

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

PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT ON

THE MASTERS AT KAA NAPALI HILLSIDE, PHASE A
Puu Anoano Street, Kaa napali Hillside
Kaa napali, Maui, Hawaii

REGISTRATION NO. 1714

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: November 14, 1985
Expires: December 14, 1986

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 OCTOBER 29, 1985, AND INFORMATION SUBSEQUENTLY FILED AS OF NOVEMBER 6, 1985. DEVELOPER IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. THE MASTERS AT KAA NAPALI HILLSIDE, PHASE A, is a proposed fee simple condominium project consisting of twenty-nine (29) residential apartments to be built in five (5) buildings, all in accordance with floor plans filed with the Real Estate Commission. The project will contain fifty-one (51) parking spaces, including twenty (20) for guest parking.

2. The Developer has submitted to the Commission for examination all documents deemed necessary for the registration of this proposed condominium project and the issuance of this Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the 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 materials have been submitted pursuant to the 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, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, November 14, 1985, 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.
7. This Preliminary Public Report is made a part of the registration of THE MASTERS AT KAA NAPALI HILLSIDE, PHASE A. The Developer is responsible for 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 from each purchaser or prospective purchaser a signed receipt therefor.

NAME OF PROJECT: THE MASTERS AT KAA NAPALI HILLSIDE, PHASE A.

LOCATION: The project is located at Puu Anoano Street, Kaanapali Hillside, Kaanapali, Maui, Hawaii, on a parcel of approximately 7.293 acres.

TAX MAP KEY: Second Division, 4-4-06: 34 (portion)

ZONING: Residential (Planned Development)

DEVELOPER: The Developer is Ohbayashi Hawaii Corporation, a Hawaii corporation, whose business and post office address is Pacific Tower, 1001 Bishop Street, Suite 2680, Honolulu, Hawaii 96813, telephone: 524-5163. The officers are Toshiharu Hino, President; Tsutomu Tsuda, Vice President; Norihide Okazaki, Vice President; and Shunji Taniguchi, Treasurer and Secretary.

ATTORNEY REPRESENTING DEVELOPER: Tamotsu Tanaka Attorney At Law A Law Corporation, 333 Queen Street, Suite 600, Honolulu, Hawaii 96813, telephone: 523-7581.

DESCRIPTION OF THE PROJECT:

A. Description of Buildings (Phase A): The Property shall contain five (5) separate apartment buildings and a recreation building constructed principally of wood, ceramic tile, glass, concrete, aluminium, and gypsum board. The five (5) different and distinct two-story apartment buildings are designated as Buildings 5, 6, 7, 8 and 9. Building 5 shall contain seven (7) apartments, Building 6 shall contain four (4) apartments, and Buildings 7, 8 and 9 shall each contain six (6) apartments. No building contains a basement.

In addition to the apartment buildings, there will be constructed a recreation building southeast of Building 5, which building shall consist of one story, without basement, and contain no apartments.

The apartment buildings are numbered counterclockwise from the entry road as shown on the Condominium Map.

B. Description of the Apartments (Phase A): Twenty-nine (29) separate condominium apartments are designated in the space within the perimeter and party walls, windows, doors, floors and ceilings of each of the twenty-nine (29) apartment units (specifically including the appurtenant lanai) of the Property, distributed among the apartment buildings of the Property as described above, which spaces together with appurtenant lanai air spaces are referred to herein as "apartments", and are designated on said Condominium Map and described as follows:

(a) Apartment Numbers and Locations: The apartment designations will consist of three numbers. The first number represents the building number; the next two numbers represent the apartment number within the building starting from the right side of the building; ground floor apartments will have odd numbers and second floor apartments will have even numbers. Further, if there is no apartment above a ground floor apartment, there would be no number. Hence, for Building No. 5, Apartments 501, 503, 505 and 507 are located on the ground floor and Apartments 504, 506 and 508 are located on the second floor. Since there is no apartment above Apartment 501, there is no Apartment 502. The apartment numbers and locations are more fully illustrated on the Condominium Map.

(b) Layout and Area of Individual Apartments: A description of each apartment, designating the location, number of rooms and approximate area, and designated parking stall or stalls is set forth in Exhibit "A", attached hereto and incorporated herein by this reference.

(c) Access to Common Elements: Each apartment has immediate access to the grounds of the Property or to a walkway or stairway leading to the grounds of the Property.

(d) Other Data Identifying and Defining the Apartments: The respective apartments shall not be deemed to include the perimeter or party walls or the inside undecorated or unfinished surfaces thereof; or the exterior decorated or finished surfaces of all doors, door frames, windows and window frames; or any interior load-bearing walls; or the floor and ceiling surrounding each apartment; or any pipes, wires, conduits or other utility or service lines which are utilized for or serve more than one apartment; all of the foregoing being common elements as hereinafter provided. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter or party walls; the inner decorated or finished surfaces of all walls, floors and ceilings; all doors, door frames, windows and window frames, except the exterior decorated or finished surface thereof; the lanai air space; and all fixtures originally installed in the apartment.

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

(a) Said land in fee simple;

(b) All structural components, such as foundations, beams, supports, main walls, roofs, halls, corridors, exterior stairs and stairways, entrances, exits, floor slabs, unfinished perimeter, party and load-bearing walls, walkways and balconies of said buildings;

(c) All common spaces such as yards, gardens, planting areas, recreation building, including the pool, jacuzzi and dressing areas, trash collection areas, all parking areas, driveways, access lanes, all signs, including the project sign at the entrance, and the entrance gate;

(d) All common premises for the use of maintenance personnel or other persons employed for operation of the Property, if any;

(e) Installations for services such as pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under, or across the Property which serve more than one apartment for services such as power, light, gas, hot water, cold water, sewage, telephone, radio and television signal distribution, if any; provided, however, that ownership of any common element by the Association shall start from but exclude any meter box or other measuring device that is installed or if no meter box or other measuring device is installed, then from the point of connection onto the trunk line in case of sewer or drainage improvements or as provided in the laws, rules or regulations applicable to the company providing such services in the case of telephone and television signal improvements.

(f) Any apparatus and installations existing for common use, such as tanks, pumps, motors, fans, compressors, ducts, vents, and other such installations and apparatus;

(g) All other parts of the Property necessary or convenient to its existence, maintenance, and safety or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called the "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 as follows: Each apartment shall have for its exclusive use (a) the parking stall or stalls designated on the Condominium Map as appurtenant to such apartment; (b) the mailbox bearing the same number as such apartment, subject to the right of Declarant in its discretion and at its expense, to relocate all mailboxes to another location; (c) ground floor apartments only shall have the exclusive use of and maintenance responsibility for the unpaved space between the concrete slab lanai area and the rock wall that will be built on two sides of the lanai.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto an undivided percentage interest in all common elements of the property (herein called the "common interest"), and the same proportionate share in all common profits and expenses of the property and for all other purposes, including voting, as shown on Exhibit "B", attached hereto and incorporated herein by this reference.

DEVELOPER'S RIGHT TO MERGE PROPERTY WITH ANY OTHER PHASE OR PHASES: The Masters At Kaanapali Hillside, Phase A, is the first phase of a proposed eleven (11) phase project. The location of the proposed second to eleventh phases of The Masters At Kaanapali Hillside Condominium in the adjoining 30.651 acres of land owned by Developer. Whether the second to eleventh phases will be developed at all or in the manner or order proposed by Developer is not known. If any other phase is developed, the Developer reserves the right to alter and modify the boundaries of any phase or the improvements to be constructed in any phase, except that the floor plans and building elevations shall not be materially different from those in the Condominium Map, it being understood that changes in building elevations will occur when different floor plans are used. Developer has floor plans for approximately 20 types of apartments. Developer also reserves the right from time to time to cause either legal merger of such phase or phases in accordance with this Section 17 of the Declaration or to cause an administrative merger as provided in Section 18 of the Declaration. Developer also reserves all rights to develop any phase as a separate condominium project or other type of real estate project.

If a legal merger occurs, then the percentage common interest of all apartment owners shall be calculated and determined according to the ratio of each apartment's interior floor area, including lanai, of all apartments in the project, as merged. All instruments of ownership, including mortgages will have to be amended to reflect the new percentage common interests.

If an administrative merger occurs, then all apartment owners shall share common expenses of the project, as merged, on the basis of the ratio of each apartment's interior floor, including lanai, compared to the total interior floor area, including lanai of all apartments in the project, as merged. Instruments of ownership, including mortgages, will not be amended.

The merged projects will be operated as one project with all owners being entitled to utilize all common areas of the merged project. Administration of the merged project will be under the direction and control of one Board of Directors elected by vote of the apartment owners in the merged project.

This is a summary of the legal and administrative merger provisions contained in Sections 17 and 18 of the Declaration. Interested persons are urged to read Sections 17 and 18 of the Declaration for complete information.

EASEMENTS AND RESERVATIONS: The proposed Declaration of Horizontal Property Regime provides that the apartments and common elements, including limited common elements, shall have and be subject to a number of easements, including but not limited to the following, which the purchaser should note:

A. The Developer shall have the right to conduct extensive sales activities in the Project, including the use of any apartment(s) as model apartment(s), sales and management offices, and to place, put or locate extensive sales signs, displays and activities in the common areas and to use the common areas, including the recreation building and parking areas, for sales purposes until the closing of the sale of the last unsold apartment in the Property or any other project in Developer's Adjoining Land which Developer proposes later to be merged with the Property.

B. Developer, its agents, employees, contractors, licensees, successors and assigns shall have an easement over, under and upon the Property as may be reasonably necessary (a) for the completion of improvements, including but not limited to the buildings, parking areas and landscaping in, on or under the Property, or (b) to repair or correction of any defects in the construction of any improvement in, on or under the Property or (c) add, replace or remove or otherwise improve the landscaping of the entrance to the Property and any portion of the entry road to the Property, or (d) to join, attach or connect onto any common element providing central and appurtenant installation for services such as roads, power, light, gas, hot and cold water, sewage, and drainage to Declarant's Adjoining Property. Such easement shall terminate ten (10) years following the date of recordation of this Declaration. Such period shall be extended for such additional period (not to exceed twelve (12) months) as may be reasonably necessary for the completion of such improvements in the exercise of due diligence or such additional period as may become necessary if such completion is delayed by reason of factors beyond Developer's control.

C. Developer reserves unto itself, its successors and assigns, the right (a) to grant and convey to others

non-exclusive easements over, across and under any portion of the common elements, including the roadways in or on the Land, for road, utility, cable television, telephone, sewer, drainage, water, rubbish collection, mail delivery, newspaper delivery and other domestic household purposes, together with a duty in the holder of any easement, as applicable, to pay its proportionate share of the costs of maintenance, repair and replacement of any common element; (b) to consolidate the Land and Property with all or any part of the Developer's Adjoining Land, in Developer's sole discretion, and resubdivide such consolidation in order to allow construction of improvements in or on all or any part of Developer's Adjoining Land as planned by Developer, and merger of the Land and Property with all or any part of Developer's Adjoining Land without consent or joinder by any other person or entity.

PURPOSES OF AND RESTRICTIONS ON USE OF BUILDINGS AND INDIVIDUAL APARTMENTS. The apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and personal guests and for no other purpose. The apartments shall not be rented for transient or hotel purposes, which are defined as rental for any period less than 30 days. The Association shall have the power to enact resolutions, rules and regulations, and have the power to amend and repeal the same from time to time, reasonably restricting and regulating the use of the apartments and the common elements; provided, that any such resolutions, rules or regulations shall be consistent with the terms of the Declaration, and the By-Laws.

The owners of the respective apartments shall have the absolute right to sell, lease, rent or otherwise transfer such apartments subject to all provisions of the Horizontal Property Act, this Declaration and the By-Laws recorded concurrently herewith.

No apartment owner shall use his apartment or appurtenant limited common elements for any purpose which will injure the reputation of the Property, or suffer anything to be done or kept in his apartment or elsewhere on the Property which will (a) jeopardize the soundness or safety of the Property, or (b) interfere with or unreasonably disturb the rights of other owners and occupants, or (c) impair any easement or hereditament, (d) reduce the value of the Property, or (e) increase the rate (unless such owner pays such increase and the Board approves thereof) or result in the cancellation of fire insurance on the apartments or the contents thereof.

The By-Laws provide in part:

No livestock, poultry, rabbits or other animals whatsoever, including but not limited to pests as defined in HRS §150A-2 or animals prohibited from importation under HRS §§141-2, 150A-5 or 150A-6, shall be allowed or kept in any part of the Property except that one dog (not to exceed twenty-five pounds in weight), or one cat or one other household pet as allowed by the Board may be kept in an apartment but shall not be kept, bred, or used therein for any commercial, profit making, or money generating purposes, nor allowed on any common elements except in transit when carried or on leash. Any authorized pet

may be kept in an apartment on the following terms and conditions:

(1) All pets must be registered with the Board or Managing Agent.

(2) The Apartment Owner(s) and tenant(s) of an apartment with a pet shall indemnify and hold the Board and the Managing Agent harmless from and against any and all claims, liabilities, or damages arising out of the presence of such pet in the apartment and the Project.

(3) The Apartment Owner(s) agrees in writing to allow the Apartment Owner's tenant(s) to keep a pet in the apartment.

(4) The Apartment Owner(s) and tenant(s) owning or having custody of a dog must (a) obtain a liability insurance policy with reasonable coverage and including the Board and the Association as additional insureds and provide a current certificate of such insurance shall be provided to the Board or Managing Agent; (b) diligently and promptly pick up and dispose of any solid waste discharged by the dog on any walkway, open area or other part of the common elements.

(5) Failure to register a pet or provide the required indemnity or certificate of insurance shall be grounds for the Board to order that the pet be permanently removed from the apartment and Project upon notice given by the Board of Managing Agent.

(6) Any pet causing a nuisance or unreasonable disturbance to any other occupant of the Property shall be permanently and promptly removed from the apartment upon notice given by the Board or Managing Agent.

The proposed House Rules provide, in part:

Occupancy is limited to not more than two persons per bedroom contained in each apartment, excluding children under the age of five (5), except that in no event and under no circumstances shall the number of occupants per bedroom contained in each apartment exceed three (3) per bedroom, inclusive of children under the age of five (5).

No waterbeds shall be permitted in the second story of any apartment building.

OWNERSHIP OF TITLE: The Preliminary Report by Title Guaranty of Hawaii, Incorporated, dated September 20, 1985, reflects that fee simple title to the land is held by Ohbayashi Hawaii Corporation, a Hawaii corporation.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report dated September 20, 1985, and Developer's report show title to the property to be subject to the following encumbrances:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

2. The restrictive covenants set forth in Declaration dated September 29, 1967, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 5815, Page 198.
3. "Lease in favor of Maui Electric Company, Limited, and Hawaiian Telephone Company dated October 13, 1967, recorded in said Bureau of Conveyances in Liber 5893, Page 226; leasing and demising rights-of-way, each twenty-five (25) feet in width, over, across and under the land described herein, besides other land, for a term of 35 years commencing October 13, 1967, and thereafter from year to year until terminated."
4. The reservations set forth in Deed dated September 29, 1967, recorded in said Bureau of Conveyances in Liber 5815, Page 214, to-wit:

"Reserving unto the Grantor, its successors and assigns, the following:

(1) The perpetual right and easement in favor of the Grantor, its successors and assigns, over and upon the granted premises, but without any right of entry thereon, to discharge, emit, diffuse and inflict noise, smoke, soot, dust, lights, noxious vapors, odors and other minor nuisances of every description created by and resulting from the operations of the Grantor, its successors and assigns, in burning sugar cane and bagasse, miller, generating power, trucking, hauling and all other activities incidental to the operation of a sugar plantation; and

(2) The perpetual right and easement in favor of the Grantor, its successors and assigns, to maintain an irrigation waterline and to enter upon the property in a careful and prudent manner and to lay, install, maintain, repair, replace or renew said irrigation waterline and to do in the same manner such other things necessary to operate an irrigation waterline in, upon, along and over the portion of the property described in Exhibit 'A' as Easement G-1, hereinafter called the 'right-of-way';

Provided, however, that if the present location of said irrigation waterline interferes with the orderly development of the property, the Grantor shall adjust the location of said irrigation waterline within the right-of-way or in the event such relocation is impracticable, the Grantor shall relocate said irrigation waterline to such substitute right-of-way provided by the Grantee, the expense of any such adjustment or relocation to be borne by the Grantor."

5. The covenants set forth in instrument filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document Nos. 498923 and 499179.
6. Grant in favor of Maui Electric Company, Limited, and Hawaiian Telephone Company dated March 23, 1970, recorded in said Bureau of Conveyances in Liber 7287, Page 73; granting non-exclusive easement for underground powerline purposes.

7. Declaration of Covenants and Restrictions dated June 18, 1980, recorded in said Bureau of Conveyances in Liber 14798, Page 729, as amended by instrument dated July 15, 1982, recorded in said Bureau of Conveyances in Liber 16467, Page 703.
8. The exception and reservation unto the Grantor, its successors and assigns, forever, of the following easements, including the right to grant to the United States of America, the State of Hawaii, the County of Maui, or any other appropriate governmental agency, or to any public utility or other corporation, easements for the purposes described below as Grantor may desire or require:
 - (1) Such future easements and rights of way over, across, under and through the granted premises for access, sewer, drainage, utility and other purposes as Grantor may reasonably require for operation of the Kaanapali Beach Resort as a first class destination resort, the operation of the residential areas of Kaanapali, and for the future development of Grantor's surrounding lands; provided, that such easements shall not unreasonably interfere with the use of the granted premises by Grantee.
 - (2) A reservation as appurtenant to the lands of the Grantor, located in the District of Lahaina, now owned and used or hereafter acquired and used by the Grantor in its sugar plantation operations, the perpetual right and easement over and upon the granted premises to discharge, emit, or transmit surface water runoff, noise, smoke, soot, dust, lights, vapors, odors and other substances and phenomena of every description created by and resulting from (1) the reasonable operations of the Grantor in burning sugar cane and bagasse, milling, generating power, trucking, hauling and all other activities incidental to the operation of a sugar cane plantation, and (2) the operations of the Grantor, its lessees and licensees in constructing, operating and maintaining a railroad, a portion of which may be located adjacent to or near the granted premises; and the Grantee does hereby waive any and all claims under any law whatsoever against the Grantor arising therefrom.";
9. Grant in favor of Kaanapali Water Corporation, a Hawaii corporation, dated June 4, 1980, recorded in said Bureau of Conveyances in Liber 14798, Page 744; granting a perpetual and nonexclusive Easement 4 for the construction, installation, maintenance, operation, replacement, repair, and removal of pipe lines, etc. in, upon, through, over, under and across that certain premises more particularly described therein.
10. Private Water System Agreement dated September 30, 1981, recorded in said Bureau of Conveyances in Liber 15930, Page 778. by and between Ohbayashi Hawaii Corporation, a Hawaii corporation, "Ohbayashi", and the Department of Water Supply, County of Maui, "Department".

11. Private Water System Agreement dated December 30, 1981, recorded in said Bureau of Conveyances in Liber 16106, Page 234, by and between Ohbayashi Hawaii Corporation, a Hawaii corporation, "Applicant", and the Department of Water Supply, County of Maui, "Department".
12. Subdivision Agreement (Large Lots) dated May 5, 1982, recorded in said Bureau of Conveyances in Liber 16348, page 324, by and between Ohbayashi Hawaii Corporation, a Hawaii corporation, "Owner", and the County of Maui, a body politic and corporate, and a political subdivision of the State of Hawaii, "County".
13. Subdivision Agreement (Three Lots or Less) dated May 3, 1982, recorded in said Bureau of Conveyances in Liber 16348, Page 331, by and between Ohbayashi Hawaii Corporation, a Hawaii corporation, "Owner", and the County of Maui, a body politic and corporate, and a political subdivision of the State of Hawaii, "County".
14. Easement 1 for sewer and drain line purposes, being a portion of Royal Patent 2567, Land Commission Award 7715, Apana 3, Part 1 to Lota Kamehameha, being also a portion of Lot B of Ohbayashi Hawaii Corporation Subdivision, situated on the Westerly side of Puu Anoano Street, at Hanakaoo, Lahaina, Maui, Hawaii.
15. An existing 15-foot wide sewer easement in favor of the County of Maui and designated as Easement 4 of Kaanapali Hillside, Unit I, File Plan 1744.
16. For any real property taxes due and owing, reference is made to the Office of the Tax Assessor, First Division.

PURCHASE MONEY HANDLING: The executed escrow agreement dated October 21, 1985, identifies Bank of Hawaii as the "Escrow" and provides that a purchaser shall be entitled to a return of his funds, if any one of the following has occurred:

(a) Developer and the purchaser shall have requested Escrow in writing to return to purchaser the funds of purchaser held hereunder by Escrow; or

(b) Developer shall have notified Escrow of Developer's exercise of the option to cancel or rescind the sales contract pursuant to any right of cancellation or rescission provided therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, the purchaser has exercised his right to cancel the contract pursuant to §514A-62, Hawaii Revised Statutes, as amended; or

(d) A purchaser has exercised his right to rescind the contract pursuant to §514A-63, Hawaii Revised Statutes, as amended.

Upon the occurrence of the event described in (a) or (b) above or upon receipt of a written request for a refund from purchaser upon the occurrence of an event described in (c) above

together with evidence satisfactory to Escrow confirming that the event described in (c) above has occurred, Escrow shall pay said funds to said purchaser with any earned interest (less a cancellation fee of Escrow and other costs associated with the purchase up to a maximum of \$250.00); or

Upon receipt of a written request for a refund from purchaser upon the occurrence of an event described in (d) above together with evidence satisfactory to Escrow confirming that the event described in (d) above has occurred, Escrow shall pay said funds to said purchaser with any earned interest. Thereupon said sales contract and any conveyance document theretofore delivered to Escrow shall be returned to Developer and shall be deemed no longer held hereunder; provided, however, that no refund shall be made to a purchaser at purchaser's request prior to receipt by Developer of written notice from Escrow of its intent to make such refund.

(e) Notwithstanding any other provision in the Escrow Agreement to the contrary, Escrow further agrees to make refunds to purchasers, in accordance with Part VI, Chapter 514A, Hawaii Revised Statutes, out of the funds then on deposit with Escrow, if the Developer and purchaser shall so request in writing and any one of the following events has occurred:

(i) no sales contract has been offered to the purchaser who has been placed on the Developer's reservation list of owner-occupant applicants; or

(ii) Purchaser has been unable to obtain adequate financing, or a commitment for adequate financing, for his unit within thirty (30) calendar days following the end of the ten (10) calendar day period during which the Developer is limited to selling to owner-occupant; or

(iii) the purchaser desires to cancel the contract on account of hardship such as those set forth in §514A-104(1), Hawaii Revised Statutes; or

(iv) the purchaser indicates an intent not to become an owner-occupant of such unit.

Except for cancellations under subparagraph (i) above, Escrow may deduct from any such refund made to a purchaser a cancellation fee and a reasonable amount representing expenses incurred by the Developer to process the sales contract.

MANAGEMENT AND OPERATION: CHANEY, BROOKS & COMPANY, whose principal place of business and mailing address is 606 Coral Street, P. O. Box 212, Honolulu, Hawaii 96810, will be the initial property manager.

STATEMENT OF FINANCING: The Developer has informed the Commission that financing for 100% of the costs of the project has been arranged through a loan from a consortium of Japanese banks with branches in the United States of America. Ohbayashi Corporation, the parent company of the Developer, will guarantee payment of the loan to the Developer. No security interest in the land or improvements or sales proceeds will be given as collateral for the loan. The Developer may, in compliance with

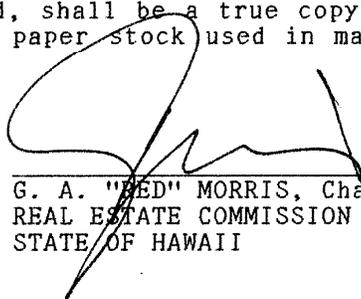
law, utilize purchasers' funds in escrow to pay a portion of the costs of the project.

STATUS OF PROJECT: The Developer advises that construction of the project is projected to commence about July 1, 1986 (upon completion of a successful sales program) and completion is scheduled for about October, 1987.

The purchaser or prospective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted October 29, 1985, and information subsequently filed as of November 6, 1985.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1714 filed with the Commission on October 29, 1985.

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



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

Distribution:

Department of Finance, County of Maui
Bureau of Conveyances
Planning Department,
County of Maui
Federal Housing Administration
Escrow Agent

REGISTRATION NO. 1714

Dated: November 14, 1985

EXHIBIT "A"

There shall be 12 types of apartments in this Phase A, designated as Type "A", Type "A1", Type "A8", Type "B", Type "B1", Type "C", Type "C1", Type "C2", Type "C3", Type "D", Type "D1", and Type "E". An "R" in the designation indicates the reverse of the apartment type designated by the letter preceding the "R".

<u>Apt. No.</u>	<u>Apt. Type</u>	<u>Net Living Area** (Sq. ft.)</u>	<u>Lanai Area** (Sq. ft.)</u>	<u>Parking Stall No(s).</u>
<u>BUILDING NO. 5 - TYPE III</u>				
501	A8-R	1,087	195	501
503	AR	901	195	503
504	A1-R	901	182	504
505	A	901	195	505
506	A1	901	181	506
507	B	1,269	181	507
508	B1	1,269	168	508
<u>BUILDING NO. 6 - TYPE IV</u>				
601	C2-R	1,544	221	603*
602	C3-R	1,544	206	604*
603	C2	1,544	221	601*
604	C3	1,544	206	602*
<u>BUILDING NO. 7 - TYPE V-1</u>				
701	E-R	2,156	260	701* (2 stalls)
703	C-R	1,512	221	703*
704	C1-R	1,512	206	704*
705	C	1,512	221	705*
706	C1	1,512	206	706*
707	E	2,156	260	707* (2 stalls)
<u>BUILDING NO. 8 - TYPE VI</u>				
801	C2-R	1,544	221	801*
802	C3-R	1,544	206	802*
803	C	1,512	221	803*
804	C1	1,512	206	804*
805	D	1,516	201	805*
806	D1	1,728	187	806*
<u>BUILDING NO. 9 - TYPE VI REV.</u>				
901	D-R	1,516	201	901*
902	D1-R	1,728	187	902*
903	C-R	1,512	221	903*
904	C1-R	1,512	206	904*
905	C2	1,544	221	905*
906	C3	<u>1,544</u>	<u>206</u>	906*
TOTAL		42,477	6,009	

Notes: (1) * indicates trellised parking stall
(2) ** In accordance with local architectural practice, the approximate net living area of each apartment as set forth above includes all of the inner decorated or finished surfaces of all perimeter walls, including any party walls; floors and ceilings; all doors, door frames, windows and window frames, except the exterior decorated or finished surface thereof; and the lanai air space. THE AREAS SHOWN ABOVE ARE APPROXIMATE ONLY, AND THE DEVELOPER MAKES NO REPRESENTATIONS OR WARRANTIES AS TO THE AREAS OF ANY PARTICULAR APARTMENT.

DESCRIPTION OF APARTMENT TYPES:

Type "A"

One bedroom, one and one-half bath apartment located on the ground floor of a two-story building and consisting of a living/dining room, a kitchen, utility room, one bedroom, and one and one-half bathrooms. All Type "A" apartments contain 901 square feet of NET LIVING AREA and a lanai area of 195 square feet, and additionally, a limited common element of 16.92 square feet adjacent to the lanai.

Type "A1"

One bedroom, one and one-half bath apartment located on the second floor of a two-story building and consisting of a living/dining room, a kitchen, utility room, one bedroom, and one and one-half bathrooms. All Type "A1" apartments contain 901 square feet of NET LIVING AREA and a lanai of 182 square feet.

Type "A8"

One bedroom, one and one-half bath apartment located on the ground floor of a two-story building and consisting of a living/dining room, a loft, a kitchen, utility room, one bedroom, and one and one-half bathrooms. All Type "A8" apartments contain 1,087 square feet of NET LIVING AREA and a lanai area of 195 square feet, and additionally, a limited common element of 39.38 square feet adjacent to the lanai.

Type "B"

Two bedroom, two bath apartment located on the ground floor of a two-story building and consisting of a living/dining room, a kitchen, two bedrooms, and two bathrooms. All Type "B" apartments contain 1,269 square feet of NET LIVING AREA and a lanai area of 182 square feet, and additionally, a limited common element of 26.25 square feet adjacent to the lanai.

Type "B1"

Two bedroom, two bath apartment located on the second floor of a two-story building and consisting of a living/dining room, a kitchen, two bedrooms, and two bathrooms. All Type "B1" apartments contain 1,269 square feet of NET LIVING AREA and a lanai of 168 square feet.

Type "C"

Two bedroom, two bath apartment located on the ground floor of a two-story building and consisting of a living/dining room, a kitchen, two bedrooms, and two bathrooms. All Type "C" apartments contain 1,512 square feet of NET LIVING AREA and a lanai area of 221 square feet, and additionally, a limited common element of 20.13 square feet adjacent to the lanai.

Type "C1"

Two bedroom, two bath apartment located on the second floor of a two-story building and consisting of a living/dining room, a kitchen, two bedrooms, and two bathrooms. All Type "C1" apartments contain 1,512 square feet of NET LIVING AREA and a lanai of 206 square feet.

Type "C2"

One bedroom, two bath apartment located on the ground floor of a two-story building and consisting of a living/dining room, a kitchen, one bedroom, family room, and two bathrooms. All Type "C2" apartments contain 1,544 square feet of NET LIVING AREA and a lanai area of 221 square feet, and additionally, a limited common element of 42.88 square feet adjacent to the lanai.

Type "C3"

One bedroom, two bath apartment located on the second floor of a two-story building and consisting of a living/dining room, a kitchen, one bedroom, family room, and two bathrooms. All Type "C3" apartments contain 1,544 square feet of NET LIVING AREA and a lanai of 206 square feet.

Type "D"

Two bedroom, two bath apartment located on the ground floor of a two-story building and consisting of a living/dining room, a kitchen, two bedrooms, and two bathrooms. All Type "D" apartments contain 1,516 square feet of NET LIVING AREA and a lanai area of 201 square feet, and additionally, a limited common element of 28.0 square feet adjacent to the lanai.

Type "D1"

Two bedroom, two bath apartment located on the second floor of a two-story building and consisting of a living/dining room, a kitchen, two bedrooms, and two bathrooms. All Type "D1" apartments contain 1,728 square feet of NET LIVING AREA and a lanai of 187 square feet.

Type "E"

Two bedroom, three bath apartment with family room, located on the ground floor of a two-story building and consisting of a living room, dining room, a kitchen, two bedrooms, family room, a loft, and three bathrooms. All Type "E" apartments contain 2,156 square feet of NET LIVING AREA and a lanai area of 260 square feet, and additionally, a limited common element of 165.68 square feet adjacent to the lanai.

EXHIBIT "B"

PERCENTAGE OF COMMON INTEREST

<u>Apartment Number</u>	<u>Percentage Common Interest</u>
501	2.64
503	2.26
504	2.23
505	2.26
506	2.23
507	3.05
508	2.96
601	3.64
602	3.61
603	3.64
604	3.61
701	4.98
703	3.57
704	3.54
705	3.57
706	3.57
707	4.98
801	3.64
802	3.61
803	3.57
804	3.54
805	3.52
806	3.95
901	3.52
902	3.95
903	3.57
904	3.54
905	3.64
906	<u>3.61</u>
TOTAL	100.0%