

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

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

LAHAINALUNA HOMES CONDOMINIUM PROJECT
Lahainaluna Road
Lahaina, Maui, Hawaii

REGISTRATION NO.1651 (CONVERSION)

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 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: March 13, 1985

Expires: April 13, 1986

SPECIAL ATTENTION

A comprehensive reading of this report is urged in order that personal requirements and expectations 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 DECEMBER 4, 1984, AND INFORMATION SUBSEQUENTLY FILED AS OF MARCH 7, 1985. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENT OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. LAHAINALUNA HOMES CONDOMINIUM PROJECT is a fee simple condominium conversion project consisting of five (5) residential apartments constructed in 1972. Each apartment will include an attached two-car carport.

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 Final Public Report.
3. The Developer reports that the Declaration of Horizontal Property Regime and the Bylaws dated June 21, 1984 have been filed in the Bureau of Conveyances of the State of Hawaii in Liber 18195, Page 71, and that the Condominium Map has been filed as Condominium Map No. 925.
4. As of this date no advertising and promotional matters have been submitted to the Commission pursuant to its rules and regulations.
5. 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.
6. This Final Public Report automatically expires thirteen (13) months after the date of issuance, March 13, 1985, unless a Supplementary Public Report issues, or the Commission, upon review of registration, issues an order extending the effective date of this report.
7. This Final Public Report is made a part of the registration of LAHAINALUNA HOMES CONDOMINIUM PROJECT. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock) and the attached Disclosure abstract in the hands of all purchasers and prospective purchasers and securing a signed receipt therefor.

NAME OF PROJECT: LAHAINALUNA HOMES CONDOMINIUM PROJECT

LOCATION: The project is located at Lahaina, Maui, Hawaii, and consists of approximately 28,854 square feet of land.

TAX KEY: 4-6-26-2, Second Division

ZONING: Residential

DEVELOPER: YEE BROTHERS, INC., is a Hawaii corporation and has its principal place of business at 2390 Aina Lani Place, Honolulu, Hawaii 96822; telephone: 949-5262. The officers are: Alan Yee, President; Michael Yee, Vice President; Randall Yee, Treasurer; Hunnie C. Yee, Secretary.

ATTORNEY REPRESENTING DEVELOPER: None.

DESCRIPTION OF PROJECT: The project consists of five (5) one-story three-bedroom residential apartments constructed principally of wood and glass. Each apartment includes an attached carport with two (2) covered parking stalls. Each apartment also contains an electric range, refrigerator, water heater, and garbage disposal.

Each apartment consists of 3 bedrooms, 1-1/2 bath, a kitchen and living room with a net living area of approximately 936 square feet and a covered carport of approximately 413 square feet.

The respective apartments shall not be deemed to include any pipes, wires, conduits, or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements.

COMMON ELEMENTS: The common elements include the land and all improvements on the land (except for all portions thereof which are apartments) as well as all common elements mentioned in Chapter 514-A, Hawaii Revised Statutes, as amended, which are actually included in the project, including specifically but not limited to:

- a) Said land in fee simple;
- b) All yards, grounds, landscape areas and uncovered walkways around and between said buildings not designated as limited common elements of the respective apartments;
- c) All roadways, stairways, sidewalks, driveways, and retaining walls not designated as part of the respective apartments;
- d) All central and appurtenant installations for common services, water, telephone, television, sewer and trash disposal; and
- e) All other elements and facilities, rationally in common use or necessary to the existence, upkeep and safety of the Project.

LIMITED COMMON ELEMENTS: Certain parts of the common element called "Limited Common Elements" are designated and set aside 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:

- a) The driveway connecting the carport or parking space of each apartment to the public road or the roadway of the project; and

- b) The stairways and walkways connecting the apartment to the roadway of the Project and/or to the carports.

PERCENTAGE OF UNDIVIDED OWNERSHIP TO BE CONVEYED TO PURCHASERS: Each apartment shall have appurtenant thereto an undivided twenty (20%) percentage interest in all common elements of the Project and the same proportionate share in all common profits and expenses of the Project and for all other purposes, including voting.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: With the exception of a mortgagee in possession of an apartment following a default under a mortgage encumbering an apartment in the project, a foreclosure proceeding or other arrangement in lieu of foreclosure, the residential apartments shall at all times be occupied and used only for residential purposes.

The House Rules provide, in part: (1) All pets must be registered immediately upon arrival with the Resident Manager; (2) No fires or barbecuing will be permitted on any apartment lanais; and (3) Occupancy is limited to no more than two persons per bedroom contained in each apartment, except that this occupancy may be exceeded by members of the immediate family of the owner, renter or lessee.

OWNERSHIP OF TITLE: The Developer has filed with the Commission a Status Title Report, dated January 15, 1985, prepared by Title Guaranty of Hawaii, which certifies that title to the land committed to this regime is vested in Yee Brothers, Inc. the Developer.

ENCUMBRANCES: Said Title Report prepared by Title Guaranty of Hawaii states that the land is subject to the following encumbrances:

1. For any taxes that may be due and owing, reference is hereby made to the Office of the Tax Assessor, Second Divisions.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. Mortgage, Security Agreement, and Financing Statement recorded on December 28, 1983, in the Bureau of Conveyances of the State of Hawaii in Book 18141, Page 448, made by YEE BROTHERS, INC., a Hawaii corporation, as Mortgagor(s), to FIRST HAWAIIAN BANK, a Hawaii banking corporation, as Mortgagees(s), to secure the repayment of the sum of \$255,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor(s) therein referred to.

NOTE: The mortgage listed under number 3 above will be released on initial conveyance of any of the apartments within the project.

4. The restrictions conditions, and other provisions set forth in Declaration of Horizontal Property Regime dated June 21, 1984, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 18195, Page 71, and the Bylaws attached thereto. (Project covered by Condominium Map No. 925.)

PURCHASER MONEY HANDLING: A copy of the specimen sales contract and the escrow agreement has been submitted as part of the registration. The escrow agreement dated June 29, 1984 identifies Title Guaranty Escrow Services, Inc., as the escrow agent. Upon examination, the specimen sales contract and the executed escrow agreement are found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended, and particularly with Sections 514A-37, 514A-63 and 514A-65, Hawaii Revised Statutes, as amended.

Among other provisions, the executed escrow agreement provides that a purchaser under contract of sale, upon written request, shall be entitled to a refund of all monies deposited with escrow (with interest), if any, and less any cancellation fee if any one of the following shall have occurred: (1) Developer has requested escrow in writing to return to purchaser the funds of such purchase then held by escrow; or (b) if less than forty-eight (48) hours has elapsed since purchaser has acknowledged receipt of true copy of the Real Estate Commission's Final Public Report.

The specimen sales contract provides that has been submitted as part of the registration. The escrow agreement dated June 29, 1984 identifies Title Guaranty Escrow Services, Inc., as the escrow agent. Upon examination, the specimen sales contract purchasers who have agreed to obtain mortgage loans have not secured commitments therefore satisfactory to Developer, Developer may cancel the sales contract and refund all monies paid by the purchasers without interest less the costs of any credit report, an escrow cancellation fee and other costs actually incurred in processing the loan application. The sales contract also provides for a limited one-year general contractor's warranty and subordination of this sales contract to the existing mortgage.

It is incumbent upon the purchaser that he reads with care the executed Escrow Agreement and specimen Sales Agreement. The Escrow Agreement established how the proceeds from the apartment units and all sums received from and source are placed in escrow, as well as the retention and disbursement of said trust funds.

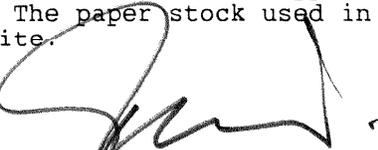
MANAGEMENT AND OPERATION: Article IV Section 2 of the Bylaws states that the Board of Directors may employ a responsible corporate managing agent to manage and control the property subject at all times to direction by the Board of Directors. At this time, no management agent has been hired. Negligible maintenance costs are anticipated.

STATUS OF PROJECT: All five units were built in 1972. According to a letter dated October 1, 1984, from the Director of Public Works for the County of Maui, the project was built, to the best of his knowledge, in conformance with all codes, ordinances, rules and regulations in force at that time.

The purchaser or respective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted December 4, 1984, and information subsequently filed as of March 7, 1985.

THIS FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1651 filed with the Commission on December 4, 1984.

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



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

DISTRIBUTION:

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

DATE: January , 1985

REGISTRATION NO. 1651