

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

LAHAINA PLACE
136 Dickenson Street
Lahaina, Maui, Hawaii 96761

REGISTRATION NO. 1480

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: February 8, 1982
Expires: March 8, 1983

SPECIAL ATTENTION

A comprehensive reading of this report by the prospective purchaser 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 FILED JANUARY 8, 1982 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF FEBRUARY 2, 1982. THE DEVELOPER, IN 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. LAHAINA PLACE is a proposed leasehold commercial condominium project to consist of a one-story building, without a basement, containing a total of ten (10) apartment units. There will be sixteen (16) unassigned parking stalls contained on the site of the project (13 regular stalls, 3 compact stalls).

2. The developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of this Preliminary Public Report.

3. No advertising or promotional matter has been filed pursuant to the rules and regulations promulgated by the Commission.

4. The basic condominium documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners of LAHAINA PLACE and a copy of the approved floor plans) have not been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Horizontal Property Act, Chapter 514A of the Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations Relating to Horizontal Property Regimes.

6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, February 8, 1982, unless a Final or Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.

7. This Preliminary Public Report is made a part of the registration on LAHAINA PLACE condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock), including the Disclosure Abstract, in the hands of all purchasers and prospective purchasers and securing a signed copy of the receipt therefor from each such person.

NAME OF PROJECT: LAHAINA PLACE

LOCATION: 136 Dickenson Street, Lahaina, Maui, Hawaii 96761, with approximately 20,135 square feet of land to be committed to the horizontal property regime.

TAX MAP KEY: Second Division: 4-6-8-28

ZONING: B-2 (Community Business District)

DEVELOPER: Glenmar Development Co., Inc., a Hawaii corporation, whose principal place of business in Lahaina, Maui, Hawaii and whose post office address is P. O. Box 815, Lahaina, Maui, Hawaii 96761, Phone: 661-7971.

The officers of the corporation are:

Judson G. Vannoy	President and Treasurer
Marilyn M. Vannoy	Vice President and Secretary.

ATTORNEY REPRESENTING DEVELOPER: Hamilton, Gibson, Nickelsen, Rush & Moore (Attention: Earl T. Sato), 20th

Floor, Hawaii Building, 745 Fort Street, Honolulu, Hawaii 96813, Phone: 521-0400.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime and plans submitted by the developer indicate a leasehold condominium project consisting of a one-story building, without basement, constructed principally of concrete and wood. There will be ten (10) apartment units contained in the building, which spaces are referred to herein as "apartments".

Each of the apartments consists of loft space and a toilet. The approximate floor area of each apartment is as follows:

<u>Apartment No.</u>	<u>Approximate Net Floor Area</u>
101	441.46 sq. ft.
102	408.56 sq. ft.
103	408.50 sq. ft.
104	441.46 sq. ft.
105	855.54 sq. ft.
106	855.54 sq. ft.
107	855.54 sq. ft.
108	855.54 sq. ft.
109	859.20 sq. ft.
110	859.20 sq. ft.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve more than one apartment. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls, doors and door frames, windows and window frames, the patio air space (if any), the inner decorated or finished surfaces of all walls, floors and ceilings and all fixtures originally installed therein.

COMMON ELEMENTS: One (1) freehold estate (called "common elements") is designated in all of the remaining portions and appurtenances of the project, including specifically but not limited to:

(a) Said land in fee simple;

(b) All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, entries, stairways, elevators, walkways, corridors, halls, entrances and exits of said building;

- (c) All yards, grounds and landscaping;
- (d) All storage spaces, all trash collection areas, if any, all machinery and equipment rooms;
- (e) All unassigned parking and loading areas;

NOTE: The plans submitted by the developer indicates that there is an "extra stall" which does not meet all the requirements of a formal parking stall and is not included in the sixteen (16) parking stalls which are a part of the project.

(f) All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, and air conditioning, if any; and

(g) Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

INTEREST TO BE CONVEYED TO PURCHASERS: Each apartment shall have appurtenant thereto an undivided percentage interest in all common elements of the project (called the "common interest"), and the same proportionate share in all common profits and expenses of the project and for all other purposes, including voting, as follows:

<u>Apartment No.</u>	<u>Percentage Common Interest</u>
101	6.45%
102	5.97%
103	5.97%
104	6.45%
105	12.51%
106	12.51%
107	12.51%
108	12.51%
109	12.56%
110	12.56%

Said common interests were determined by dividing each apartment's interior floor area by the total interior floor area of all apartments of the project.

Each purchaser will secure a Condominium Conveyance Document conveying an apartment, together with an undivided percentage interest in the common elements of the building of the project, and leasing an undivided percentage interest in the land upon which the project is located.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The proposed Declaration provides that the apartments shall be occupied and used only for business and commercial purposes and for no other purpose.

NOTE: The purchaser and prospective purchaser are advised to read and understand Section 19.18.020 of the Code of the County of Maui, 1980: A Codification of the General Ordinances of the County of Maui, Hawaii which sets forth the permitted uses under zoning classification B-2 (Community Business District).

The By-Laws of the Association provide, among others, that (1) no livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the project; and (2) no apartment owner or occupant shall, without the written approval of the Board of Directors, install any wiring for electrical or telephone installations, television antenna, machines or air conditioning units, or other equipment or appurtenances whatsoever on the exterior of the project or protruding through the walls, windows or roof thereof.

OWNERSHIP OF TITLE: A Preliminary Report dated December 31, 1981, issued by Title Guaranty of Hawaii, Incorporated represents that the fee simple title to the property submitted to the regime is vested in Gregory How Ming Chang and Cynthia Jan Chang, husband and wife. The developer has submitted to the Commission a copy of a Short Form Lease dated December 28, 1981, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 1100465, from said fee owner demising said property to the developer.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated December 31, 1981, issued by Title Guaranty of Hawaii, Incorporated submitted to the Commission, provides that the following are encumbrances against title to the property:

1. For any taxes that may be due and owing, reference is made to the office of the Tax Assessor, Second Division.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated November 19, 1981, between Standard Escrow, Inc. and the developer has been filed with the Commission. On examination, the executed Escrow Agreement, as well as the specimen Condominium Reservation Agreement, Deposit Receipt and Contract, filed with the Commission is found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended.

Among other provisions, the specimen Sales Contract provides:

1. The Construction Contract will contain a provision that the Contractor will promptly correct any

of its work found to be defective or not in conformance with its Construction Contract, for a period of one (1) year after the "Date of Substantial Completion" as defined in said Construction Contract. Seller hereby agrees that if the Buyer informs Seller of any construction within Buyer's apartment which does not conform to those standards within three hundred thirty (330) days after the "Date of Substantial Completion" as defined in said Construction Contract, that Seller will direct and will employ all reasonable efforts to have the Contractor correct any such fault(s) or defect(s) pursuant to its agreement with Seller; provided, however, that written notice thereof shall be given to Seller by Buyer within said 330-day period.

2. Buyer agrees that all of the rights of Buyer are and shall be subject and subordinate to the lien of any mortgage securing the repayment of the interim loans made to finance the cost of construction and other costs during construction and to any and all advances made thereon.

3. The Buyer agrees that until the Seller has closed out the sale of all of the apartments in the condominium project or until a date certain to be determined at a later date, whichever occurs first, that Buyer will not enter into an agreement in the condominium project and/or any third party under which Buyer agrees to share expenses and/or rentals of apartments in the condominium project.

The Escrow Agreement provides in part that:

A purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to said purchaser, without interest and less Escrow's cancellation fee of ONE HUNDRED AND NO/100 DOLLARS (\$100.00), if applicable, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

1. Escrow receives a written request from the Seller to return to purchaser the funds of such purchaser then held hereunder by Escrow; or

2. 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 a county officer having jurisdiction over the issuance of permits for construction, unless the purchaser has given written approval or acceptance of the change; or

3. If the request is prior to the time the Final Public Report is issued, or if after such time, 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 differences; or

4. If the Final Public Report is not issued within one (1) year from the date of issuance of the Preliminary Public Report.

Escrow's cancellation fee shall be paid by Seller and not the purchaser in the event a Sales Contract is cancelled pursuant to paragraphs 2, 3 or 4.

Upon refund of said funds to purchaser as aforesaid, Escrow shall return to Seller such purchaser's Sales Contract and any apartment deed theretofore delivered to Escrow, and thereupon purchaser shall be deemed no longer obligated thereunder.

If at any time the Seller shall certify in writing to Escrow that a purchaser, whose funds are being held hereunder by Escrow, has defaulted under the terms of his Sales Contract and that the Seller has terminated said Contract pursuant to the terms hereof, Escrow shall notify said purchaser of said default and shall thereafter treat all funds such purchaser paid under such Contract, less Escrow's cancellation fee of ONE HUNDRED AND NO/100 DOLLARS (\$100.00), as the escrowed funds of said Seller and not of purchaser.

All funds received by Escrow shall be deposited in an interest-bearing account or accounts in a federally insured bank or savings and loan institution, to be held therein subject to all the terms and provisions hereof and to be subject to being drawn only upon written approval or signature by Escrow. All interest earned from such account or accounts shall be credited to the account of Seller pursuant to agreement between Seller and purchasers as set forth in said Contract of Sale.

It is incumbent on the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the Condominium Reservation Agreement, Deposit Receipt and Contract, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchaser's funds. The specimen Sales Agreement specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided. Purchaser and prospective purchasers are advised to read the provisions of the Reservation Agreement with care.

NOTE: The developer advises that each purchaser will be required to pay at closing a security deposit in an amount equal to three (3) months' lease rent for the respective apartment.

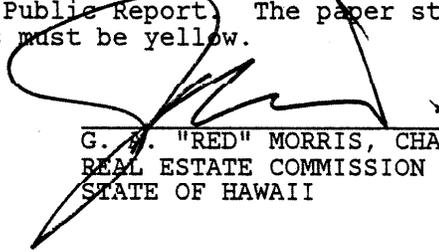
MANAGEMENT AND OPERATIONS: The proposed Declaration provides that the operation of the project shall be conducted for the Association of Apartment Owners by a responsible managing agent who shall be appointed by the Association in accordance with the By-Laws. The

developer advises that a managing agent has not been selected yet.

STATUS OF PROJECT: The developer has advised the Commission that it estimates the construction of the project will commence on March 1, 1982 and is estimated to be completed by September, 1982.

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 January 8, 1982, and additional information subsequently filed as of February 2, 1982.

This is a PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 1480 filed with the Commission on January 8, 1982. 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.



G. S. "RED" MORRIS, CHAIRMAN,
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

DEPARTMENT OF FINANCE
BUREAU OF CONVEYANCES
PLANNING COMMISSION,
COUNTY OF MAUI
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

REGISTRATION NO. 1480

February 8, 1982

DISCLOSURE ABSTRACT

1. (a) Name and Address of Project:

LAHAINA PLACE
136 Dickenson Street
Lahaina, Maui, Hawaii

(b) Name, Address and Telephone Number of Developer:

GLENMAR DEVELOPMENT CO., INC.
P. O. Box 815
Lahaina, Maui, Hawaii 96761
Tel. No. 661-4646

2. Attached hereto is a projected budget which indicates, among other items, the estimated maintenance fees for the apartments of the project.

NOTE

SELLER ADVISES THAT THE COSTS AND EXPENSES OF MAINTENANCE AND OPERATION OF A CONDOMINIUM PROJECT ARE DIFFICULT TO ESTIMATE INITIALLY AND EVEN IF SUCH COSTS AND EXPENSES HAVE BEEN ACCURATELY ESTIMATED, THAT SUCH COSTS AND EXPENSES WILL TEND TO INCREASE WITH PRICE INCREASES AND THE INCREASED AGE OF THE FACILITIES.

3. The sales contract for the project contains the following provisions concerning warranties:

"Seller anticipates BUT DOES NOT WARRANT that the construction contract with the general contractor for the Project will contain a clause similar to Section 13.2.2 of AIA Document A201 which provides in pertinent part that:

'If, within one year after the Date of Substantial Completion ..., any of the Work is found to be defective or not in accordance with the Contract Documents, the Contractor shall correct it promptly after receipt of a written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition.'

"Seller makes no warranties itself, but Seller agrees that the assignment by Seller to Buyer of any and all warranties given Seller by the General Contractor

for the Project, including the above described Contractor's agreement to promptly correct any of its work found to be defective or not in conformance with the Construction Contract for a period of one (1) year after the "Date of Substantial Completion" of the apartment as defined in the Construction Contract and the benefit of such agreement shall accrue to Buyer on closing without further instruments or documents. Seller hereby agrees to cooperate with Buyer during the effective period of such agreement in asserting any claims based thereon. Buyer acknowledges and agrees that Seller is not adopting the contractor's warranty or acting as co-warrantor but is merely attempting to pass through to Buyer the benefit of any such contractor's warranty, if any.

"Seller shall also assign to Buyer the unexpired term, if any, of any manufacturer's or dealer's warranties covering any furnishings, fixtures and appliances in the apartment. Buyer acknowledges that the Seller is only passing through to Buyer any such manufacturer's or dealer's warranties; Seller is not undertaking to adopt any such warranties or to act as co-warrantor with respect to any furnishings, fixtures or appliances covered thereby. The terms of the manufacturer's or dealer's written warranties are available for the Buyer's examination at the Seller's sales office.

"Except for the agreements set forth above, it is expressly understood and agreed by and between Seller and Buyer that SELLER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, CONSUMER PRODUCTS INSTALLED THEREIN, THE PROJECT OR ANYTHING INSTALLED THEREIN, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS OF THE APARTMENT FOR A PARTICULAR PURPOSE."

4. A statement of the proposed number of apartments to be used for residential or hotel use in a mixed use project containing apartments for both residential and hotel use:

The apartments shall not be occupied and used for residential or hotel purposes.

5. A statement of the extent of commercial or non-residential development in the project:

The apartments may be occupied and used only for business and commercial purposes and for no other purposes.

DATED: December 30, 1981.

ESTIMATED MAINTENANCE COST
LAHAINA PLACE

	<u>Annually</u>	<u>Monthly</u>
Audit & Legal	\$ 600	\$ 50
Management Fees	2,400	200
Insurance	5,400	450
Pest Control	120	10
Refuse Pick Up	420	35
Maintenance & Repair	2,400	200
Grounds Maintenance	4,800	400
Electricity	240	20
Water	720	60
Sewer	240	20
Miscellaneous	<u>600</u>	<u>50</u>
TOTAL	<u>\$17,940</u>	<u>\$1,495</u>

Per Apartment:

<u>Apartment No.</u>	<u>Monthly Maintenance Fee</u>
101	\$ 96.50
102	89.25
103	89.25
104	96.50
105	187.00
106	187.00
107	187.00
108	187.00
109	187.75
110	187.75

It is hereby certified that the foregoing budget is based on generally accepted accounting principles.

GLENMAR DEVELOPMENT CO., INC.

BY

Its 