



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

**CONDOMINIUM PUBLIC REPORT**

on

HALEAKALA HOMESTEADS, LOT A-2  
 Makawao, Maui, Hawaii

Registration No. 2298

Issued: November 30, 1990  
 Expires: December 30, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of November 16, 1990, 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:** 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.  
*(yellow)*
- FINAL:** The developer has legally created a condominium and has filed complete information with the Commission.  
*(white)*
- No prior reports have been issued  
 Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_
- 
- SUPPLEMENTARY:** Updates information contained in the  
*(pink)*
- Prelim. Public Report dated \_\_\_\_\_  
 Final Public Report dated \_\_\_\_\_  
 Supp. Public Report dated \_\_\_\_\_
- And  Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_
- This report reactivates the \_\_\_\_\_  
 public report(s) which expired on \_\_\_\_\_

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

Required       Not Required - disclosures covered in this report.



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\*  
\* SPECIAL ATTENTION continued --  
\*  
\*  
\* 5. Facilities and improvements normally associated with County-  
\* approved subdivisions may not necessarily be provided for and  
\* services such as County street maintenance and trash collection will  
\* not be available for interior roads.  
\*  
\* 6. Purchasers are advised to review the "AGREEMENT - KULA RULE",  
\* "SUBDIVISION AGREEMENT (Three Lots or Less)," and "FARM  
\* DWELLING AGREEMENT", which are attached hereto as Exhibits  
\* G, H & I, respectively. These agreements contain requirements  
\* imposed by the County of Maui which affect the use of the property.  
\* Purchasers should consult with the Department of Water Supply and  
\* Land Use & Codes Administration of Public Supply and Land Use &  
\* Codes Administration of Department of Public Works, County of Maui,  
\* prior to signing the Sales Contract.  
\*  
\* THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY  
\* REVIEW THE CONDOMINIUM DOCUMENTS FOR FURTHER  
\* INFORMATION WITH REGARDS TO THE FOREGOING.  
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## GENERAL INFORMATION ON CONDOMINIUMS

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Condominium 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 project 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 condominium projects, 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, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. 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.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

### Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. 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 participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment 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:

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

**Types of Project:**

- 1.  New Building(s)  Conversion  
 Both New Building(s) and Conversion
- 2.  Residential  Commercial  
 Mixed Residential and Commercial  
 Other Agricultural
- 3.  High Rise (5 stories or more)  Low Rise
- 4.  Single or  Multiple Buildings

5. Apartment Description

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Area (sf)</u>	<u>Lanai/Patio (sf)</u>
Unit A	1	n/a	64	n/a
Unit B	1	n/a	64	n/a
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 2

*\*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)	_____
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
<b>Total Parking Stalls</b>	<b>_____</b>

7. Recreational amenities: NONE

I. PEOPLE CONNECTED WITH THE PROJECT

Developer: PRIME PARCELS TWO, INC. Phone: 822-2028  
Name (Business)  
P.O. Box 111  
Business Address  
Kapaa, Kauai, Hawaii 96766

Names of officers or general partners of developers who are corporations or partnerships:

Benjamin Bollag -- President  
Daniel Bollag -- Secretary/Treasurer  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Sales Agent: ISLAND PROPERTIES KAUAI Phone: 828-1234  
Name (Business)  
P.O. Box 1  
Business Address  
Hanalei, Kauai, Hawaii 96714

Escrow: TITLE GUARANTY ESCROW SERVICES, INC. Phone: 521-0211  
Name (Business)  
235 Queen Street, 1st Floor  
Business Address  
Honolulu, Hawaii 96813

Managing Agent: Project is self-managed Phone: \_\_\_\_\_  
Name (Business)  
\_\_\_\_\_  
Business Address  
\_\_\_\_\_

Attorney for Developer: ROGER V. MEEKER  
Name  
1188 Bishop Street, Suite 2503  
Business Address  
Honolulu, Hawaii 96813

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

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

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

The Declaration for this condominium is:

- Proposed  
 Recorded - Bureau of Conveyances - Book \_\_\_\_\_ Page \_\_\_\_\_ Document No. 90-97134  
 Filed - Land Court - Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

- B. **Condominium Map (File Plan)** shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

- Proposed  
 Recorded - Bureau of Conveyance Condo Map No. 1341  
 Filed - Land Court Condo Map No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

- C. **Bylaws of the Association of Apartment Owners** govern the operation of the condominium project. 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 project will be governed.

The Bylaws for this condominium are:

- Proposed  
 Recorded - Bureau of Conveyances - Book \_\_\_\_\_ Page \_\_\_\_\_ Document No. 90-97135  
 Filed - Land Court - Document Number \_\_\_\_\_

Amendment date(s) and recording/filing information:

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.

- 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. These rules must be followed by owners, tenants, and guests. 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 duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which 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>n/a</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:

NONE



**B. Underlying Land:**

Address: Olinda Road, Makawao, Maui Tax Map Key: 2-4-13:184 (2nd)  
(TMK)

Address  TMK is expected to change because \_\_\_\_\_

Land Area: 4.0  square feet  acre(s) Zoning: Ag-2 (Agricultural)

Fee Owner: PRIME PARCELS TWO, INC.  
Name

P.O. Box 111  
Address  
Kauai, Hawaii 96766

Sublessor: \_\_\_\_\_  
Name

\_\_\_\_\_  
Address

**C Buildings and Other Improvements:**

1.  New Building(s)  Conversion of Existing Building(s)  
 Both New Building(s) and Conversion

2. Buildings: 2 Floors Per Building 1  
 Exhibit A contains further explanations.

3. Principal Construction Material:  
 Concrete  Hollow Tile  Wood  
 Other \_\_\_\_\_

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
<input type="checkbox"/> Commercial	_____	<input type="checkbox"/> Industrial	_____
<input type="checkbox"/> Residential	_____	<input checked="" type="checkbox"/> Agricultural	<u>2</u>
<input type="checkbox"/> Timeshare/Hotel	_____	<input type="checkbox"/> Recreational	_____
<input type="checkbox"/> Other: _____			_____

5. Special Use Restrictions:

The Declaration, Bylaws, and House Rules may contain restrictions on the use and occupancy of apartments. Restrictions for this condominium project include but are not limited to:

[ ] Pets \_\_\_\_\_

[ ] Number of Occupants: \_\_\_\_\_

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

[x] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators NONE

Stairways NONE

Trash Chutes NONE

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Area (sf)</u>	<u>Lanai/Patio (sf)</u>
<u>Unit A</u>	<u>1</u>	<u>n/a</u>	<u>64</u>	<u>n/a</u>
<u>Unit B</u>	<u>1</u>	<u>n/a</u>	<u>64</u>	<u>n/a</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

*\*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.*

Boundaries of Each Apartment: see Exhibit "A" attached hereto

Permitted Alterations to Apartments: As noted in Section XVI of the Declaration, individual unit owners may, at their sole discretion and at their own expense, remodel, expand or otherwise alter their unit, provided said alterations are done in complete accordance with all applicable ordinances, codes, rules, regulations and other requirements in force at the time of said construction. All alterations shall be completed expeditiously and in the manner set forth in said Section XVI.

7. Parking Stalls:

Total Parking Stalls: \_\_\_\_\_

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		<u>TOTAL</u>
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	
Assigned (for individual units)	_____	_____	_____	_____	_____	_____	_____
Guest	_____	_____	_____	_____	_____	_____	_____
Unassigned	_____	_____	_____	_____	_____	_____	_____
Extra Available for Purchase	_____	_____	_____	_____	_____	_____	_____
Other:	_____	_____	_____	_____	_____	_____	_____
Total Covered & Open	_____	_____	_____	_____	_____	_____	_____

Each apartment will have the exclusive use of at least \_\_\_\_\_ parking stall(s).  
Buyers are encouraged to find out which stall(s) will be available for their use.

Commercial parking garage permitted in condominium project.

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

8. Recreational and Other Common Facilities.

There are no recreational or common facilities.

Swimming pool

Storage Area

Recreation Area

Laundry Area

Tennis Court

Trash Chute

Other: \_\_\_\_\_

\_\_\_\_\_

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least five years):

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

Based on a report prepared by an independent professional engineer, it is the Developer's opinion that all structural components and mechanical and electrical installations material to the use and enjoyment of the individual condominium units appear to be sound and in satisfactory working condition. However, no representations of any kind are made as to the expected useful life, if any, of the structural components and mechanical and electrical installations material to the use and enjoyment of the condominium unit(s). See Exhibit "G" attached hereto.

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

The Project is a conversion of fully constructed and existing structures to condominium status. Said structures are in compliance with all ordinances, codes, rules, regulations or other requirements in force at the time of their construction. No variance has been granted from any ordinance, code, rule, regulation or other requirement in force at the time of their construction or from any other ordinance, code, rule, regulation or other requirement.

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

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	X		
Structures	X		
Lot	X		

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

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

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

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

Exhibit     B     describes the common elements.

As follows:

2. **Limited Common Elements:** Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

There are no limited common elements in this project.

The limited common elements and the apartments which may use them are:

described in Exhibit     C    

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.

As follows: Each unit and its owner(s) shall have appurtenant thereto a one-half (1/2) fractional interest (50.0 percentage interest) in the common elements of the Project, for all purposes including voting, said interest being referred to as the "common interest".

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

Exhibit  D  describes the encumbrances against the title contained in the title report dated  November 9, 1990  and issued by  Title Guaranty of Hawaii, Inc.

**Blanket Liens:**

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[ x ] There are no blanket liens affecting title to the individual apartments.

[ ] 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>
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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 project. 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 project.

**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 ] self-managed by the Association of Apartment Owners.

[ ] other \_\_\_\_\_

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 project. If you are delinquent 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     F     contains a schedule of maintenance fees and maintenance fee disbursements.

H. **Utility Charges for Apartments:**

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

Electricity

Television Cable

Gas

Water & Sewer

Other \_\_\_\_\_

Not applicable

I. **Construction Warranties:**

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements: NONE

2. Appliances: NONE



**IV. ADDITIONAL INFORMATION NOT COVERED ABOVE**

NONE

**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 to the buyer a copy of:
  - a. Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report;  
**AND**
  - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
  - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
  - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
  - c. The apartment is conveyed to the buyer within 30 days from the date the report(s) 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 (a) the use or value of the buyer's apartment or its limited common elements; or (b) 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. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Condominium Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. 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 (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs.

This Public Report is a part of Registration No. 2298 filed with the Real Estate Commission on August 23, 1990.

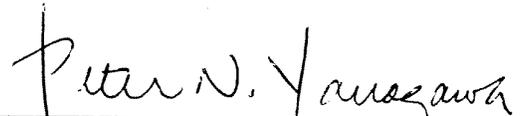
**Reproduction of Report.** When reproduced, this report must be on:

yellow paper stock

white paper stock

pink paper stock

**Expiration Date of Reports.** 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.



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PETER N. YANAGAWA, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

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

## INDIVIDUAL UNIT DESCRIPTIONS

The Declaration of Condominium Property Regime and plans submitted by the Developer indicate that HALEAKALA HOMESTEADS, LOT A-2 is a fee simple condominium conversion project consisting of a total of two condominium units, each unit comprising a separate structure or structures. The units are described as follows:

- (a) "Unit A" consists of the following: (1) a separate wood-frame storage structure of approximately 64 square feet; and (2) any and all other future improvements which may be constructed on the land area appurtenant to said unit by the owner thereof. Specifically, in addition to said storage structure, the owner thereof is permitted, if allowed by law, to build a dwelling on the land area appurtenant to said unit, provided that said dwelling complies with all applicable building codes and zoning ordinances. The costs and expenses of any such future construction shall be borne solely by the owner of said unit.
  
- (b) "Unit B" consists of the following: (1) a separate wood-frame storage structure of approximately 64 square feet; and (2) any and all other future improvements which may be constructed on the land area appurtenant to said unit by the owner thereof. Specifically, in addition to said storage structure, the owner thereof is permitted, if allowed by law, to build a dwelling on the land area appurtenant to said unit, provided that said dwelling complies with all applicable building codes and zoning ordinances. The costs and expenses of any such future construction shall be borne solely by the owner of said unit.

## COMMON ELEMENTS

One freehold estate is designated of all the remaining portions of the Project, herein referred to as "common elements", including specifically, but not limited to:

- (a) The land in fee simple;
- (b) All ducts, electrical equipment, wiring and other central and appurtenant installations for common services, if any, including power, light, sewage, irrigation and telephone;
- (c) Any and all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the Project.

The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof, except as provided in the Condominium Property Act. Any such partition or division shall be subject to the prior consent thereto by the holder(s) of all mortgage(s) of any condominium unit(s) which are filed of record.

### LIMITED COMMON ELEMENTS

Certain parts of the common elements, herein referred to as the "limited common elements", are designated and set aside for the exclusive use of one or more units, and such unit(s) 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) That certain land area upon and around which Unit A is located, shown and designated on the Condominium Map and being approximately 2.000 acres in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit A."
- (b) That certain land area upon and around which Unit B is located, shown and designated on the Condominium Map and being approximately 2.000 acres in area, is deemed a limited common element appurtenant to and for the exclusive use of Unit B."

All costs of every kind pertaining to the aforesaid limited common elements, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne solely by the owner of the unit to which said limited common elements are appurtenant.

NOTE: The land area appurtenant to each unit does not represent a legally subdivided lot.

## SUMMARY OF SALES CONTRACT AND ESCROW ARRANGEMENTS

**SALES CONTRACT:** Developer is using the standard Hawaii Board of Realtors' Deposit Receipt, Offer and Acceptance (DROA) form as the intended sales contract for the Project. Reference is hereby made thereto.

**ESCROW ARRANGEMENTS:** The Escrow Agreement, dated May 1, 1990, identifies Title Guaranty Escrow Services, Inc. as Escrow for the Project. The Escrow Agreement establishes how proceeds from the sale of condominium units and all sums received from any source are placed in escrow, as well as the methods of disbursement of said funds. The Escrow Agreement provides that a Purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to Purchaser, without interest and less cancellation fee and costs, if Purchaser shall in writing request refund of his funds and Escrow receives a written request from Developer to return to Purchaser the funds of such Purchaser. Said cancellation fee shall be in the minimum of \$25.00, but in no event shall exceed the agreed-upon escrow fee provided for in said Escrow Agreement, the exact amount to be commensurate with the amount of work completed at the time of cancellation.

## ENCUMBRANCES AGAINST TITLE

An encumbrance is a claim against or a liability on the property. The following list describes the encumbrances against the title contained in the title insurance policy dated November 9, 1990, issued by Title Guaranty of Hawaii, Inc.:

1. Agreement dated March 7, 1988, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 21820 at Page 417, by Russell G. Karaviotis, "Subdivider", and Karen Karaviotis and Russell G. Karaviotis, Jr., "Transferees", with the County of Maui and its Department of Water Supply, re: subdivision of property into three lots.
2. Agreement dated October 31, 1988, recorded in said Bureau in Liber 22578 at Page 243, by Russell G. Karaviotis, an unmarried person, "Owner", with the County of Maui, "County", re: subdivision of property into three lots.
3. Agreement dated October 24, 1988, recorded in said Bureau in Liber 22578 at Page 252, by Russell G. Karaviotis, an unmarried person, "Applicant", with the County of Maui, through its Department of Public Works, "Department", re: Farm Dwelling.
4. Agreement dated June 14, 1989, recorded in Liber 23947 at Page 725, by Lawrence Fish and Bonnie Fish with Ben Bollag.
5. Covenants, conditions and restrictions set forth in Declaration dated November 8, 1989, recorded in Liber 23979 at Page 378.
6. Real property taxes due and owing, if any. Reference is made to the Office of the Tax Assessor, County of Maui.
7. Declaration of Condominium Property Regime dated May 1, 1990, recorded as Document No. 90-097134.
8. By-Laws of the Association of Condominium Owners for the "HALEAKALA HOMESTEADS, LOT A-2" Condominium Project, dated May 1, 1990, recorded as Document No. 90-097135.

**DISCLOSURE ABSTRACT**

**Haleakala Homesteads, Lot A-2  
Condominium Project**

Pursuant to Section 514A-61, Hawaii Revised Statutes  
Condominium Property Act

---

**Developer**

Benjamin Bollag  
[REDACTED]

**Project Manager**

Cynthia Warner  
P.O. Box 330254  
Kahului, Maui, Hawaii 96733  
[REDACTED]

**Estimated Maintenance Fees/Costs per Condominium Unit**

**MAINTENANCE FEES:** The regular maintenance and repair of each condominium unit, including all utility charges, is the sole responsibility of each respective unit owner. There are no common services and/or expenses which will require regular monthly assessments.

**INDIVIDUAL INSURANCE:** Section 514A-86, Hawaii Revised Statutes, requires that fire insurance be purchased to cover the improvements portion of the Project. Developer anticipates that the Association will elect to obtain separate policies for each individual condominium unit pursuant to Section XIV(c) of the Declaration. As such, the premiums on said policies will be the individual responsibility of each unit owner rather than common expenses of the Project.

**Warranties**

Purchasers should be aware that each of the "condominium units" of the Project consists of an existing wood-frame storage structure. NO WARRANTIES FOR FITNESS OF USE OR MERCHANTABILITY OR ANY OTHER KIND ARE MADE AS TO THE INDIVIDUAL CONDOMINIUM UNITS OR THE COMMON ELEMENTS OF THE PROJECT. PURCHASERS ARE ADVISED TO CONDUCT THEIR OWN INSPECTION OF THE UNIT THEY DESIRE TO BUY. THE UNITS ARE SOLD "AS IS".

**Use of Condominium Units**

Both units comprising the Project may be occupied and/or used for such purposes as are permitted by applicable zoning ordinances.

Exhibit "F"

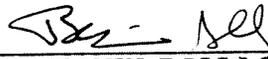
**Structural Components and Mechanical & Electrical Installations**

Based on a report prepared by an independent professional engineer, it is the Developer's opinion that all structural components and mechanical and electrical installations material to the use and enjoyment of the individual condominium units appear to be sound and in satisfactory working condition. However, NO REPRESENTATIONS OF ANY KIND ARE MADE AS TO THE EXPECTED USEFUL LIFE, IF ANY, OF THE STRUCTURAL COMPONENTS AND MECHANICAL AND ELECTRICAL INSTALLATIONS MATERIAL TO THE USE AND ENJOYMENT OF THE CONDOMINIUM UNIT(S).

**Code Violations**

To the best of the knowledge, information and belief of the undersigned, there are no outstanding notices of uncured violations of the building code or other municipal regulations of the County of Maui.

PRIME PARCELS TWO, INC.  
a Hawaii corporation,

By  \_\_\_\_\_  
BENJAMIN BOLLAG, President

Developer

RECORDATION REQUESTED BY: 88- 50132

STATE OF HAWAII  
DEPARTMENT OF LAND AND NATURAL RESOURCES  
REGISTRY OF DEEDS

County of Maui

AFTER RECORDATION, RETURN TO:

1988 APR 14 PM 1:14

Department of Water Supply  
County of Maui  
Wailuku, Hawaii 96793

21820 417  
KAWAHAU, REGISTRAR

RETURN BY MAIL

AGREEMENT - KULA RULE

THIS AGREEMENT, made and entered into this 7<sup>th</sup> day of March, 1988, by and amongst RUSSELL G. KARAVIOTIS, referred to as the "Subdivider", KAREN KARAVIOTIS and RUSSELL G. KARAVIOTIS, JR., referred to as the "Transferees", all of whose common mailing address is Post Office Box 1438, Makawao, Hawaii 96768, and the COUNTY OF MAUI and its DEPARTMENT OF WATER SUPPLY, referred to as the "County",

W I T N E S S E T H:

WHEREAS, the Subdivider represents that he is the fee simple owner of a parcel of real property situate at Makawao, Maui, Hawaii, identified as Tax Map Key 2-4-13:135, containing an area of 14.174 acres, referred to as the "Property"; and

WHEREAS, the Property is within a State Land Use Commission Agricultural District and is zoned Agricultural pursuant to Title 19 of the Maui County Code; and

WHEREAS, the Subdivider desires to subdivide the Pro-

Exhibit "G"

perty into three lots, with Lots A-1 and A-2 containing an area of 4.0 acres each, and Lot A-3 containing an area of 6.174 acres, which subdivision is known as the HALEAKALA HOMESTEADS SUBDIVISION, referred to as the "Subdivision"; and

WHEREAS, the Subdivider represents that the sole and limited purpose of the Subdivision is to convey fee simple title of Lot A-1 to RUSSELL KARAVIOTIS, JR., Lot A-2 to ~~RUSSELL KARAVIOTIS, JR. and KAREN KARAVIOTIS~~ and with the applicable provisions of Chapter 14.06 of the Maui County Code; and

WHEREAS, pursuant to THE RULE REGULATING FOR AN INTERIM PERIOD THE ISSUANCE OF WATER METERS AND THE APPROVAL OF SUBDIVISION APPLICATIONS FROM THE UPPER KULA WATERLINE AND LOWER KULA WATERLINE, as amended, referred to as the "Rule", the Department of Water Supply, County of Maui, referred to as the "Department", may authorize the subdivision of real property and compliance with the applicable provisions of Chapter 14.06 of the Maui County Code if the sole and limited purpose of such a subdivision is to transfer interest of the property or portions thereof to family members specified in subsection 14.06.190B1 of the Maui County Code, and the subdivision creates one or two additional developable lots; and

WHEREAS, RUSSELL KARAVIOTIS, JR. and KAREN KARAVIOTIS are the children of the Subdivider; and

WHEREAS, the Subdivider and Transferees are required to enter into this agreement prior to any subdivision water system improvements being authorized or made; now, therefore,

IN CONSIDERATION of the mutual obligations and covenants of the parties as hereinafter set forth, it is hereby understood and agreed by the Subdivider, Transferees, and the County that:

1. The Subdivider represents that the sole and limited purpose of the Subdivision is to convey fee simple title of Lot A-1 to RUSSELL KARAVIOTIS, JR., Lot A-2 to KAREN KARAVIOTIS, and Lot A-3 to himself, and such conveyances shall be made as soon as the Subdivision is granted final approval by the Department of Public Works, County of Maui. The Subdivider shall submit evidence of the conveyances to the Department within a reasonable length of time.

2. The Subdivider and Transferees understand and agree that the lots of the Subdivision will not be permitted to be subdivided, or consolidated and subdivided to create additional developable lots while the Rule remains in effect.

3. Upon the conveyances of fee simple title of the lots pursuant to paragraph 1 hereinabove, the Subdivider and Transferees shall provide written notice to the Department upon any subsequent assignment and/or transfer of interest of their respective lots, and such notice must be provided at least seven (7) days prior to such an assignment or transfer of interest.

4. The Subdivider and Transferees acknowledge that

they have read and understand the Rule, and agree that this agreement is entered into pursuant to the said Rule.

5. The Subdivider, Transferees, and their heirs, assigns, and successors in interest agree that they will defend, indemnify, and hold harmless the County, its employees and assigns, from and against any and all claims and demands for loss and damage, including but not limited to property damage and personal injury, including claims for wrongful death, that may arise out of or in connection with the Department's processing of the Subdivision under the Rule and this agreement, and will reimburse the County, its employees and assigns, for any judgments, costs, and expenses, including attorney's fees, incurred in connection with the defense of any such claim or incurred by the County in enforcing any term of this agreement.

6. Based upon the Subdivider's representation hereinabove, the Department authorizes the subdivision of the Property and compliance with the applicable provisions of Chapter 14.06 of the Maui County Code.

7. This agreement and copy of the preliminary plat of the Subdivision, attached hereto as Exhibit "A" and made a part hereof, shall run with the Property, be binding, and constitute notice to all subsequent grantees, assignees, mortgagees, lienors, and other persons who claim an interest in the Property or any portion thereof.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the date first above written.

21820 421

Subdivider:

Russell G. Karaviotis  
Russell G. Karaviotis

Transferees:

Russell G. Karaviotis, Jr.  
Russell Karaviotis, Jr.

X Karen Karaviotis  
Karen Karaviotis

County:

By Hannibal Tavares  
Hannibal Tavares  
Its Mayor

By Vince G. Bagoy, Jr.  
Vince G. Bagoy, Jr.  
Its Director  
Department of Water Supply

APPROVED AS TO FORM  
AND LEGALITY:

Howard Fukushima  
Howard Fukushima  
Deputy Corporation Counsel  
County of Maui

21820 422

STATE OF HAWAII )  
 ) SS.  
COUNTY OF MAUI )

On this 7<sup>th</sup> day of March, 1988, before me appeared RUSSELL G. KARAVIOTIS, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

L.S.

Manda Suresh  
Notary Public, State of Hawaii

My commission expires: 1-13-91

STATE OF HAWAII )  
 ) SS.  
COUNTY OF MAUI )

On this 7<sup>th</sup> day of March, 1988, before me appeared RUSSELL KARAVIOTIS, JR. and KAREN KARAVIOTIS, to me known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

L.S.

Manda Suresh  
Notary Public, State of Hawaii

My commission expires: 1-13-91

State of Connecticut }  
County of New Haven ) SS.

On this 29th day of February personally appeared Karen Karaviotis.

Robert C. Dominguez  
Notary Public, State of Connecticut

My Commission Expires: 5/31/91

STATE OF HAWAII )  
 ) SS.  
COUNTY OF MAUI )

On this 6<sup>th</sup> day of April, 1988, before me appeared HANNIBAL TAVARES, to me personally known, who, being by me duly sworn did say that he is the Mayor of the COUNTY OF MAUI, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said COUNTY OF MAUI, and that the said instrument was signed and sealed on behalf of said COUNTY OF MAUI by authority of its Council, and the said HANNIBAL TAVARES acknowledged the said instrument to be the free act and deed of said COUNTY OF MAUI.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

LS

Josée K. Tamashiro  
Notary Public, State of Hawaii  
My commission expires: 10/19/90

STATE OF HAWAII )  
 ) SS.  
COUNTY OF MAUI )

On this 2<sup>nd</sup> day of March, 1988, before me appeared VINCE G. BAGOYO, JR., to me personally known, who, being by me duly sworn, did say that he is the Director of the DEPARTMENT OF WATER SUPPLY of the COUNTY OF MAUI, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said COUNTY OF MAUI, and that the said instrument was signed and sealed on behalf of said COUNTY OF MAUI pursuant to rules and regulations of the DEPARTMENT OF WATER SUPPLY, and the said VINCE G. BAGOYO, JR., acknowledged the said instrument to be the free act and deed of the said COUNTY OF MAUI.

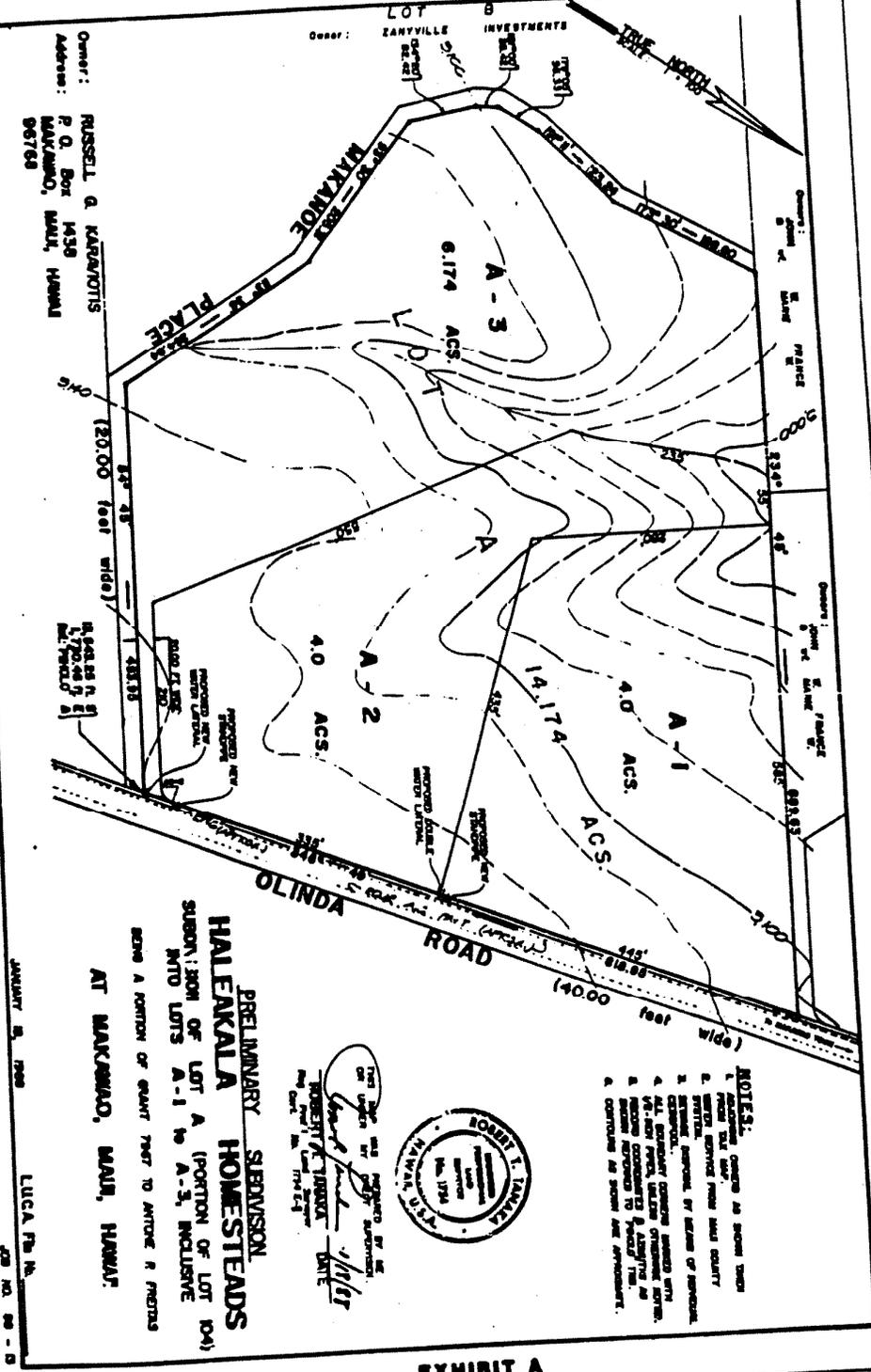
IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Josée K. Tamashiro  
Notary Public, State of Hawaii  
My commission expires: 4/19/90

21820 424

TAX MAP KEY: 2-4-13: 03  
SEC. 15A STREET, SITE 03  
HAWAII, MAUI, MOLOKAI, OAHU

R. I. TAWAKA ENGINEERS, INC.  
SURVEYORS - CIVIL & STRUCTURAL ENGINEERS



JANUARY 5, 1988  
LUCAS PLS. 14  
JOB NO. 88-0

PRELIMINARY SUBDIVISION OF LOT A (PORTION OF LOT 104) INTO LOTS A-1 to A-3, INCLUSIVE  
AT MAKAMAHO, MAUI, HAWAII

PREPARED BY: S. EDWINSON  
HALEAKALA HOMESTEADS

THIS MAP WAS PREPARED BY ME  
ON BEHALF OF THE CLIENT AND I  
CERTIFY THAT THE INFORMATION  
HEREON IS TRUE AND CORRECT  
TO THE BEST OF MY KNOWLEDGE  
AND BELIEF.  
DATE: 1/5/88  
SIGNATURE: [Signature]



- NOTES:
1. ALL DIMENSIONS ARE IN FEET UNLESS OTHERWISE NOTED.
  2. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE ROAD UNLESS OTHERWISE NOTED.
  3. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE ROAD UNLESS OTHERWISE NOTED.
  4. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE ROAD UNLESS OTHERWISE NOTED.
  5. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE ROAD UNLESS OTHERWISE NOTED.
  6. ALL DIMENSIONS ARE TO THE CENTERLINE OF THE ROAD UNLESS OTHERWISE NOTED.

EXHIBIT A

Recorder's Memo: Legibility of Writing, Typing, or Printing UNSATISFACTORY  
in this Document when received.



WHEREAS, the County of Maui (the "County") is a body politic and corporate and a political subdivision of the State of Hawaii, which has adopted and is responsible for the enforcement of the ordinance which regulates subdivisions within the County of Maui (the "Subdivision Ordinance"); and

WHEREAS, the Subdivision Ordinance provides for certain requirements which must be met prior to approval of the subdivision; and

WHEREAS, Section 18.20.040 of the Maui County Code states in part:

"18.20.040 Existing Streets. A. No improvements shall be required upon existing streets for a subdivision containing three lots or less, provided the subdivider or owner, their heirs, executors or assigns agree to participate in an improvement district when and if such improvement district is proposed."

WHEREAS, the subdivision contains three (3) or fewer lots:

NOW, THEREFORE, in consideration of the mutual covenants contained herein, it is hereby agreed by and between the Owner, for himself and his heirs, devisees, executors, administrators, personal representatives, successors and assigns, and the County, as follows:

22578 245

1. The Owner, his heirs, executors, administrators, personal representatives, successors and assigns shall participate in an improvement district for Olinda Road -

if and when such improvement district is proposed.

2. The County shall permit the subdivision process to proceed with respect to the subdivision.

3. Where there is more than one Owner, all obligations of the Owner set forth herein shall be joint and several obligations of each Owner.

4. The Owner does hereby declare that the Property, and all parts thereof, is and shall be held subject to the foregoing covenants, conditions and restrictions and that all of such covenants, conditions and restrictions shall be effective as to and shall run with the land as to the Property from and after the recording of this instrument (the "Agreement") with the Bureau of Conveyances or Land Court of the State of Hawaii, as the case may be, without the execution, delivery or recordation of any further deed, instrument, document, agreement, declaration, covenant or the like with respect thereto by the Owner, the County of Maui, or any heir, devisee, executor, administrator, personal representative, successor, or assign, as the case may be, of any of them, that the acquisition of any right, title or interest in or with respect to the Property by any person or persons, entity or entities, whomsoever, shall be deemed to constitute the acceptance of all of the covenants, conditions and restrictions

22578 246

of this Agreement by such person or persons, entity or entities, and that upon any transfer of any right, title or interest in or with respect to the Property the same shall be subject to, and the transferee shall assume and be bound and obligated to observe and perform, all of the covenants, conditions and restrictions of this Agreement.

5. This Agreement and all of the covenants, conditions and restrictions contained herein shall continue to be effective as to and run with the land in perpetuity, or until the same is released as to the Property or any part thereof by the County.

6. The term "Owner" and any pronoun in reference thereto, wherever used herein, shall be construed to mean the singular or the plural, the masculine or the feminine or the neuter, and vice versa, and shall include any corporation, and shall be held to mean and include the Owner, his heirs, devisees, executors, administrators, personal representatives, successors, and assigns.

22578 247

IN WITNESS WHEREOF, the parties hereto have executed  
this Agreement on the 31st day of October, 1988.

COUNTY OF MAUI:

DEPARTMENT OF PUBLIC WORKS

By Alvin K. Fukunaga  
ALVIN K. FUKUNAGA

OWNER: Russell H. Karamata

By \_\_\_\_\_  
Its

By \_\_\_\_\_  
Its

APPROVED AS TO FORM AND LEGALITY:

1st G. M. Kosaka  
\_\_\_\_\_  
G. M. Kosaka  
~~Deputy~~ Corporation Counsel  
County of Maui

STATE OF HAWAII )  
 ) SS.  
COUNTY OF MAUI )

22578 248

On this 31<sup>st</sup> day of October, 1988, before me personally appeared ALVIN K. FUKUNAGA, to me personally known, who being by me duly sworn, did say that he is the Director of Public Works of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Title 18 of the Maui County Code, the Subdivision Ordinance, and the said ALVIN K. FUKUNAGA acknowledged the said instrument to be the free act and deed of the said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Naomi Williams  
Notary Public, State of Hawaii.

My commission expires: 7/21/89

LS

STATE OF HAWAII )  
 ) ss.  
COUNTY OF MAUI )

22578 249

On this 3rd day of October, 1988, before me personally appeared Russell G. Karawonis, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

L.S.

Sandra S. Stigi  
Notary Public, State of Hawaii.

My commission expires: 6/20/90

STATE OF HAWAII )  
 ) ss.  
\_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 1988, before me personally appeared \_\_\_\_\_ and \_\_\_\_\_, husband and wife, to me known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public, State of Hawaii

My commission expires: \_\_\_\_\_

All of that certain parcel of land (portion of the land(s) described in and covered by Land Patent Grant Number 7967 to Antone P. Freitas) situate, lying and being at Makawao, Island and County of Maui, State of Hawaii, being LOT "A", being a portion of Lot Number 104 of the "HALEAKALA HOMESTEADS", and thus bounded and described:

Beginning at a point on the Southeasterly corner of this parcel of land and on the Westerly side of Olinda Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PIIHOLO" being:

13,543.25 feet South  
1,730.46 feet East

and running by azimuths measured clockwise from true South:

1.	54° 45'	483.95	feet along the 20-foot wide Homesteads Road to a point;
2.	113° 36'	264.84	feet along same to a pipe;
3.	93° 30'	205.31	feet along same to a point;
4.	134° 20'	82.92	feet along same to a point;
5.	151° 00'	26.42	feet along same to a point;
6.	179° 05'	55.33	feet along same to a point;
7.	191° 11'	123.24	feet along same to a point;
8.	173° 30'	188.63	feet along same to a point;
9.	234° 45'	889.63	feet along Grant 7928 to L. Pinheiro to a pipe;
10.	346° 49'	818.95	feet along the Westerly side of Olinda Road to the point of beginning and containing an area of 14.174 acres, more or less.

Said above described parcel of land having been acquired by KORZAN INVESTMENTS, S.A., by the following Deeds:

22578 251

- (1) Deed from THOMAS H. BALLENGER, husband of Jan Ballenger, and WILLIAM B. JOHNS, husband of Elizabeth Colleen Johns, dated November 27, 1978, recorded in Liber 13398 at Page 618; and
- (2) Deed from EARL MANN, Trustee of Day's Retirement Reserve Trust, dated November 27, 1978, recorded in Liber 13393 at Page 620.

END OF EXHIBIT "A"

TGA 67810

RECORDATION REQUESTED BY:

88-167824

NOV 18 1988

AFTER RECORDATION, RETURN TO:  
LAND USE & CODES ADMINISTRATION DIVISION  
DEPARTMENT OF PUBLIC WORKS  
COUNTY OF MAUI  
200 SOUTH HIGH STREET  
WAILUKU, HAWAII 96793  
RETURN BY: MAIL (XX) PICK-UP ( )

NOV 18 AM 8:01  
22578 252  
REGISTRAR

FARM DWELLING AGREEMENT

THIS AGREEMENT made and entered into as of the 24<sup>th</sup>  
day of October, 1988, by and between RUSSELL G.  
KARAVIOTIS, an unmarried person,  
whose residence address is 1 Makanoe Place, Olinda, Makawao,  
Maui, Hawaii 96768 and  
whose mailing address is P. O. Box 1438, Makawao, Maui, Hawaii  
96768,  
hereinafter called the "Applicant", and the COUNTY OF MAUI,  
through its Department of Public Works, whose business and  
mailing address is 200 South High Street, Wailuku, Maui,  
Hawaii 96793, hereinafter called the "Department",

WITNESSETH:

WHEREAS, the Applicant warrants and represents that  
he/she/they/it is/are the owner(s) of that certain parcel of  
land, Tax Map Key No. 2-4-13:135, containing  
an area of approximately 14.174 acres, which  
property is more particularly described in Exhibit "A" which is  
attached hereto and incorporated herein by reference,  
hereinafter called the "Property"; and

Exhibit "I"

WHEREAS, the Property is classified Agriculture by the State Land Use Commission and/or County of Maui; and

WHEREAS, the Applicant has applied for a subdivision of the Property; and

WHEREAS, Chapter 205, Hawaii Revised Statutes and State Land Use District Regulations only permit "farm dwellings" within the State Agriculture Land Use District unless otherwise relieved from the restriction by a special permit obtained pursuant to Hawaii Revised Statutes Section 205-6; and

WHEREAS, a "farm dwelling" is defined by Chapter 205, Hawaii Revised Statutes, and the State Land Use District Regulations as "a single family dwelling located on and used in connection with a farm where agricultural activity provides income to the family occupying the dwelling"; and

WHEREAS, a "family" as used in the definition of a "farm dwelling" is defined by the State Land Use District Regulations as "an individual or two or more persons related by blood, marriage or adoption or a group comprising not more than five, persons, not related by blood, marriage or by adoption"; and

WHEREAS, the Applicant acknowledges that a violation of Chapter 205, Hawaii Revised Statutes, and the State Land Use Agriculture District restriction is subject to a citation and a fine of not more than \$5,000 pursuant to Hawaii Revised Statutes Section 205-13, as amended; and

WHEREAS, the Applicant also acknowledges that failure to abide by this agreement may result in the removal of the prohibited structure at the owner's expense; and

WHEREAS, the Department is charged with the enforcement of the restriction by Chapter 205, Hawaii Revised Statutes;

NOW, THEREFORE, for and in consideration of the terms, covenants and conditions hereinafter contained, the parties hereby mutually agree as follows:

1. That the Property, and all parts thereof, is and shall be held subject to the following covenants, conditions and restrictions, and that all of such covenants, conditions and restrictions shall be effective as to the Property from and after the recording of this instrument with the Bureau of Conveyances or the Land Court of the State of Hawaii, as the case may be, without the execution, delivery or recordation of any further deed, instrument, document, agreement, declaration, covenant or the like with respect thereto by the Applicant, the County of Maui, or any successor, personal representative, devisee, heir or assign, as the case may be, of any of them; that the acquisition of any right, title or interest in or with respect to the Property by any person or persons, entity or entities, whomsoever, shall be deemed to constitute the acceptance of all of the covenants, conditions and restrictions of this Agreement by such person or persons, entity or entities, and that upon any transfer of any right, title or interest in or with respect to the Property the same

shall be subject to, and the transferee shall assume and be bound and obligated to observe and perform, all of the covenants, conditions and restrictions of this Agreement.

2. That this Agreement shall be a covenant running with the land and be binding on the Applicant, and all present and future owners, lessees and occupants of said Property and anyone claiming under said Applicant, their heirs, devisees, personal representatives, successors and assigns, as owners or occupants thereof or otherwise; and

3. That the dwelling permitted to be constructed on the Property shall be a "farm dwelling" as defined by Chapter 205, Hawaii Revised Statutes, and the State Land Use District Regulations, as recited herein; and

4. That the dwelling shall only be occupied by a "family" as defined by the State Land Use District Regulations and as recited herein, who derive income from the agricultural activity on the parcel; and

5. That the Applicant and all present and future owners, lessees and occupants of said property hereby grant the Department the right to enter upon and inspect the Property to ensure compliance with the provisions of this Agreement; and

6. That this Agreement shall remain in effect so long as the land retains its Agriculture District classification by the State Land Use Commission and/or County of Maui the pertinent restrictive provisions of Chapter 205, Hawaii Revised Statutes and the State Land Use District Regulations remain in effect; and

7. That the Applicant shall expressly set forth the provisions of this Agreement in any conveyance, deed, lease or rental agreement to said property hereafter executed, so as to provide additional notice of said covenants; and

8. That this Agreement shall be recorded with the Bureau of Conveyances or Land Court of the State of Hawaii, as the case may be, prior to the granting of any permit or approval sought by the Applicant, fees to be paid by the Applicant.

9. The Department shall issue a requested building permit provided the Applicant(s) comply with applicable law.

10. The County of Maui shall have the right to obtain an injunction, mandatory or restraining, to prevent any violation, or threatened violation, of any of the covenants, conditions or restrictions in this Agreement. The County of Maui shall have the right to obtain such an injunction without being required to post a bond as a condition to obtaining such injunctive relief, whether temporary, preliminary or permanent, nor shall the County of Maui be required to show that other relief is inadequate or that the damages or harm suffered by the County of Maui or by any other interested person, is or may be irreparable.

11. The term "Applicant" wherever used herein, and any pronoun used in place thereof, shall mean and include the singular and the plural, and the use of any gender shall mean and include all genders.

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IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed on the day and year first above written.

COUNTY OF MAUI:

DIRECTOR OF PUBLIC WORKS

By Alvin K. Fukunaga  
ALVIN K. FUKUNAGA  
Its Director

APPLICANT: Penellb. Karavots

By \_\_\_\_\_  
Its

By \_\_\_\_\_  
Its

APPROVED AS TO FORM AND LEGALITY:

G. M. Kosaka  
G. M. Kosaka  
Deputy Corporation Counsel  
County of Maui

STATE OF HAWAII            )  
                                  ) SS.  
COUNTY OF MAUI            )

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On this 31st day of October, 1988, before me personally appeared ALVIN K. FUKUNAGA, to me personally known, who being by me duly sworn, did say that he is the Director of Public Works of the County of Maui, a political subdivision of the State of Hawaii, and that the seal affixed to the foregoing instrument is the lawful seal of the said County of Maui, and that the said instrument was signed and sealed on behalf of said County of Maui pursuant to Title 18 of the Maui County Code, the Subdivision Ordinance, and the said ALVIN K. FUKUNAGA acknowledged the said instrument to be the free act and deed of the said County of Maui.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

*Dorrie Miller*  
Notary Public, State of Hawaii.

My commission expires: 7/21/89

LS

STATE OF HAWAII )  
County of Maui ) SS.

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On this 3rd day of October, 1988, before me personally appeared Russell G. Karavichis, to me known to be the person described in and who executed the foregoing instrument and acknowledged that he executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

L.S.

Sandra S. Ika  
Notary Public, State of Hawaii.

My commission expires: 6/20/90

STATE OF HAWAII )  
 ) SS.  
 )

On this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, before me personally appeared \_\_\_\_\_ and \_\_\_\_\_, to me known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public, State of Hawaii

My commission expires: \_\_\_\_\_

EXHIBIT "A"

All of that certain parcel of land (portion of the land(s) described in and covered by Land Patent Grant Number 7967 to Antone P. Freitas) situate, lying and being at Makawao, Island and County of Maui, State of Hawaii, being LOT "A", being a portion of Lot Number 104 of the "HALEAKALA HOMESTEADS", and thus bounded and described:

Beginning at a point on the Southeasterly corner of this parcel of land and on the Westerly side of Olinda Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PIIHOLO" being:

13,543.25 feet South  
1,730.46 feet East

and running by azimuths measured clockwise from true South:

1.	54° 45'	483.95	feet along the 20-foot wide Homesteads Road to a point;
2.	113° 36'	264.84	feet along same to a pipe;
3.	93° 30'	205.31	feet along same to a point;
4.	134° 20'	82.92	feet along same to a point;
5.	151° 00'	26.42	feet along same to a point;
6.	179° 05'	55.33	feet along same to a point;
7.	191° 11'	123.24	feet along same to a point;
8.	173° 30'	188.63	feet along same to a point;
9.	234° 45'	889.63	feet along Grant 7928 to L. Pinheiro to a pipe;
10.	346° 49'	818.95	feet along the Westerly side of Olinda Road to the point of beginning and containing an area of 14.174 acres, more or less.

Said above described parcel of land having been acquired by KORZAN INVESTMENTS, S.A., by the following Deeds:

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- (1) Deed from THOMAS H. BALLENGER, husband of Jan Ballenger, and WILLIAM B. JOHNS, husband of Elizabeth Colleen Johns, dated November 27, 1978, recorded in Liber 13398 at Page 618; and
- (2) Deed from EARL MANN, Trustee of Day's Retirement Reserve Trust, dated November 27, 1978, recorded in Liber 13398 at Page 620.

END OF EXHIBIT "A"