

**REAL ESTATE COMMISSION**

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS

STATE OF HAWAII  
1010 RICHARDS STREET  
P. O. BOX 3469  
HONOLULU, HAWAII 96801

**SUPPLEMENTARY  
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)  
PUBLIC REPORT  
on**

LAHAINA SHORES, PHASE II  
505 Front Street  
Lahaina, Maui, Hawaii

Registration No. 1426

**This Report Is Not an Approval or Disapproval of This Condominium Project**

It was prepared as a supplement to an earlier Report dated June 25, 1981 issued by the Real Estate Commission on the above 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 until

- (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 : December 16, 1982  
Expires: July 25, 1983

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 MAY 7, 1981 AND INFORMATION SUBSEQUENTLY FILED AS OF DECEMBER 14, 1982. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIME LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report on "LAHAINA SHORES, PHASE II", Registration No. 1426, dated June 25, 1981, the Developer reports that changes have been made in the plan or setup as presented in the aforementioned report. The changes subsequently made are determined to be a material revision to the information disclosed earlier.
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 Supplementary Public Report.
3. No advertising and promotional matters of Lahaina Shores, Phase II, have been submitted to the Commission pursuant to its rules and regulations.
4. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Rules and Regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
5. This Supplementary Public Report expires on July 25, 1983, unless a further Supplementary Public Report issues, or the Commission, upon review of this registration, issues an order extending the effective date of this report.
6. This Supplementary Public Report (pink paper stock) amends the Preliminary Public Report (yellow paper stock), becoming a part of the "LAHAINA SHORES, PHASE II" registration. The Developer is responsible for placing a true copy of this Supplementary Public Report (pink paper stock) and attached Disclosure Abstract in the hands of all purchasers and prospective purchasers along with a copy of the Preliminary Public Report (yellow paper stock) and for securing from each purchaser and prospective purchaser a signed receipt therefor.

The information under the topical headings of the Preliminary Public Report issued June 25, 1981 has not changed except: DEVELOPER, DESCRIPTION OF PROJECT AND APARTMENTS, LIMITED COMMON ELEMENTS, INTEREST TO BE CONVEYED TO PURCHASERS, OWNERSHIP OF TITLE, ENCUMBRANCES, PURCHASE MONEY HANDLING, and STATUS OF PROJECT. A new topical heading PLAN OF REORGANIZATION has been added.

DEVELOPER: LAHAINA VENTURERS, a Hawaii limited partnership, whose business and post office address is 505 Front Street, Lahaina, Maui, Hawaii 96761 (Telephone: 667-2514), is the owner and developer of the project. Bruce W. McNeil, 475 Front Street, Lahaina, Maui, Hawaii, is the general partner of the Developer. Lois M. Strong, 475 Front Street, Lahaina, Maui, Hawaii 96761; Kenneth Makinney, 5795 Kalaniana'ole Highway, Honolulu, Hawaii 96821; David T. Pietsch, Sr., 2057 Alihilani Place, Honolulu, Hawaii 96822; A. James Wriston, Jr., 3625 Nuuanu Pali Drive, Honolulu, Hawaii 96817, and John B. Guard, Jr., Rural Route 1, P. O. Box 399, Kula, Maui, Hawaii 96790 are the limited partners of the Developer.

DESCRIPTION OF PROJECT AND APARTMENTS: The following information contained in Exhibit "A" of the Preliminary Public Report concerning Apartments 217 and 218 is amended to read as follows:

"(58) Apartment 217 contains 3 rooms (2 large rooms and 1 small room containing a bathroom), with an approximate gross floor area of 1324 square feet, located on the second floor of Building B.

(59) Apartment 218 contains 2 rooms (1 large room and 1 small room containing a bathroom), with an approximate gross floor area of 792 square feet, located on the second floor of Building B."

LIMITED COMMON ELEMENTS: The Preliminary Public Report stated that commercial apartment 114 was a limited common element for the exclusive use and appurtenant to the commercial apartments. However, commercial apartment 114 will not be created and will not be a limited common element as earlier stated.

INTEREST TO BE CONVEYED TO PURCHASERS: The appurtenant undivided percentage interests in all common elements of the project and the proportionate shares in the common expenses of the project for Commercial Apartments 217 and 218 are amended to .6696% and .4005%, respectively.

OWNERSHIP OF TITLE: The Developer has filed with the Commission a Preliminary Title Report, dated November 9, 1982, and updated on December 8, 1982, prepared by Title Guaranty of Hawaii, Incorporated, which certifies that title to the land committed to this regime is vested in Richard Jerome O'Neill ("O'Neill") and Alice O'Neill Avery ("Avery"), as Trustees under Declarations of Trust dated April 18, 1968, and Lahaina Venturers ("Lahaina Venturers"), a Hawaii

limited partnership. O'Neill and Avery own the 199 residential apartments in the LAHAINA SHORES project and an undivided 70.2095% interest in all common elements of the project, including the land, pursuant to Deeds dated (a) August 4, 1975, recorded as aforesaid in Liber 10825, at Page 422, and filed as aforesaid as Document No. 729860, (b) September 6, 1978, recorded as aforesaid in Liber 13162, at Page 108, and (c) June 23, 1981, recorded as aforesaid in Liber 15753, at Page 567. Lahaina Venturers owns the Commercial Apartment which is proposed to be further divided into 77 commercial apartments and an undivided 29.7905% in all common elements of the project, including the land, pursuant to Deed dated July 3, 1975, recorded as aforesaid in Liber 10763, at Page 217. The agreement by Lahaina Shores Village Co. to acquire all of the Developer's interests in the Commercial Apartment and its appurtenant undivided interests in the common elements of the project pursuant to an unrecorded Acquisition Agreement dated May 27, 1981 has been cancelled by an unrecorded Cancellation of Acquisition Agreement dated November 18, 1982. The Developer, not Lahaina Shores Village Co., will develop the project.

**ENCUMBRANCES:** A preliminary title report dated November 9, 1982, and updated on December 8, 1982, prepared by Title Guaranty of Hawaii, Incorporated, states that, as of the date of the search, title to the land is subject to the following encumbrances:

1. Any and all real property taxes that may be due and owing, reference is made to Finance Director, County of Maui.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Location of the seaward boundary in accordance with the laws of the State of Hawaii and shoreline setback line in accordance with County regulation and/or ordinance.
4. The restrictions on use and other restrictions and all other of the covenants, agreements, obligations, conditions, reservations, easements and other provisions set forth in Declaration of Horizontal Property Regime dated June 14, 1974, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Land Court Document No. 686530 and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9983 at Page 485, and the Bylaws attached thereto, as the same are or may hereafter be amended in accordance with law, said Declaration or said Bylaws. (Project covered by Condominium Maps Nos. 219 filed in said Office of the Assistant Registrar and 361 recorded in said Bureau of Conveyances.) Said Declaration was amended by instrument dated July 29, 1974, filed as Document No. 691472, recorded in Liber 10063 at Page 442.

5. AS TO PARCEL THIRD ONLY: Grant in favor of the Board of Water Supply of the County of Maui, dated August 1, 1974, recorded in Liber 10098 at Page 470; granting a waterline easement for fire hydrant purposes over a portion of said parcel.
6. AS TO PARCEL FIFTH ONLY: Grant in favor of Maui Electric Company, Limited, dated August 1, 1975, recorded in Liber 10825 at Page 414; granting easements for electrical purposes over and across portions of said parcel.
7. Partition Agreement dated as of August 4, 1975, filed as Document No. 729862, recorded in Liber 10825 at Page 467.
8. License Agreement dated February 16, 1978, recorded in Liber 12898 at Page 248, by and between Lahaina Venturers, a limited partnership, and the County of Maui (not noted on Transfer Certificates of Title Nos. 176,192, 176,814, 204,524 and 235,068).
9. Section VII(c) Agreement for West Maui Areas dated February 3, 1982, recorded in Liber 16151 at Page 763, by and between Lahaina Shores Village Co. and the County of Maui, Department of Water Supply (not noted on Transfer Certificates of Title Nos. 176,192, 176,814, 204,524 and 235,068).
10. AS TO AN UNDIVIDED 70.20951% INTEREST IN AND TO THE LANDS DESCRIBED HEREIN:
  - (A) Terms, conditions and provisions contained in Declaration of Trust dated April 18, 1968 and in the trust estate established pursuant to the Last Will and Testament of Jerome O'Neill, deceased.
  - (B) Various leases, mortgages, etc., covering residential apartment units within the Condominium Project known as "LAHAINA SHORES" which have been purposely omitted herefrom, the interest of Lahaina Venturers, a Hawaii limited partnership, having been assigned to Richard Jerome O'Neill and Alice O'Neill Avery, as Trustees under Declaration of Trust dated April 18, 1968, for benefit of Alice O'Neill Avery; Alice O'Neill Avery and Richard Jerome O'Neill, as Trustees under Declaration of Trust dated April 18, 1968, for benefit of Richard J. O'Neill; and Crocker National Bank, as Trustee under the Will of Jerome O'Neill, deceased, by Assignment of Tenant Leases dated as of August 4, 1975, filed as Document No. 729861, recorded in Liber 10825 at Page 448.

11. AS TO AN UNDIVIDED 29.79049% INTEREST IN AND TO THE LANDS DESCRIBED HEREIN:

(A) That certain mortgage dated July 3, 1975 by and between Lahaina Venturers, a Hawaii registered limited partnership, as mortgagor, and American Savings and Loan Association, a Utah corporation, as mortgagee, filed as aforesaid as Document No. 726613 and recorded as aforesaid in Liber 10763, Page 244. The above mortgage confirmed by instrument dated August 4, 1975, filed as Document No. 729863, recorded in Liber 10825, Page 477.

By instrument dated July 3, 1975, recorded in Liber 10807, Page 488, Lahaina Venturers, a Hawaii limited partnership, assigned to American Savings and Loan Association, all right, title and interest in and to various unrecorded leases covering premises in the Whaler's Market Place, being the commercial apartment of Lahaina Shores, as additional security to said above mortgage (not noted on Transfer Certificate of Title No. 176,192).

(B) That certain mortgage dated January 12, 1979 by and between Lahaina Venturers, a Hawaii registered limited partnership, as mortgagor, and McGarry Capital Corp., a New York corporation, as mortgagee, filed as aforesaid as Document No. 918462 and recorded as aforesaid in Liber 13414, Page 327.

By Assignment dated January 12, 1979, filed as Document No. 918463, recorded in Liber 13414 at Page 350, Lahaina Venturers, a Hawaii registered limited partnership, assigns to McGarry Capital Corp., all right, title and interest as Lessor in any and all leases now in existence or hereafter made with respect to said commercial apartment as additional security to said above mortgage.

(C) That certain mortgage dated August 1, 1980 by and between Lahaina Venturers, a Hawaii registered limited partnership, as mortgagor, and Lawrence G. McNeil Co., a California corporation, as mortgagee, filed as Document No. 1044911 and recorded in Liber 15190, Page 175.

(D) Pending proceedings for reorganization under Chapter 11 of the Federal Bankruptcy Act, the same having been filed by Lahaina Venturers, a registered Hawaii limited partnership, in the United States Bankruptcy Court for the District of Hawaii as Bankruptcy No. 81-00666 (not noted on Transfer Certificates of Title Nos. 176192, 176,814, 204,524 and 235,068).

(E) Various unrecorded tenant leases, etc., covering portions of the commercial apartment within the Condominium Project known as "Lahaina Shores".

12. Notice of State of Hawaii Tax Lien (Department of Labor and Industrial Relations) against the Association of Apartment Owners of Lahaina Shores dated June 23, 1980, recorded in Liber 14814, Page 51 (not noted on Transfer Certificates of Title Nos. 176,192, 176,814, 204,524 and 235,068).
13. Notice of State of Hawaii Tax Lien (Department of Taxation against Irene Kirk, Lahaina Shores Hotel, dated May 28, 1982, recorded in Liber 16381, Page 267 (not noted on Transfer Certificates of Title Nos. 176,192, 176,814, 204,524 and 235,068).

PURCHASE MONEY HANDLING: The specimen sales contract has been amended to note the change in the Developer's identity from Lahaina Shores Village Co. to Lahaina Venturers. The escrow agreement has been assigned by Lahaina Shores Village Co. to Lahaina Venturers by assignment dated November 18, 1982.

STATUS OF PROJECT: The Developer advises that it intends to commence and complete the four phases of LAHAINA SHORES, PHASE II, as follows:

<u>Phase</u>	<u>Estimated Commencement Date</u>	<u>Estimated Completion Date</u>
1	December 1, 1982	January 31, 1983
2	February 1, 1983	March 31, 1983
3	April 1, 1983	May 31, 1983
4	June 1, 1983	July 31, 1983

PLAN OF REORGANIZATION: On November 16, 1981, the Developer filed a voluntary petition for reorganization pursuant to Chapter 11 of the Bankruptcy Code in United States Bankruptcy Court, District of Hawaii (Bk No. 81-00666). The First Amended Plan of Reorganization dated October 14, 1982 was filed in and approved by the United States Bankruptcy Court, District of Hawaii (Bk No. 81-00666) on October 14, 1982. It provides in part that the Developer will develop and sell the 77 commercial apartments in four phases. The four phases will include the following apartments:

<u>Phase</u>	<u>Building</u>	<u>Apartment Nos.</u>
1	A	129-134; 224-230
	B	115-122; 213-219
	C	101-106; 201-206
2	D	135-142; 231-236
3	A	123-128; 220-223
4	C	107-113; 207-212

The Developer may elect to change the order of Phases 2, 3 and 4.

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The purchaser or prospective purchaser should be cognizant of the fact that this Supplementary Public Report represents information disclosed by the Developer in the required Notice of Intention submitted May 7, 1981 and information subsequently filed as of December 14, 1982.

THIS SUPPLEMENTARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1426 filed with the Commission on May 7, 1981.

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



G. A. "RED" MORRIS, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

DISTRIBUTION:

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BUREAU OF CONVEYANCES  
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COUNTY OF MAUI  
FEDERAL HOUSING ADMINISTRATION  
TITLE GUARANTY ESCROW SERVICES, INC.

REGISTRATION NO. 1426

DATED: DECEMBER 16, 1982