



**REAL ESTATE COMMISSION  
STATE OF HAWAII**  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
1010 Richards Street  
P. O. Box 3469  
Honolulu, Hawaii 96801

**CONDOMINIUM PUBLIC REPORT**

on  
SIXTY-FIVE NAPILI WAY  
Lahaina, Hawaii 96761

Registration No. 1760

Issued: August 29, 1986  
Expires: September 29, 1987

**Report Purpose:**

This report is based on information and documents submitted by the developer to the Real Estate Commission as of August 6, 1986 and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

**Type of Report:**

- PRELIMINARY:** (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
  - FINAL:** (white) The developer has legally created a condominium and has filed complete information with the Commission. This report must be read together with \_\_\_\_\_
  - SUPPLEMENTARY:** (pink) Changes information contained in the
    - Prelim. Public Report dated \_\_\_\_\_
    - Final Public Report dated \_\_\_\_\_
    - Supp. Public Report dated \_\_\_\_\_
- And  Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_

**Summary of Changes from Earlier Public Reports:** NONE

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

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Appendix I: People Connected with the Project

Attached only if there are additions or changes to information contained in the body of the report.

## GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Horizontal Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominiums, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented or encumbered, and they may be disposed of by will or gift.

Your apartment will, however, be part of the group of apartments that comprise the condominium. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

### Operation of the Condominium

The Association of Apartment Owners is the means through which apartment owners may take action with regard to the administration, management, and operation of the condominium. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your control of the administration and operation of the condominium will in most cases be limited to your right to vote as an owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

## SUMMARY OF THE CONDOMINIUM PROJECT

Interest to be Conveyed to Buyer: Since the fourteen apartments in the project are nearly identical in floor area, identical percentage interests in the common elements have been assigned to each apartment for all purposes including voting. Each apartment has a 7.1428 % interest.

**Type of Project:**

1.  New Construction  Conversion  
 Both New Construction and Conversion
2.  Residential  Commercial  
 Mixed Residential and Commercial  
 Other Vacation rental
3.  High Rise (5 stories or more)  Low Rise
4.  Single or  Multiple Buildings
5. Apartment Description

<u>Apt. Type</u>	<u>Qty</u>	<u>BR/Bath</u>	<u>Net Living Area*</u>	<u>Lanai/Patio</u>
<u>A</u>	<u>4</u>	<u>3/2</u>	<u>1316</u>	<u>158</u>
<u>B</u>	<u>2</u>	<u>3/2</u>	<u>1306</u>	<u>158</u>
<u>A-1</u>	<u>2</u>	<u>3/2</u>	<u>1316</u>	<u>158</u>
<u>B-1</u>	<u>2</u>	<u>3/2</u>	<u>1323</u>	<u>158</u>
<u>AR</u>	<u>2</u>	<u>3/2</u>	<u>1316</u>	<u>158</u>
<u>AR-1</u>	<u>2</u>	<u>3/2</u>	<u>1316</u>	<u>158</u>

Total Apartments: 14

\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

**6. Parking:**

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>14</u>
Guest Stalls	<u>6</u>
Unassigned Stalls	<u>          </u>
Extra Stalls Available for Purchase	<u>          </u>
Other: <u>                                  </u>	<u>          </u>
<b>Total Parking Stalls</b>	<u>20</u>

**7. Recreational amenities: Swimming Pool**

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: SIXTY-FIVE NAPII WAY LAND COMPANY, Phone: (808) 661-8731  
Name a Hawaii limited partnership. (Business)  
West Maui Center, Suite 12  
Business Address  
Lahaina, Hawaii 96761

Names of officers or general partners of developers who are corporations or partnerships:  
DALE W. MCGOWAN, Managing General Partner  
West Maui Center, Suite 12  
Lahaina, Hawaii 96761

Real Estate Sales Agent: WEST MAUI REALTY Phone: (808) 661-8731  
Name (Business)  
West Maui Center, Suite 12  
Business Address  
Lahaina, Hawaii 96761

Escrow: STANDARD TITLE AND ESCROW, INC. Phone: (808) 661-4891  
Name (Business)  
P.O. Box 10159  
Business Address  
Lahaina, Hawaii 96761

Managing Agent: None Phone: \_\_\_\_\_  
Name (Business)  
Business Address

Attorney for Developer: NELSON CHRISTENSEN  
EVERETT WALTON  
Name  
West Maui Center, Suite 12  
Business Address  
Lahaina, Hawaii 96761

Appendix I may be attached to this report. If so, it will list additional people connected with the project or changes that may have been made to the above information after this public report was issued.

**II. CREATION OF THE CONDOMINIUM;  
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances or filing with the Land Court a Declaration of Horizontal Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. Declaration of Horizontal Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium.

The Declaration for this condominium is:

Proposed  
 Recorded — Bureau of Conveyances — Book 19442 Page 033  
 Filed — Land Court — Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

Amendment dated July 3, 1986, recorded in Book 19655, Page 590.

- B. Condominium Map (File Plan) shows the elevation and layout of the condominium. It also shows the floor plan for each apartment.

The Condominium Map for this condominium is:

Proposed  
 Recorded — Bureau of Conveyances — Map No. 1001  
 Filed — Land Court — File Plan No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium will be governed.

The Bylaws for this condominium are:

Proposed  
 Recorded — Bureau of Conveyances — Book 19442 Page 052  
 Filed — Land Court — Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

D. **House Rules.** The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:

Proposed       Adopted

Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are recorded or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of apartment owners who must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	—	<u>NA</u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:** The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules:  
 (a) By filing an "as built" verified statement pursuant to Sect. 514A-12, Hawaii Revised Statutes, (i) certified by a registered architect that the final plans theretofore filed fully and accurately depict elevations of buildings, layout, location, apartment numbers, and dimensions of the apartments as built, or (ii) so long as the plans filed therewith involve only immaterial changes of the apartments as built;  
 (b) To effect any changes or amendments required by an administrative agency of any state, territory, possession or foreign country or other foreign jurisdiction as a condition to marketing the project therein.

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.





6. Interior (fill in appropriate numbers):

Total Apartments 14

Elevators 0 Stairways 7 Trash Chutes 0

Apt. Type	Qty	BR/Bath	Net Living Area*	Lanai/Patio
A	4	3/2	1316	158
B	2	3/2	1306	158
A-1	2	3/2	1316	158
B-1	2	3/2	1323	158
AR	2	3/2	1316	158
AR-1	2	3/2	1316	158

\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining floor area may have been used.

Boundaries of Each Apartment: Interior walls

Permitted Alterations to Apartments: No owner shall make any addition or alteration in or to his Apartment which may affect the common elements or change the exterior appearance of the buildings without the prior written consent thereto by the Board. The owner of two or more adjacent apartments separated only by a common element which is a wall or floor (including a common element which constitutes a floor of one of the apartments and a ceiling of the other) acting alone without the prior approval of any apartment owner but with the prior written approval of the Board and upon such terms and conditions as may be imposed by the Board, may alter or remove all or portions of the intervening wall or floor, if the structural integrity of the building and the pipes, ducts, cables, wires, conduits, and other common elements are not thereby affected (or, if affected, are suitably taken care of as required by the Board) and if the finish of the wall or floor then remaining is restored to a condition substantially comparable to that of the wall or floor prior to such alteration. The owner of such adjacent apartments may install in and attach to such opening or openings in such common elements elevators, lifts, tubes and other service devices and may remove and retain ownership of the installed equipment. The owner of any such apartments may with prior written consent of the Board and upon such terms and conditions as may be imposed by the Board, restore such intervening wall or floor to substantially the same condition theretofore existing.

7. Parking Stalls:

	<u>Number of Stalls</u>
Assigned Stalls (For Individual Units)	<u>14</u>
Guest Stalls	<u>6</u>
Unassigned Stalls	<u>          </u>
Other: _____	<u>          </u>
 Total Parking Stalls	 <u>20</u>

Each apartment will have the exclusive use of at least 1 parking stall(s).

Buyers are encouraged to find out which stall(s) will be available for their use.

	regular	compact	tandem
Number of covered stalls	<u>          </u>	<u>          </u>	<u>          </u>
Number of open stalls	<u>14</u>	<u>6</u>	<u>          </u>

Commercial parking garage permitted on condominium.

Exhibit \_\_\_\_\_ contains additional information on parking stalls for this condominium.

8. Recreational and Other Common Facilities:

- |                                                   |                                       |
|---------------------------------------------------|---------------------------------------|
| <input checked="" type="checkbox"/> Swimming pool | <input type="checkbox"/> Storage Area |
| <input type="checkbox"/> Recreation Area          | <input type="checkbox"/> Laundry Area |
| <input type="checkbox"/> Tennis Court             | <input type="checkbox"/> Trash Chute  |
| <input type="checkbox"/> Other: _____             |                                       |
| _____                                             |                                       |

9. Present Condition of Improvements NOT APPLICABLE.  
 (For conversions of residential apartments in existence for five years):

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

b. Compliance with Building Code and Municipal Regulations; Cost to Cure Violations

10. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot (for conversions only)

	<u>Conforming</u>	Non-Conforming	
		<u>Legal</u>	<u>Illegal</u>
Uses	_____	_____	_____
Structures	_____	_____	_____
Lot	_____	_____	_____

If a variance has been granted or if uses, improvements, or lot are either legal non-conforming or illegal non-conforming, buyer should consult with county zoning authorities as to possible limitations which may apply.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium intended to be used by all apartment owners. They are owned jointly by all apartment owners.

Exhibit   A   describes the common elements.

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments. The limited common elements and the apartment which may use them are:

described in Exhibit   B  

as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

Exhibit            describes the common interests for each apartment.

Each apartment has a 7.1428% interest in the common elements.

E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property.

Exhibit C describes the encumbrances against the title contained in the title report dated July 22, 1986.

Blanket Liens:

- [ ] There are no blanket liens affecting title to the individual apartments.  
[ X] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Anticipated construction mortgage loan	None after conveyance of apartment to Buyer.
Mortgage to American Savings & Loan Association: \$36,000.00	None after conveyance of apartment to Buyer.

F. Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium.

Initial Managing Agent: When the developer or the developer's affiliate is the initial managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial managing agent for this condominium is:

- [ ] not affiliated with the Developer.  
[ ] the Developer or the Developer's affiliate.  
[ X] other The Developer is not employing a managing agent.

**G. Estimate of Initial Maintenance Fees:**

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium. If you are late in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

Exhibit   D   contains a schedule of maintenance fees and maintenance fee disbursements.

**H. Separate Utility Charges for Apartments:**

Except for the utilities indicated below, each apartment will be billed separately for utilities:

- |                                                                           |                                                   |
|---------------------------------------------------------------------------|---------------------------------------------------|
| <input checked="" type="checkbox"/> Electricity (COMMON<br>ELEMENTS ONLY) | <input type="checkbox"/> Television Cable         |
| <input type="checkbox"/> Gas                                              | <input checked="" type="checkbox"/> Water & Sewer |
| <input type="checkbox"/> Other _____                                      |                                                   |

**I. Construction Warranties**

1. Building and Other Improvements: There is a one-year warranty on labor and materials, except for manufactured items, which will carry only manufacturer's and dealer's warranties.

2. Appliances: Manufacturer's and dealer's warranties only.

J. Status of Construction and Estimated Completion Date

Estimated date of beginning: September 1, 1986  
Estimated date of completion: September 1, 1987

K. Project Phases:

The developer [ ] has [ X] has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's Present Plans for Future Development:

None

L. Sales Documents Filed with the Real Estate Commission:

[ ] Notice to Owner Occupants

[ X] Specimen Sales Contract

Exhibit  E  contains a summary of the provisions of the sales contract.

[ X] Escrow Agreement dated  March 7, 1986

Exhibit  F  contains a summary of the provisions of the escrow agreement.

[ ] Other \_\_\_\_\_

**IV. ADDITIONAL INFORMATION NOT COVERED ABOVE**

**Buyer's Right to Cancel Sales Contract:**

**A. Rights Under the Condominium Statute:**

Preliminary Report: Sales made by the Developer are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report, Supplementary Report to a Final Report: Sales made by the Developer are binding if:

1. The Developer delivers a copy of the Final Public Report and all prior public reports not previously delivered to the buyer; and
2. The buyer is given an opportunity to read the reports; and
3. One of the following has occurred:
  - a. The buyer has signed a receipt for the reports and waived the right to cancel; or
  - b. Thirty (30) days have passed from the time the reports were delivered to the buyer; or
  - c. The apartment is conveyed to the buyer within 30 days from the date the reports were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

**B. Rights Under the Sales Contract:**

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Declaration of Horizontal Property Regime.
2. Bylaws of the Association of Apartment Owners.
3. House Rules.
4. Escrow Agreement.
5. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
6. Other \_\_\_\_\_

If these documents are not in final form, the buyer should ask to see the most recent draft.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law are available for \$1.75 at the Department of Commerce and Consumer Affairs.

This Public Report is a part of Registration No. 1760 filed with the Real Estate Commission on May 2, 1986.

The Developer is responsible for delivering a true copy of this report to all purchasers and prospective purchasers and for securing a signed receipt for the report. When reproduced, this report must be on:

yellow paper stock                       white paper stock                       pink paper stock

Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary Public Report is issued or unless the Commission issues an order extending the effective period for the report.

Supplementary Public Reports expire on the expiration date given on the front of the report.

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

Separate Disclosure Abstract on this condominium:

Required                       Not Required – disclosures covered in this report

Distribution:

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

## EXHIBIT "A"

### COMMON ELEMENTS

The Common Elements of the project include all of the Limited Common Elements, all other portions of the project other than the apartments, and all other Common Elements mentioned in the Horizontal Property Act which are actually included in the project, including specifically, but not limited to:

- (a) The land in fee simple;
- (b) All foundations, floor slabs, beams, columns, supports, girders, unfinished perimeter and load bearing walls, walkways, ramps, fences, railings and roofs;
- (c) All driveways, roadways, pavements, unassigned parking areas, walkways, grounds, landscaping and other recreational areas, including swimming pool, refuse facilities and mailboxes;
- (d) All common laundry facilities and storage rooms;
- (e) All ducts, electrical equipment, wiring, pipes 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, water, sewer, telephone and radio and television signal distribution;
- (f) Any and all other apparatus and installations of common use and all other parts of the project necessary or convenient to its existence, maintenance and safety, or normally in use.

EXHIBIT "B"

LIMITED COMMON ELEMENTS

Certain parts of the Common Elements (the "Limited Common Elements") are designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such Limited Common Elements as follows:

(a) Entranceways to each apartment are Limited Common Elements for the exclusive use of the apartments they serve; (b) One parking space is assigned to each apartment for the exclusive use of that apartment, as follows:

<u>Space No.</u>	<u>Apartment No.</u>
1	101
2	201
3	102
4	202
5	103
6	203
11	104
12	204
15	105
16	205
17	106
18	206
19	107
20	207

EXHIBIT "C"

ENCUMBRANCES AGAINST TITLE

- 1, Real Property Taxes.
2. Reservation to the State of Hawaii of all mining and mineral rights.
3. Mortgage dated July 20, 1972, recorded in Book 8455, Page 444, made by JIMMIE RAY BARNETT and JANICE L. BARNETT, husband and wife, as Mortgagor, in favor of MAUI SAVINGS & LOAN ASSOCIATION, assigned to AMERICAN SAVINGS & LOAN ASSOCIATION by instrument dated September 30, 1973, recorded in Book 9532, Page 1. Consideration: \$36,000.00.
4. Memorandum of Agreement executed by and between SIXTY-FIVE NAPILI WAY LAND COMPANY, a Hawaii limited partnership, and DAVID A. FLEMING, dated December 11, 1985, recorded in Book 19171, Page 744.
5. Declaration of Horizontal Property Regime recorded in Book 19442, Page 33.
6. Amendment to Declaration of Horizontal Property Regime recorded in Book 19655, Page 590.
7. Bylaws of the Association of Apartment Owners recorded in Book 19442, Page 52.
8. Condominium Project shown on Condominium Map No: 1001.

EXHIBIT  D

ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> x 12 months =	<u>Yearly Total</u>
Each apartment	\$196.00	\$2,352.00
Breakdown:		
Maintenance and Repairs		\$4,800.00
Insurance		8,400.00
Management and Accounting		6,000.00
Supplies		1,200.00
Utilities for Common Elements		7,200.00
Refuse Collection		1,800.00
Pest Control		1,680.00
Legal		600.00
Contingencies		<u>1,200.00</u>
Annual total for entire project:		\$32,880.00

[ ] Revised on \_\_\_\_\_

\_\_\_\_\_  
The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning

Electricity

common elements only

\$300.00

\$3,600.00

common elements  
and apartments

Gas

Refuse Collection

\$150.00

\$1,800.00

Telephone

Water and Sewer

\$300.00

\$3,600.00

Maintenance, Repairs and Supplies

Building

Grounds

\$400.00

\$4,800.00

Management

\$500.00

\$6,000.00

Management Fee

Payroll and Payroll Taxes

Office Expenses

Insurance

\$700.00

\$8,400.00

Reserves

\$100.00

\$1,200.00

Taxes and Government Assessments

Other

Supplies

\$100.00

\$1,200.00

Pest Control

\$140.00

\$1,680.00

Legal

\_\_\_\_\_  
\$2,740.00

\_\_\_\_\_  
\$32,880

TOTAL

I/We, SIXTY-FIVE NAPILI WAY LAND COMPANY, as ~~managing agents~~ Developer for the condominium, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with generally accepted accounting principles.

SIXTY-FIVE NAPILI WAY LAND COMPANY

By: DALE W. MCGOWAN

DALE W. MCGOWAN, Managing G.P.

Date: \_\_\_\_\_

## EXHIBIT "E"

### SALES CONTRACT

The form of Sales Contract intended to be used by the Developer in the sale of apartments in the project has been filed with the Commission. The Sales Contract includes the following provisions:

1. A down payment is to be paid upon execution of the Sales Contract.
2. The balance of the purchase price, closing costs, and certain reserves are to be paid upon the close of escrow.
3. If a purchaser is to obtain a mortgage for the purchase, he must apply to one or more established lending institutions of the purchaser's choice within 10 days of acceptance of the Sales Contract by the Developer. If a mortgage commitment is not obtained within 45 days of execution of the Sales Contract, the Developer shall have the option of termination the agreement.
4. A purchaser shall receive a recorded deed to the apartment at the close of escrow.
5. Possession of the apartment shall be delivered to the purchaser immediately upon the close of escrow.

THE SALES CONTRACT CONTAINS MANY PROVISIONS WHICH ARE NOT DISCUSSED IN THIS SUMMARY. FOR A FULL AND COMPLETE UNDERSTANDING OF THE SALES CONTRACT, THE ENTIRE DOCUMENT SHOULD BE READ CAREFULLY.

## EXHIBIT "F"

### ESCROW AGREEMENT

The Escrow Agreement dated March 7, 1986 between the Developer and Standard Title and Escrow, Inc. provides that all funds received from any purchaser of an apartment in the must be deposited in escrow, and cannot be released from escrow to the Developer until all underlying mortgages on the project have been satisfied and the purchaser's deed to the purchased apartment has been filed in the Bureau of Conveyances of the State of Hawaii. Provided, however, that a purchaser's funds in escrow may be expended to satisfy any such mortgage pursuant to escrow instructions executed by the Developer and the purchaser.

THE ESCROW AGREEMENT CONTAINS MANY PROVISIONS WHICH ARE NOT DISCUSSED IN THIS SUMMARY. FOR A FULL AND COMPLETE UNDERSTANDING OF THE ESCROW AGREEMENT, THE ENTIRE DOCUMENT SHOULD BE READ CAREFULLY.