

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

WAILUKU MANOR
510 Imi Place
Wailuku, Maui, Hawaii

REGISTRATION NO. 1305

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: May 28, 1980
Expires: June 28, 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 APRIL 30, 1980. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAWS, HAWAII REVISED STATUTES, CHAPTER 514A.

1. WAILUKU MANOR is a proposed fee simple condominium project containing 10 apartments (4 one-bedroom and 6 two-bedroom types) located in one three-story building. There will be a total of 13 parking stalls; 10 apartments will have one parking stall appurtenant to the apartment as a limited common element. Three parking stalls will be common elements exclusively for use specified by the Board of Directors.

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. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the approved Floor Plans) have not been recorded in the office of the recording officer.
5. This Preliminary Public Report is made a part of the registration of WAILUKU MANOR condominium project. The Developer has the responsibility of placing a true copy of 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 therefor from each such person.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
7. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, May 28, 1980, unless a Supplementary or Final Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: WAILUKU MANOR

LOCATION: The project is located at 510 Imi Place, Wailuku, Maui, Hawaii, and consists of approximately 11,790 square feet of land.

TAX KEY: Second Division 3-8-37-27

ZONING: A-2, Apartment District

DEVELOPER: CARMEL, INC., a Hawaii corporation, is the developer of the project and has its principal place of business and postal address at 385 N. Market Street, #3, Wailuku, Maui, Hawaii 96793, telephone 244-3359. The officers are Mansour Movafagh, President; Sohrab Baghai, Vice-President; and Shahzab Movafagh, Secretary/Treasurer.

ATTORNEY REPRESENTING DEVELOPER: LAWRENCE N. C. ING, 2145 Wells Street, Suite 204, Wailuku, Maui, Hawaii 96793; telephone: 242-4555.

DESCRIPTION OF PROJECT: The proposed Declaration reflects that:

1. Building Description. The project will consist of one (1) three-story building consisting of ten (10) residential apartment units and 13 paved parking stalls, situate upon the 11,790 sq. ft. of land. Each unit shall consist of the space measured horizontally by the distances between the interior surfaces of the perimeter walls of each unit, and the space measured by the area of the lanai of each unit; and measured vertically by the distances between the topside surface of the concrete floor and the underside of the ceiling.
2. Materials. The principal materials of which the said buildings shall be constructed are as follows:
 - a. the ground floor slab be of poured reinforced concrete;
 - b. the floors above the ground floor shall be of wood with a concrete topping;
 - c. the structural system shall be of standard wood platform framing with gypsum board and plaster on studs and stucco exterior;
 - d. the interior partitions within each apartment shall be of wood studs with gypsum board and plaster on studs;
 - e. the stairs from the first to second floor shall be of reinforced concrete; the other stairs shall be of wood;
 - f. the roof shall be of monier roof tile;
 - g. the floors within each unit shall be covered with carpet or floor tile.
3. Limits of Apartment and Inclusions. Each apartment shall include all the walls and partitions within its perimeter walls; all glass windows or panels along the perimeters; the entirety of perimeter non-party walls except for the exterior decorated surfaces; the interior half of perimeter party walls; the inner decorated or finished surfaces of the floors and ceilings; the adjacent lanai to the exterior edge of the concrete floor slabs; the built-in fixtures including the range, refrigerator, garbage disposal, dishwasher, washer/dryer, water heater, sinks, bathroom fixtures, carpets and drapes; and all air space encompassed within the apartment; provided, however that the portion of each party wall and of each load bearing wall (whether or not a party walls) which is included

in any apartment is a common element (except for the inner decorated surface of said wall within said apartment, which is not a common element) and that the exterior decorated surface of each perimeter non-party wall is a common element; and provided further that any ventilation duct shafts within an apartment as shown on the proposed condominium map is a common element.

4. Numbering and Location of Units. Each apartment, has been given a numerical designation by which its location in the building can be determined. The ground floor units shall be either 101 or 102. The second floor units shall be either 201, 202, 203 or 204 and the third floor units shall be 301, 302, 303 or 304. The first number shall designate the floor the unit is located.
5. Description of Apartments.
 - a. The four type 1 units include a living-dining room, kitchen, one bedroom, a bath and lanai. It includes a floor area of approximately 604 square feet (including 32 square feet of lanai);
 - b. The six type 2 units include a living-dining room, kitchen, two bedrooms, 2 baths and lanai. It includes a floor area of 1,014 square feet (including 92 square feet of lanai);
6. Access. Each of the ten apartments will have immediate access through a hall and stairway to a walkway and the parking lot on the grounds of the project leading to the public streets.

COMMON ELEMENTS: The common elements include:

1. The land.
2. The foundations, floor slabs, columns, girders, beams, supports, bearing walls, corridors, stairways, fire escapes, entrances and exits of the building.
3. The roof.
4. The mailbox, refuse collection enclosure and storage rooms on the first floor.
5. The driveways, loading areas, ramps and three (3) unassigned parking stalls.
6. The central and appurtenant installations for services such as power, light, gas, hot and cold water and like utilities.

7. All of the parts of the project existing for the common use and are necessary to the existence, maintenance and safety of the project.

LIMITED COMMON ELEMENTS: The limited common elements are the parking stalls which are stalls set aside and reserved for the exclusive use of the particular apartments as shown on the Condominium Map as follows:

<u>Unit #</u>	<u>Parking Stall #</u>
101	5
102	4
201	6
202	3
203	9
204	8
301	7
302	2
303	10
304	1

INTEREST TO BE CONVEYED TO PURCHASERS: The undivided percentage interest ownership in the common elements ("common interest") appertaining to each apartment for all purposes including voting shall be as follows:

<u>Type of Units</u>	<u>Percentage (%)</u>
1 (4 each)	7.0 = 28%
2 (6 each)	12.0 = <u>72%</u>
	100%

RESTRICTIONS AS TO USE: The proposed Declaration provides that all apartments shall be occupied and used as living accommodations for permanent or transitory use and may be leased or rented from time to time for transient occupancy by the respective owners thereof, their tenants, families, domestic servants and social guests subject to such limitation as may be contained in the Declaration or in the By-Laws and House Rules which may be adopted from time to time governing the use of the apartments.

The proposed House Rules provides in part: (1) Occupancy limited to no more than four persons for the one-bedroom apartment and no more than seven persons for the two-bedroom apartment; (2) No dogs, cats or other domestic pets are allowed in the premises.

OWNERSHIP TO TITLE: The Preliminary Title Report by Title Guaranty of Hawaii, Inc., dated March 20, 1980, reflects that title is vested in Carmel, Inc., a Hawaii corporation.

ENCUMBRANCES AGAINST TITLE: The above Preliminary Title Report also reflects the following encumbrances:

1. For any taxes that are due and owing, reference is made to the Office of the Tax Assessor, Second Division.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. A 15-foot building setback line as shown on File Plan No. 709.
4. Grant in favor of Maui Electric Company, Limited, and Hawaiian Telephone Company, dated December 4, 1961, recorded in Liber 4181 at Page 276; granting an easement for utility purposes.
5. Restrictive Covenants contained in that certain Deed dated July 14, 1972, recorded in Liber 8505 at Page 206.
6. That certain Agreement dated February 26, 1980 and recorded in Liber 14553 at Page 62, made by and between the County of Maui, Department of Water Supply, "County", and Carmel, Inc., Mansour Movafagh its President, "Applicant".

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated February 13, 1980 identifies Title Guaranty Escrow Services, Inc., a Hawaii corporation, as Escrow Agent. On examination, the specimen Deposit, Receipt and Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes.

The executed Escrow Agreement provides, in part, that purchaser shall be entitled to return of his funds without interest and less Escrow's cancellation fee of Twenty-Five Dollars (\$25.00) if purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

- a. Escrow receives a written request from seller to return to purchaser the funds of such purchaser then held by Escrow; or
- b. If purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the building plans, subsequent to the execution of purchaser's contract, requiring the approval of the city and county officer having jurisdiction over the issuance of permits for construction, unless the purchaser has given written approval or acceptance of the change; or

- c. If the purchaser's funds were obtained prior to the issuance of a Final Public Report and the Final Public Report differs in any material respect from the Preliminary Public Report unless the purchaser has given written approval or acceptance of the difference; or
- d. If the Final Public Report is not issued within one year from the date of issuance of the Preliminary Public Report.

Among other provisions, the specimen Deposit, Receipt and Sales Contract states: (1) Purchaser agrees that all of the rights of the purchaser are and shall be subject and subordinate to the lien of any mortgage, supplemental and/or second mortgage, assignments, security agreement and financing statement securing the repayment of the interim loan made to finance the cost of construction and other costs and to any and all advances made thereon, and to any and all sums which may become a lien pursuant to the terms of such loan; (2) In the event of increased building costs, seller may increase the purchase price in an amount not to exceed three percent (3%) of the purchase price and if such increase is insufficient to maintain financial feasibility of the project, then seller may at its option terminate the sales contract and cause Escrow to refund to purchaser all monies paid, without interest and seller shall be released from all liability; and (3) Purchaser is advised that seller by having all documents necessary for closing executed and deposited with Escrow, purchaser agrees to pay all amounts due for Expense Reserves and Closing Costs and execute all necessary documents for such closing, including irrevocable escrow instructions, upon request by seller for any pre-closings as directed by seller which may be two (2) months prior to the completion of the project as reasonably determined by the seller in its discretion. Failure to comply will constitute a default under this contract.

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

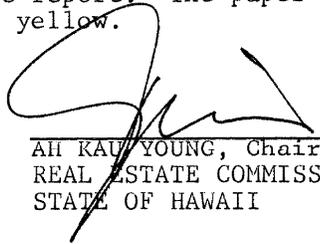
MANAGEMENT AND OPERATIONS: The proposed Declaration provides that the operation of the project shall be conducted for the Association of Apartment Owners by a managing agent appointed by the Association. No managing agent has been designated at this time.

STATUS OF PROJECT: As of this date no construction contract has been entered into by the developer.

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 April 30, 1980.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES
(CONDOMINIUM) PUBLIC REPORT is made a part of the REGISTRATION
NO. 1305 filed with the Commission on April 30, 1980.

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 Department, County of Maui
Federal Housing Administration
Escrow Agent

Registration No. 1305

Date: May 28, 1980