

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
KEOKEA BEACH
Uluniu Road
Kihei, Maui, Hawaii

REGISTRATION NO. 1367

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: March 25, 1981
Expires: April 25, 1982

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 NOVEMBER 14, 1980 AND INFORMATION SUBSEQUENTLY FILED AS OF MARCH 17, 1981. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A HAWAII REVISED STATUTES, AS AMENDED.

1. KEOKEA BEACH is a proposed leasehold condominium project consisting of eight apartment units, contained in two buildings. There are a total of ten parking stalls, eight of which are covered.
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 issuance of this Preliminary Public Report.
3. 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 yet been filed in the office of the recording officer.

4. No advertising or promotional matter has been submitted pursuant to rules and regulations promulgated by the Commission.
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 KEOKEA BEACH condominium project. The Developer is responsible for placing this Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed copy of the Receipt therefor.
7. This Preliminary Public Report automatically expires 13 months after date of issuance, March 25, 1981, unless a Final or Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: KEOKEA BEACH

LOCATION: The 0.433 acre of land committed to the Regime is located on Uluniu Street, Kihei, Island of Maui, State of Hawaii.

NOTE: According to the Planning Department of the County of Maui, the project is subject to possible tsunami and flood inundation.

TAX KEY: SECOND DIVISION 3-9-8-5.

ZONING: Apartment (A-1)

DEVELOPER: JADE CORPORATION, a Hawaii corporation, whose place of business is S.R. Box 91, Hana, Maui, Hawaii, 96713. Telephone: 248-8458. The principal officers of the corporation are: Jan D. Elliott, President/Treasurer and Ann Elliot, Vice-President/Secretary.

ATTORNEY REPRESENTING DEVELOPER: SANFORD J. LANGA, 109 Wailuku Townhouse Building, Wailuku, Maui, Hawaii; telephone: 244-9168.

DESCRIPTION OF PROJECT: The proposed Declaration of Horizontal Property Regime states that the project is to consist of eight freehold estates comprised of the spaces within the center planes of the perimeter walls, fences, floors and ceilings of each of the eight apartment units contained in two buildings of wood frame construction, with reinforced concrete foundation, and described as follows:

Each apartment has two bedrooms, two baths, one kitchen, one living room and a lanai and approximate floor area as follows:

<u>Apt. No</u>	<u>Enclosed Area</u>	<u>Lanai</u>	<u>Total Area</u>
101	1068	143	1211
102	1113	106	1219
103	1113	106	1219
104	1068	143	1211
201	1068	86	1154
202	1113	86	1199
203	1113	86	1199
204	1068	86	1154

Each ground floor apartment has direct access to the common areas. The second floor apartments have access by exterior staircases, which are limited common elements.

Apartments numbered 101 through 104 are on the first floor of the building. Apartments numbered 201 through 204 are on the second floor of the building. The apartments are located in the manner shown on the Condominium Map.

The respective apartments shall not be deemed to include any pipes, wires, conduits or other utility lines running through such apartments 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 within its perimeter, its air conditioning equipment, doors, windows and fixtures.

COMMON ELEMENTS: One freehold estate is designated of all remaining portions of the project, herein called "common elements", including specifically, but not limited to:

- (1) Said land in fee simple;
- (2) All foundations, columns, girders, beams, supports, roofs, chases, entries and walkways of said buildings;
- (3) All yards, grounds and landscaping not included in apartments;
- (4) All parking areas and driveways, including two guest parking stalls.
- (5) All ducts, electrical equipment, wiring and other central and appurtenant installations including power, light, water, sewage, irrigation, and telephone.
- (6) Recreation area, swimming pool, mailboxes, refuse facilities and wells.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto an exclusive easement for the use of such limited common elements. The limited common elements so set aside and reserved are:

- (1) Stairways and landings are appurtenant to the apartments served thereby.
- (2) Eight parking spaces, which are covered and located within the buildings below the apartments, and numbered Garage No. 1 through Garage No. 8, as shown on the condominium map. Each of the parking spaces is appurtenant to the apartment whose number is noted on the parking space, as shown on the Condominium Map.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment will have appurtenant thereto a 12.5% undivided interest in the common elements, said interest being referred to as the "Common Interest", and the same proportionate share in all common profits and expenses of the project, and for all other purposes including voting. There will be conveyed to the purchaser a leasehold interest in the apartment and its common interest.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration specifies that the apartments shall be used by the respective owners, their

tenants, families, domestic servants and social guests, for residential purposes and for such other purposes as may be permitted by law, subject to all provisions of the Declaration.

OWNERSHIP OF TITLE: The Preliminary Report dated October 11, 1979, prepared by Title Guaranty of Hawaii, Inc., certifies that JOHN C. ELLIOTT has title to the land committed to the project.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated February 25, 1981, prepared by Title Guaranty of Hawaii, Inc., certifies that there are no liens or encumbrances of whatever kind or nature of record against the title, save and except the following:

- (1) Real Property Taxes that are due and owing. Reference is hereby made to the Tax Office of the Island of Maui (Office of the Tax Assessor of the Second Division).
- (2) Lease made by and between John C. Elliott, as Lessor, and Jan D. Elliott and Ann E. Elliott, as Lessees, dated April 4, 1979 and recorded in Liber 14055, Page 433.
- (3) Development Lease by and between Jan D. Elliott and Ann E. Elliott, as Lessors, and Jade Corporation, a Hawaii corporation, as Lessee, dated April 4, 1979 and recorded in Liber 14055, Page 443.
- (4) Agreement dated June 27, 1979, recorded in Liber 13838 at Page 338, made by and between County and Maui, Department of Water Supply, "County", and Jan D. Elliott, "Applicant".

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated June 27, 1979, between JADE CORPORATION and TITLE GUARANTY ESCROW SERVICES, INC. has been submitted to the Commission as part of this registration. On examination, the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, and particularly with Sections 514A-39, 514A-40 and 514A-63 to 514-66.

Among other provisions, the executed Escrow Agreement states that a purchaser under contract of sale, upon written request, shall be entitled to a refund of all moneys deposited with Escrow, without interest, and less Escrow's \$25 cancellation fee, if any of the following events shall have occurred:

- (1) Escrow receives a written request from Seller to return to Purchaser the funds of such Purchaser; or
- (2) If a Purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the condominium building plans, subsequent to the execution of Purchaser's sales agreement, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless the Purchaser has given written approval or acceptance of the change; or
- (3) If a Purchaser's funds were obtained prior to the issuance of a Final Public Report and the request is prior to the time the Final Public Report is issued; or
- (4) If the Final Public Report differs in any material respect from the Preliminary Public Report, unless the Purchaser has given written approval of acceptance of the difference; or
- (5) If the Final Public Report is not issued within one year from the date of issuance of the Preliminary Public Report.

The terms of the Escrow Agreement are also made a part of the Contract of Sale by reference. The Escrow Agreement establishes how the proceeds from the dwelling units and all sums received from any source are placed in trust, as well as the retention and disbursement of said trust funds.

Among other provisions, the specimen Sales Contract provides: (1) In the event that the project is delayed for a period of more than 90 days by war or other national emergency, general strike, industry-wide strike or lockout in the County of Maui, island-wide shortage of material, government regulation, inability of Seller to obtain mortgage financing in the Maui area for the purchasers of condominium leasehold apartments or other similar causes beyond the control of Seller, Seller at its option may cancel this agreement. Upon such cancellation, Seller shall instruct the Escrow of the project to refund to Purchaser, with interest, if any, all payments received from Purchaser, and Purchaser and Seller will execute all necessary documents and make all necessary adjustments to place the parties in the same position as they are in as of the date of execution of the Sales Contract. (2) In the event that less than 80% of the apartments are sold prior to January 1, 1982, Developer may at its option cancel the agreement, refund to Buyer all moneys paid, and be relieved and released of all further liability thereunder.

NOTE: The purchaser should be aware that the Developer has the right to mortgage the land and improvements to any recognized lending institution for any purpose and such mortgage shall have priority over any interest whatsoever that Buyer may have obtained by said Sales Contract. Prior to the conveyance of the apartment to Buyer, Developer shall release the apartment from any such mortgage.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sales Contract and executed Escrow Agreement.

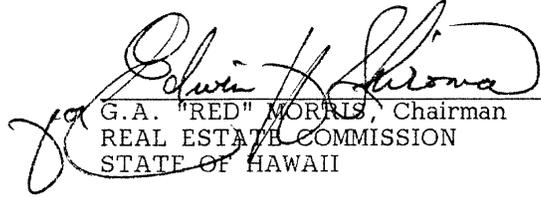
MANAGEMENT AND OPERATIONS: The By-Laws vest the Board of Directors of the apartment owners association with the authority to acquire and pay for the services of a person or firm to manage the Horizontal Property Regime. No property manager has been identified in the notice of intention to sell.

STATUS OF PROJECT: No building contract has yet been executed.

A 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 November 14, 1980 and information subsequently filed as of March 17, 1981.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1367 filed with the Commission on November 14, 1980.

The report when reproduced shall be a true copy of the Commission's Preliminary Public Report. The paper stock used in making facsimiles must be yellow.


G.A. "RED" MORRIS, 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. 1367

March 25, 1981