (5%) per annum or such higher or lower rate as Seller's construction lender actually pays on demand deposits with such lender; but provided, further, that if Buyer fails to close the purchase under the Sales Contract for any reason other than Seller's default thereunder, then no interest shall be paid or credited to Buyer and Buyer shall have no right to any such interest. Buyer acknowledges and agrees that the date from which such interest will be calculated is the date of escrow's receipt of Payment C, subject to beginning such calculation not more than ten (10) business days later than such receipt should Developer in its discretion determine a need for convenience or other reasons to accumulate Buyer's payments with other buyers' payments in escrow prior to deposit of them in any interest-bearing account. Buyer further acknowledges and agrees that the date to which such interest will be calculated is the Date of Preclosing as defined in the Sales Contract, not including such Date of Preclosing, however, and that such interest provisions in the Sales Contract shall not relieve the Buyer from paying in full all amounts which the Sales Contract requires Buyer to pay except for a credit, if any, to Payment D thereunder.

Seller may cancel the Sales Contract if any material discrepancies between the financial information furnished by Buyer and the actual facts of such matter are discovered.

If the Buyer fails to make Payment D as provided in the Sales Contract, the Buyer shall be liable for the cost of maintenance, real property taxes, lease rents, and one percent (1%) of the Payment D amount as a late charge from and after the Date of Preclosing, whether or not such date is before the Date of Occupancy as defined in the Sales Contract.

Buyer will be obligated to execute the necessary documents and complete financing arrangements at preclosing, which is defined as any date after the date of the Sales Contract and within five (5) days after the Buyer receives written notice from the Seller, Mortgagee or Escrow to preclose, provided that the date of preclosing will not be before the building in which the apartment is located is certified by the Project architect to be ninety percent (90%) completed.

The Buyer will pay at the time of closing all closing costs, including but not limited to the cost for drafting of the condominium conveyance document, all conveyance taxes, all other closing costs or loan origination charges, charges for credit reports and escrow fees, costs of drafting other documents, notary and recording fees, and the cost of any title

STATUS OF PROJECT: Construction of the project has not yet commenced. The Developer states in its Notice of Intention and Questionnaire filed with the Real Estate Commission that the estimated date of beginning construction is May, 1980, and that it is estimated construction will be completed on or about July 1, 1982.

SPECIAL NOTATION:

1. Seaward portions of the Project land below 11.5 feet elevation, if any, are within the tsunami (tidal wave) flood limits according to a preliminary Flood Insurance Study prepared for the United States Department of Housing and Urban Development. The minimum finished floor level for Project residential buildings as shown on the plans is twelve (12) feet and for the main office building and recreation building as shown on the plans is ten (10) feet.

2. The County of Maui has required as a condition to issuing its permit for construction of the Project within the shoreline Special Management Area a Declaration of Covenants by which the Developer agrees to indemnify the County of Maui, its offices and subdivisions, and the agents, officers and employees of any of them from loss and claims in connection with issuance of such permit. It is anticipated the Declaration of Covenants will state that the undertakings and commitments therein shall be binding on the Developer and all subsequent owners, lien holders, mortgagees, successors in interest and assigns to any of the Project property, including condominium unit purchasers.

3. The water system and the sewer system for the Project will be private systems operated by Amfac Communities-Maui. As a condition to obtaining a County building permit, the County of Maui, Department of Water Supply has required that the Developer enter an agreement representing that the water system is adequate to provide water for the Project, the County is under no obligation to provide such water, the Developer assumes all risks of fire damage, personal injury, and other risks resulting from the private water system and will indemnify the County against loss and claims in connection with the building permit or water system. It is anticipated that the agreement will also state that it is binding upon the subsequent owners of an interest in the Project land, including condominium unit purchasers.

4. Planned fences along the north and south boundaries of the project land will be set back five (5) feet to allow for beach access for the public, as required by the County of Maui. In addition, ten (10) parking stalls, which are common elements of the Project as provided above, are required to be provided for public parking at the Project boundary adjacent to the South Beach Access Road. The Project plans contain a walkway lying seaward of the shoreline setback line and running parallel to the shoreline, for connection with a pedestrian network for the Kaanapali Beach Resort area.

5. Developer reserves the right in the condominium documents to retain any number of the apartments to itself or an affiliate, and to rent out such apartments.

insurance policy, title report, certificate of title or lien letter. The Buyer shall, at the closing, also prepay maintenance fees and lease rents for a period of two (2) months and any real property taxes and/or insurance premiums to the extent required by any first mortgage lender, and pay a start-up fee equal to two (2) months' maintenance fees.

If the Seller shall default in selling the apartment to Buyer as provided in the Sales Contract and the remedy of specific performance is not available to the Buyer for any reason, the parties agree that in such event the injury to the Buyer, in view of the uncertain nature of the real estate market in Hawaii and the rising costs of construction and construction materials, will be difficult and expensive to measure and that, therefore, as a reasonable estimate of Buyer's fair compensation for any damages resulting from such default, the parties have agreed on the payment to the Buyer of \$1,000.00 as liquidated damages, if the Buyer is not then in default under the Sales Contract; provided, however, that cancellation of the Apartment Reservation and Deposit Receipt and nonacceptance of the Sales Contract in connection therewith shall not be deemed any such default.

NOTE: PROSPECTIVE PURCHASERS SHOULD BE AWARE THAT THE SELLER'S PURCHASE MONEY MORTGAGES FOR ACQUISITION OF PROJECT LAND DESCRIBED AS THE MORTGAGE AND ADDITIONAL CHARGE MORTGAGE TO AMFAC, INC. IN THE SECTION OF THIS REPORT CALLED "ENCUMBRANCES AGAINST TITLE" AND ALSO SELLER'S MORTGAGE LOAN FOR CONSTRUCTION OF THE PROJECT SHALL BE AND REMAIN AT ALL TIMES SUPERIOR LIENS ON THE PROJECT, AND PURCHASERS INTENTIONALLY WAIVE AND SUBORDINATE THE PRIORITY OF ANY LIEN UNDER THE SALES CONTRACT OR APARTMENT RESERVATION AND DEPOSIT RECEIPT IN FAVOR OF SUCH MORTGAGES. FOR FURTHER DETAILS, BUYER'S ATTENTION IS SPECIFICALLY DIRECTED TO THE PARAGRAPH IN THE SALES CONTRACT ENTITLED "SUBORDINATION".

It is incumbent upon the purchaser and prospective purchaser to read and understand the Escrow Agreement, the Supplementary Escrow Agreement, the Apartment Reservation and Deposit Receipt, and the Sales Contract before executing the Sales Contract, since the Escrow Agreement describes the procedure for receiving and disbursing purchaser's funds, and the Sales Contract specifically provides that the purchaser approves that Escrow Agreement and Supplementary Escrow Agreement and assumes the benefit and obligations therein provided, and the Apartment Reservation and Deposit Receipt and Sales Contract together cover the purchase of the apartment.

MANAGEMENT OF PROJECT: The By-Laws, which are incorporated in the Declaration, provide that the operation of the project shall be conducted for the Association by a responsible Managing Agent who shall be appointed by the Association in accordance with the By-Laws. The initial Managing Agent has not yet been finally selected; however, the Developer is authorized by the Declaration to receive service of legal process in all cases provided in the Horizontal Property Act until such time as a managing agent shall be selected.

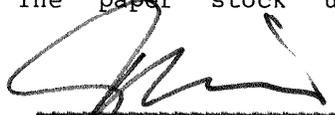
6. The Declaration states that the Board of Directors or Managing Agent shall have the right to enter apartments from time to time during reasonable hours to maintain, repair and tend planters adjacent to apartment lanais and the plants therein. Such planters are common elements of the Project.

7. In counting the number of rooms for each apartment, dressing rooms, bathrooms, and the laundry rooms or laundry/storage rooms were treated as separate rooms.

8. Work on the Project within the County of Maui shoreline Special Management Area is pursuant to a permit by the County, which states that it is for ten (10) years and is extendable for good cause where no changes have been made or will be made in the original Project plans as specified to the County.

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 11, 1979 and information subsequently filed as of January 2, 1980.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1212. 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.

 (for)

AH KAU YOUNG, Chairman
Real Estate Commission
State of Hawaii

Distribution:

Department of Taxation
Bureau of Conveyances
Planning Commission, County of Maui
Federal Building Administration
Escrow Agent

Registration No. 1212

Date: January 21, 1980