

CONDOMINIUM PUBLIC REPORT

Prepared & Issued by:

Developer: Maui Park Plaza, LLC, a Washington LLC
Address: 381 Huku Li'i Place, Suite 202, P.O. Box 220, Kihei, HI 96753

Project Name (\*): Park Plaza
Address: 590 Lipoa Parkway, Kihei, Maui, HI 96753

Registration No. 5898
Effective date: February 6, 2006
Expiration date: March 6, 2007

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports: Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

- X 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.
FINAL: (white) The developer has legally created a condominium and has filed complete information with the Commission.
SUPPLEMENTARY: (pink) This report updates information contained in the:
And [ ] Supersedes all prior public reports.

(\* ) Exactly as named in the Declaration
This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.
FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104

**Disclosure Abstract:** Separate Disclosure Abstract on this condominium project:

[ ] Required and attached to this report                      [X] Not Required - Disclosures covered in this report.

**Summary of Changes from Earlier Public Reports:**

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.

[ X ] No prior reports have been issued by the developer.

[ ] Changes made are as follows:

**SPECIAL ATTENTION**

This is a CONDOMINIUM PROJECT, not a subdivision . It does not involve the sale of individual subdivided lots. The land area beneath and immediately appurtenant to each unit is designated a LIMITED COMMON ELEMENT and not a legally subdivided lot. The dotted lines on the Condominium Map bounding the designated number of square feet in each limited common element land area are for illustrative purposes only and should not be construed to be the property lines of legally subdivided lots.

1. This public report does not constitute approval of the Project by the Real Estate Commission, or any other governmental agency, nor does it ensure that all applicable County codes, ordinances and subdivision requirements have been complied with.

2. Facilities and improvements normally associated with county approved subdivisions, such as fire protection devices, County street lighting, electricity, upgraded water facilities, improved access for owner and emergency traffic, drainage facilities, etc., may not necessarily be provided for, and services such as County street maintenance and trash collection will not be available for interior roads and driveways.

**THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS REFERENCED IN THIS PUBLIC REPORT FOR FURTHER INFORMATION WITH REGARD TO THE FOREGOING.**

## TABLE OF CONTENTS

	Page
Preparation of this Report	i
Expiration Date of Reports	i
Type of Report	1
Disclosure Abstract	2
Summary of Changes from Earlier Public Reports	2
Table of Contents	3
General Information on Condominiums	4
Operation of the Condominium Project	4
I. PERSONS CONNECTED WITH THE PROJECT	5
Developer	
Attorney for Developer	
General Contractor	
Real Estate Broker	
Escrow Company	
Condominium Managing Agent	
II. CREATION OF THE CONDOMINIUM; CONDOMINIUM DOCUMENTS	
A. Declaration	6
B. Condominium Map (File Plan)	6
C. Bylaws	6
D. House Rules	7
E. Changes to Condominium Documents	7
III. THE CONDOMINIUM PROJECT	
A. Interest to be Conveyed to Buyer	8
B. Underlying Land	9
C. Buildings and Other Improvements	10
D. Common Elements, Limited Common Elements, Common Interest	13
E. Encumbrances Against Title	14
F. Construction Warranties	15
G. Status of Construction	16
H. Project Phases	16
IV. CONDOMINIUM MANAGEMENT	
A. Management of the Common Elements	17
B. Estimate of Initial Maintenance Fees	17
C. Utility Charges for Apartments	17
V. MISCELLANEOUS	
A. Sales Documents Filed with the Real Estate Commission	18
B. Buyer's Right to Cancel Sales Contract	18
C. Additional Information Not Covered Above	20
D. Signature of Developer	21
EXHIBIT A: Rights Reserved by Developer	
EXHIBIT B: Common Elements and Limited Common Elements	
EXHIBIT C: Encumbrances Against Title	
EXHIBIT D: Estimate of Initial Maintenance Fees and Maintenance Fee Disbursements	
EXHIBIT E: Summary of Escrow Agreement	
EXHIBIT F: Summary of Reservation Agreement	

## **General Information On Condominiums**

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

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 owners/tenants) 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 at the lessee's expense. 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.

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 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 project's 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 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 the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the 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 important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Maui Park Plaza LLC Phone: (808) 874-5263  
Name\* (Business)  
381 Huku Li'i Place, Suite 202, P.O. Box  
220, Kihei, HI 96753  
Business Address

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):  
Pacific Rim Land, Inc., member - John Zapotocky, J. Stephen Goodfellow, Daniel R. Goodfellow, Cynthia K. Beattie, and Daniel R. Reisenauer

Real Estate Broker\*: Commercial Properties of Maui, LLC Phone: (808) 244-2200  
Name (Business)  
1955 Main Street, Suite 400  
Business Address  
Wailuku, HI 96793

Escrow: Title Guaranty Escrow Services, Inc. Phone: (808) 533-6261  
Name (Business)  
235 Queen Street  
Business Address  
Honolulu, Hawaii 96813

General Contractor\*: Goodfellow Bros. Construction Phone: (808) 874-5263  
Name (Business)  
381 Hoku Li'i Place, Suite 201  
Business Address  
Kihei, Hawaii 96753

Condominium Managing Agent\*: To be determined Phone: \_\_\_\_\_  
Name (Business)  
\_\_\_\_\_  
Business Address  
\_\_\_\_\_

Attorney for Developer: Richard Kiefer Phone: (808) 871-9700  
Name (Business)  
Kiefer & Merchant LLC  
444 Hana Highway, Suite 204  
Business Address  
Kahului, Hawaii 96732

\* For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

**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. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and 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.

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:

<input checked="" type="checkbox"/>	Proposed			Document No. _____
<input type="checkbox"/>	Recorded -	Bureau of Conveyances:		Book _____ Page _____
<input type="checkbox"/>	Filed -	Land Court:		Document No.: _____

The Declaration referred to above has been amended by the following instruments [state name of document, date 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:

<input checked="" type="checkbox"/>	Proposed			Document No. _____
<input type="checkbox"/>	Recorded -	Bureau of Conveyances:		Book _____ Page _____
<input type="checkbox"/>	Filed -	Land Court:		Document No.: _____

The Condominium Map has been amended by the following instruments [state name of document, date 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 manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

<input checked="" type="checkbox"/>	Proposed			Document No. _____
<input type="checkbox"/>	Recorded -	Bureau of Conveyances:		Book _____ Page _____
<input type="checkbox"/>	Filed -	Land Court:		Document No.: _____

The Bylaws referred to above have been amended by the following instruments [state name of document, date 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 limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. 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>Board Vote</u>

\* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. **Developer:**

- No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.
- Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

See Exhibit A



[ ] Other:

**IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS**

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

**B. Underlying Land:**

Address: 590 Lipoa Parkway Tax Map Key (TMK): (2) 2-2-24:08 (por)  
Kihei, Maui, HI 96753

[ X ] Address [ X ] TMK are expected to change because the property has been subdivided recently and (i) no permanent address has yet been assigned to the Project, (ii) and new TMK numbers have not yet been issued.

Land Area: 2.336\* [ ] square feet [ X ] acre(s) Zoning: KR&T (Proj. Dist. 6)

Fee Owner: Maui Park Plaza LLC.  
 Name  
381 Huku Li'i Place, Suite 202, P.O. Box 220  
 Address  
Kihei, Hawaii 96753

Lessor: not applicable  
 Name  
 Address

**C. Buildings and Other Improvements:**

1.  New Building(s)  
 Conversion of Existing Building(s)  
 Both New Building(s) and Conversion
2. Number of Buildings: 2 Floors Per Building: 2  
 Exhibit \_\_\_\_\_ contains further explanations
3. Principal Construction Material:  
 Concrete  Hollow Tile  Wood  
 Other tile roof
4. Uses Permitted by Zoning:

	<u>No of Apts.</u>		<u>Use Permitted by Zoning</u>	
<input type="checkbox"/> Residential	_____	<input type="checkbox"/> Yes	<input type="checkbox"/>	No
<input checked="" type="checkbox"/> Commercial	<u>14</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/>	No
<input type="checkbox"/> Mix Res/Comm	_____	<input type="checkbox"/> Yes	<input type="checkbox"/>	No
<input type="checkbox"/> Hotel	_____	<input type="checkbox"/> Yes	<input type="checkbox"/>	No
<input type="checkbox"/> Timeshare	_____	<input type="checkbox"/> Yes	<input type="checkbox"/>	No
<input type="checkbox"/> Ohana	_____	<input type="checkbox"/> Yes	<input type="checkbox"/>	No
<input checked="" type="checkbox"/> Industrial	_____	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/>	No
<input type="checkbox"/> Agricultural	_____	<input type="checkbox"/> Yes	<input type="checkbox"/>	No
<input type="checkbox"/> Other (Resort)*	_____	<input type="checkbox"/> Yes	<input type="checkbox"/>	No

Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?  
 Yes  No

The Project is located within the Maui Research & Technology Park, which under Maui County Code Section 19.33 has a special zoning designation of PD 6 (Kihei Research & Technology Park District), and which has the following permitted uses:

- A. Research laboratories and facilities, developmental laboratories and facilities and testing laboratories and facilities;
- B. Manufacture, assembly, testing and repair of components, devices, equipment and systems of an electrical electronic or electromechanical nature;
- C. Manufacture, testing, repair and assembly of optical devices, equipment and systems;
- D. Manufacture, testing, repair and assembly of testing equipment;
- E. Administrative offices, distribution and warehouse facilities as may be required to support the permitted uses under this section;
- G. Other uses of similar and/or supporting service character may be permitted (e.g., banks, fitness centers, classroom and meeting facilities, restaurants and other support facilities or services catering primarily to the needs of visitors or employees of the R & T park), subject to approval by the planning commission and findings that such uses are consistent with the policies of the Kihei Community Plan.

5. Special Use Restrictions:

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

Pets: \_\_\_\_\_

Number of Occupants: \_\_\_\_\_

Other: The Apartments shall be occupied and used for any purposes permitted under applicable law and Maui R&T Park governing documents, as the same may be from time to time adopted or amended.

There are no special use restrictions

6. Interior (fill in appropriate numbers):

Elevators:   2                        Stairways:   5                        Trash Chutes:   0  

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Net Other Area (sf)</u>	<u>(Identify)</u>
<u>A,B</u>	<u>  2  </u>	<u>  0/0  </u>	<u>  2,000  </u>	<u>  0  </u>	
<u>C,D,J,K</u>	<u>  4  </u>	<u>  0/0  </u>	<u>  2,064  </u>	<u>  0  </u>	
<u>E,G,L,N</u>	<u>  4  </u>	<u>  0/0  </u>	<u>  2,448  </u>	<u>  0  </u>	
<u>F, M</u>	<u>  2  </u>	<u>  0/0  </u>	<u>  4,230  </u>	<u>  0  </u>	
<u>H, I</u>	<u>  2  </u>	<u>  0/0  </u>	<u>  2,000  </u>	<u>  0  </u>	

Total Number of Apartments: 14

**\* Net Living Area is the floor area of the apartment measured according to Gross Area. 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: As set forth in Section B.2(b) of the Declaration, each Apartment consists of the improvements, fixtures and space located within the undecorated or unfinished surfaces of each building's perimeter walls, interior load-bearing walls, floors and ceilings. Purchasers should review the Declaration Section B.2(b) for a full description of what is and what is not included in each Apartment.

Permitted Alterations to Apartments: Generally, alterations to Apartments are permitted only with the prior approval of the Project's Board of Directors. All purchasers should review the restrictions, requirements and conditions for Apartment alterations which are contained in Section M of the Declaration and Section J.6 of the Bylaws.



11. 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, Structure, 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 nonconformity, and restrictions on altering and repairing structures. In some cases, a nonconforming 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 other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

described in Exhibit B

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 use them, as described in the Declaration, are:

described in Exhibit B\*

as follows:

\*Note: Land areas referenced herein are not legally subdivided lots.

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 used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

described in Exhibit B

as follows:

Apartment No.

Common interest (%)

E. **Encumbrances Against Title:** An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit C describes the encumbrances against the title contained in the title report dated January 25, 2006 and issued by Title Guaranty of Hawaii, Inc.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien 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.

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. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

Type of Lien

Effect on Buyer's Interest and Deposit if Developer Defaults  
or Lien is Foreclosed **Prior to Conveyance**

F. 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:

To be determined

2. Appliances:

To be determined.

G. **Status of Construction and Date of Completion or Estimated Date of Completion:**

Site work for the Project has commenced. Construction of the Project's buildings is expected to commence in May 2006 and the Project is currently expected to be completed in Summer 2007. Please note that these dates are estimates and are subject to change.

H. **Project Phases:**

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

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):



## V. MISCELLANEOUS

### A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

- [n/a] Notice to Owners Occupants
- [ X ] Specimen Sales Contract  
Exhibit F contains a summary of the pertinent provisions of the sales contract.
- [ X ] Escrow Agreement dated January 20, 2006  
Exhibit E contains a summary of the pertinent provisions of the escrow agreement.
- [ X ] Other: Non-binding reservation agreement.

### B. Buyer's Right to Cancel Sales Contract:

#### 1. Rights Under the Condominium Property Act (Charter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales 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 or Supplementary Report to a Final Report: Sales made by the developer are binding if:

- A) The Developer delivers to the buyer a copy of:
  - 1) Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission; **AND**
  - 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
- B) The buyer is given an opportunity to read the report(s); **AND**
- C) One of the following has occurred:
  - 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
  - 2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
  - 3) 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:

- A) There is a material change in the project 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**
- B) 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.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been issued an effective date by the Hawaii Real Estate Commission.
  - B) Declaration of Condominium Property Regime, as amended.
  - C) Bylaws of the Association of Apartment Owners, as amended.
  - D) House Rules, if any.
  - E) Condominium Map, as amended.
  - F) Escrow Agreement.
  - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
  - H) Other: Any and all documents provided in Exhibit C.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

Website to access official copy of laws: [www.capitol.hawaii.gov](http://www.capitol.hawaii.gov)  
Website to access unofficial copy of laws: [www.hawaii.gov/dcca/hrs](http://www.hawaii.gov/dcca/hrs)  
Website to access rules: [www.hawaii.gov/dcca/har](http://www.hawaii.gov/dcca/har)

This Public Report is a part of Registration No. 5898 filed with the Real Estate Commission on January 25, 2006.

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YELLOW paper stock                       WHITE paper stock                       PINK paper stock

C. **Additional Information Not Covered Above**

The Project is located within the Maui Research & Technology Park. As noted on Exhibit C (Encumbrances Against Title), the land on which the Project will be constructed is subject to three recorded agreements, a Certificate and Authorization dated May 13, 1986, and recorded in the Bureau of Conveyances of the State of Hawaii ("Bureau") in Liber 19513 Page 385, a Subdivision Agreement (Large Lots) dated, March 3, 1988, recorded in the Bureau in Liber 21848 Page 331, and an Amended and Restated Agreement Relating to the Construction of a Storage Tank dated May 23, 2003, and recorded in the Bureau as Document No. 2003-116598. Each of these agreements, which bind all current and future owners of the land, require the developer of the Maui Research & Technology Park, Maui R & T Partners, to construct roads, a water storage tank, and certain other infrastructure of the Maui Research & Technology Park. Maui R & T Partners will construct all such improvements at no cost to purchasers in this Project. However, because the agreements "run with the land" and bind all future owners, if for any reason Maui R & T Partners fails to complete its obligations under the agreements, owners of Apartments in this Project, as well as all other owners of lands that are subject to the agreements, may be held responsible for performance of Maui R & T Partners' obligations under those agreements.

The Developer, Maui Park Plaza LLC, does not currently own the land on which the Project will be built; it is still owned by Maui R & T Partners. The Developer has an agreement to purchase the land, and the Developer will close its acquisition of the land prior to construction of the Project. Copies of the Developer's agreement to purchase the land are available for review upon request.

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

Maui Park Plaza, LLC, a Washington limited liability company  
 Printed Name of Developer

By Pacific Rim Land, Inc.  
 Its Member

By: \_\_\_\_\_ January 20, 2006  
 Duly Authorized Signatory\* Date

John Zapotocky, President  
 Printed Name & Title of Person Signing Above

Distribution:  
 Department of Finance, County of Maui  
 Planning Department, County of Maui

*\* Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.*

## EXHIBIT A

### RIGHTS RESERVED BY DEVELOPER

The Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules, which are contained in the following subsections of Section N of the Declaration:

1. Reservation of Power to Grant Easements The Declarant reserves to itself the non-exclusive right to grant from time to time within the Common Elements (other than the Limited Common Elements), easements and rights-of-way over, under, and across the Common Elements (other than the Limited Common Elements) for utilities, sanitary and storm sewers, drains, cable television and other utility services for two (2) or more Apartments and the right to relocate, realign or cancel the same, on such terms and conditions as the Declarant may determine in Declarant's reasonable discretion, provided that such easements, their use, relocation, realignment, or cancellation shall not materially impair or interfere with the use of any Apartment.
2. Required Amendments The Declarant reserves the right to make, at any time prior to the recordation of an Apartment Deed for the last Apartment in the Project, amendments to the Declaration, the Bylaws, or the Condominium Map that are required by law, by the Real Estate Commission, by a title insurance company, by a mortgage lender, or by any governmental agency provided that such amendments shall not change the Common Interest appurtenant to an Apartment or substantially change the design, location or size of any Apartment for which an Apartment Deed has been recorded.
3. Restatement. Any other provision of this Declaration notwithstanding, the board, upon resolution duly adopted, shall have the authority as set forth in the Act to restate this Declaration from time to time to set forth any prior amendments hereof, or to amend this Declaration as required to conform with the provisions of the Act or any other statute, ordinance, rule or regulation enacted by any governmental authority.
4. Amendment to Change or Reconfigure Apartments. Notwithstanding anything herein to the contrary, at any time before or after the execution and recording of this Declaration by the Declarant in the State of Hawaii Bureau of Conveyances, the Declarant reserves the right to amend this Declaration, the Bylaws, and related condominium documents at any time prior to executing a deed conveying an Apartment to change the layout, floor area, partitions, ceilings, structures, fixtures, exterior doors and windows, pipes, ducts and other equipment of such Apartment to reflect changes to meet marketing, architectural or construction requirements, or the exercise of certain options offered to purchasers to change apartment layout, floor plan and floor area. Declarant may execute and record each such amendment unilaterally and without requiring the consent or joinder of any owner or any prospective purchaser of any Apartment or any mortgage holder. Developer may change the Condominium Map to reflect the new configuration of any apartments to change the description of apartments and to revise the statement of apartment net floor areas, and other changes as shall be appropriate under the circumstances.
5. Subdivision of Apartment. Developer reserves the right, at any time prior to the recording of an Apartment Deed, to divide an Apartment into two or more separate Apartments by (a) amending the Condominium Map and related exhibits to this Declaration to reflect the subdivision, (b) amending the provisions of this Declaration and Bylaws to provide that the Limited Common Elements appurtenant to the resulting Apartments shall be operated, maintained, repaired and replaced by the Association at the expense of the Owners of the resulting Apartments, and (c) making such other amendments to this Declaration, the Bylaws, the Condominium Map, and other documents pertaining to the Project as the Developer deems necessary or convenient to effectuate the subdivision of the Apartment.
6. Reconfigure Parking. Developer reserves the right, at any time prior to the recording of the first Apartment Deed to assign one or more parking spots to specific apartments. All parking spots assigned to a specific Apartment shall be Limited Common Elements associated with such Apartment.
7. Consent to Developer's Reserved Rights; Appointment of Developer and Association as Attorney-in-Fact. Each and every person acquiring an interest in the Project, by such acquisition, consents to all of the rights reserved unto the Declarant as set forth in the Declaration, including but not limited to those rights as set forth in Section N.1. through N.6, and to the recording of any and all documents necessary to effect the same in the Bureau; agrees to execute, deliver and file such documents and instruments and do such other things as may be necessary or convenient to effect the same. If the joinder or consent of any such person shall be required by law or any other document, each such person appoints the Declarant, or Declarant's successors and assigns if applicable, as such person's attorney-in-fact with full power of substitution to execute, deliver and file such documents and instruments and to do such things on his behalf, and to receive or send any legal notices required by the Act, and to receive service of process (legal papers) as to legal proceedings in the Bureau, which grant of such power, being coupled with an interest, is irrevocable for the term of said reserved rights, and shall not be affected by the disability of such party or parties; which grant of such power shall be binding upon any assign of, or successor-in-interest to, any such party and shall be deemed to be automatically granted anew by any assign or successor-in-interest upon any transfer of any apartment or interest therein, whether by deed, mortgage, or any other instrument of conveyance. Without limitation to the generality of the rights reserved unto Declarant hereunder, Declarant will have the right to execute, deliver and

record any amendment to this Declaration or to the Condominium Map, Bylaws and/or House Rules, any easement instrument, any deed, any amendment to an apartment deed, assignment of rights or interest, or such other document or instrument that may be necessary or appropriate to permit Declarant to exercise its rights pursuant to the provision of this Declaration.

**EXHIBIT B**

**COMMON ELEMENTS AND LIMITED COMMON ELEMENTS**

The Common Elements of the Project include:

1. The Land, in fee simple, and any and all easements and appurtenances thereto.
2. All unfinished, undecorated portions of all perimeter (including party) walls and interior load-bearing walls, the undecorated or unfinished surfaces of floors and ceilings, all lanai slabs and railings, all structural components, foundations, floor slabs, columns, girders, beams, supports, shafts, ceilings and spaces between the ceiling and the floor slab or roof above, roofs, exterior surfaces of the Project, including any paint or coating thereon, and all exterior windows.
3. All yards, grounds planters, trellises and landscaping and other refuse facilities, if any, whether within or appurtenant to the Project.
4. All roads, covered and uncovered parking areas, driveways, ramps, loading areas or zones, and walkways which are rationally of common use by Owners of more than one Apartment, including all one-hundred twenty-two (122) parking stalls shown on the Condominium Map.
5. All chutes, flues, ducts, pumps, valves, sewer lines, drain lines, electrical equipment, cables, wiring, pipes, shafts, wires, conduits or other utility or service lines which are utilized for or serve more than one Apartment and other central and appurtenant transmission facilities over, under and across the Project which serve more than one Apartment for services such as power, light, water, gas, sewer, refuse, telephone and radio and television signal distribution.
6. The individual electrical meters for each of the Apartments, together with the electrical lines from such meters to the Apartments, but only to the point where such lines enter the Apartments.
7. The utility rooms in the Project as shown on the Condominium Map.
8. All storage areas, hallways, corridors, stairs, stairways, mechanical rooms, electrical rooms, communications rooms, trash rooms, and other similar areas which are not part of an Apartment.
9. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

The Limited Common Elements of the Project include:

1. Chutes, flues, ducts, wires, conduits, or any other fixtures intended for the exclusive use of one Apartment.
2. Shutters, awnings, window boxes, doorsteps, stoops, porches, lanais (including lanai storage closets), doors and windows (together all cranks, frames and other window or door hardware) along the perimeter walls of the Apartment.

The Common Interest for the Apartments in the Project are as follows:

<u>Apartment No.</u>	<u>Common Interest Percent</u>
A	5.79576
B	5.79576
C	5.98122
D	5.98122
E	7.09401
F	12.25802
G	7.09401
H	5.79576
I	5.79576
J	5.98122
K	5.98122
L	7.09401
M	12.25802
N	7.09401

EXHIBIT  C

ENCUMBRANCES AGAINST TITLE

The following are the encumbrances against title to the Project that are contained in the title report dated October 24, 2002 and issued by Title Guaranty of Hawaii, Inc., which report :

1. For Real Property Taxes due and owing  
The premises described in Schedule C is covered by Tax Key (2) 2-2-024-008.  
Land Classification: INDUSTRIAL
2. Reservation in favor of the State of Hawaii for all mineral and metallic mines.
3. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:  
  
INSTRUMENT : CERTIFICATE AND AUTHORIZATION  
DATED : May 13, 1986  
RECORDED : Liber 19513 Page 385
4. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:  
  
INSTRUMENT : SUBDIVISION AGREEMENT (LARGE LOTS)  
DATED : March 3, 1988  
RECORDED : Liber 21848 Page 331  
PARTIES : HALEAKALA RANCH COMPANY, a Hawaii corporation and the COUNTY OF MAUI
5. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:  
  
INSTRUMENT : DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND  
RESERVATION OF EASEMENTS FOR THE MAUI RESEARCH AND TECHNOLOGY  
PARK  
DATED : October 2, 1990  
RECORDED : Document No. 90-154304  
  
Said Declaration was amended by instrument dated January 25, 2000, recorded as Document No. 2001-020165.
6. Maui County Ordinance No. 1541 (title 19, Chapter 19.33, Maui County Code) establishing the Kihei Research and Technology Park District.
7. DESIGNATION OF EASEMENT "B-1"  
  
PURPOSE : roadway and utility  
SHOWN : on subdivision map prepared by Reed M. Ariyoshi, Land Surveyor, with Warren S. Unemori - Engineering, Inc., dated November 9, 2000, approved by Director of Public Works and Waste Management, County of Maui, on January 31, 2001
8. The terms and provisions, including the failure to comply with any covenants, conditions and reservations, contained in the following:  
  
INSTRUMENT : AMENDED AND RESTATED AGREEMENT RELATING TO THE CONSTRUCTION OF  
A STORAGE TANK  
DATED : May 23, 2003  
RECORDED : Document No. 2003-116598  
PARTIES : MAUI R & T PARTNERS, a Hawaii limited partnership, ("Developer") and COUNTY OF  
MAUI, Through its Department of Water Supply ("County")

Amends and restates that certain AGREEMENT RELATING TO THE CONSTRUCTION OF A STORAGE TANK by and between MAUI R & T PARTNERS, a Hawaii limited partnership, and the BOARD OF WATER SUPPLY of the County of Maui, dated January 21, 1992, recorded as Document No. 92-038684.

9. GRANT

TO : HALEAKALA RANCH COMPANY, a Hawaii corporation  
DATED : June 18, 2003  
RECORDED : Document No. 2003-128311  
GRANTING : a non-exclusive easement for access and utility purposes over Easement K-2, being more particularly described on Exhibit "B" attached thereto

The interest of HALEAKALA RANCH COMPANY, a Hawaii corporation, in said Grant was assigned to PIILANI HOMEOWNERS ASSOCIATION, a Hawaii nonprofit corporation, by instrument dated August 25, 2003, recorded as Document No. 2003-182756.

[Note: This encumbrance is to be deleted prior to closing of purchases of Apartments in this Project.]

10. Any unrecorded leases and matters arising from or affecting the same.
11. Discrepancies, conflicts in boundary lines, shortage in area, encroachments or any other matters which a correct survey or archaeological study would disclose.  
  
-Note:- A current survey, with metes and bounds description, should be made of said premises.
12. Any lien (or claim of lien) for services, labor or material arising from an improvement or work related to the land described in Schedule C herein.

EXHIBIT D

**ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

Initial Estimate of Maintenance Fees:

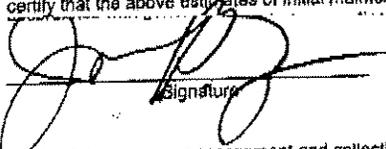
<b>Apt. No.</b>	<b>Size</b>	<b>Common %</b>	<b>Yearly Mnt. Fees</b>	<b>Monthly Mnt. Fee</b>
A	2,000	5.79576%	\$4,795.27	\$399.61
B	2,000	5.79576%	\$4,795.27	\$399.61
C	2,064	5.98122%	\$4,948.72	\$412.39
D	2,064	5.98122%	\$4,948.72	\$412.39
E	2,448	7.09401%	\$5,869.41	\$489.12
F	4,230	12.25802%	\$10,142.00	\$845.17
G	2,448	7.09401%	\$5,869.41	\$489.12
H	2,000	5.79576%	\$4,795.27	\$399.61
I	2,000	5.79576%	\$4,795.27	\$399.61
J	2,064	5.98122%	\$4,948.72	\$412.39
K	2,064	5.98122%	\$4,948.72	\$412.39
L	2,448	7.09401%	\$5,869.41	\$489.12
M	4,230	12.25802%	\$10,141.99	\$845.17
N	<u>2,448</u>	<u>7.09401%</u>	<u>\$5,869.41</u>	<u>\$489.12</u>
<b>Totals</b>	<b>34,508</b>	<b>100.00000%</b>	<b>\$82,737.60</b>	<b>\$6,894.80</b>

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:**

	<u>Monthly Fee</u> x 12 months =	<u>Yearly Total</u>
<b>Utilities and Services</b>		
Air Conditioning	200.00	2,400.00
Electricity		
<input checked="" type="checkbox"/> common elements only		
<input type="checkbox"/> common element and apartments		
Elevator (Included in Air Conditioning & Long Term Maintenance)		
Gas		
<input type="checkbox"/> common elements only		
<input type="checkbox"/> common element and apartments		
Refuse Collection	300.00	3,600.00
Telephone (no common interest)	200.00	2,400.00
Water and Sewer		
<b>Maintenance, Repairs and Supplies</b>		
Building (Includes long term repair)	200.00	2,400.00
Grounds	1,200.00	14,400.00
<b>Management</b>		
Management Fee	3,000.00	36,000.00
Payroll and Payroll Taxes		
Office Expenses		
<b>Insurance</b>		
Insurance	350.00	4,200.00
<b>Reserves(*) - See long-term building repair</b>		
Taxes and Government Assessments	844.80	10,137.60
Audit/Legal Fees	100.00	1,200.00
Other Irrigation Water	<u>500.00</u>	<u>6,000.00</u>
TOTAL	6,894.80	82,737.60

I, John Maloney, as agent for/and/or employed by Maui Park Plaza LLC, the condominium managing agent/developer for the Park Plaza condominium project, hereby certify that the above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in accordance with the provisions of the condominium project's governing documents.

  
Signature

January 20, 2006  
Date

(\*) Mandatory reserves assessment and collection in effect beginning 1994 budget year. The Developer is to attach to this exhibit an explanation whether, in arriving at the figure for "Reserves", the Developer has conducted a reserve study in accordance with §514A-83.6, HRS, and the replacement reserve rules, Subchapter 6, Title 16, Chapter 107, Hawaii Administrative Rules, as amended.

Pursuant to §514A-83.6, HRS, a new association created after January 1, 1993, need not collect estimated replacement reserves until the fiscal year which begins after the association's first annual meeting.

**EXHIBIT   E**

**SUMMARY OF ESCROW AGREEMENT**

A copy of the executed Escrow Agreement for the Project between Title Guaranty Escrow Services, Inc. ("Escrow") and Developer has been filed with the Commission. The Escrow Agreement provides for the deposit of the funds of a purchaser of an Apartment (a "Purchaser") pursuant to the Reservation Agreement or Sales Contract and also provides for the retention or disbursement of the funds. The Escrow Agreement specifically permits the disbursement of Purchaser's funds under a Sales Contract prior to closing, subject to certain conditions, to pay for certain Project costs, including costs of constructing the Project's buildings, fixtures and other improvements, Developer's architectural, engineering, finance and legal fees, and other incidental expenses of the Project (excluding marketing expenses and brokerage fees relating to the sales of Apartments).

The Escrow Agreement provides in part that any interest earned on money on deposit shall be paid to the parties in accordance with the terms of the Reservation Agreement or Sales Contract. In the event that the Reservation Agreement or Sales Contract or Hawaii Revised Statutes Chapter 514A entitle a Purchaser to a refund of Purchaser's Deposits held by Escrow, the Escrow, upon instruction from Developer, will refund Purchaser's deposits, less certain cancellation fees and costs (e.g., escrow cancellation fees, loan processing fees, cost of credit reports, etc.) as provided in the Sales Contract and Chapter 514A, Hawaii Revised Statutes, as amended.

By law the total amount of such cancellation fees shall not exceed Two Hundred Fifty and No/100 Dollars (\$250.00) so long as the cancellation occurs prior to the time the Sales Contract becomes effective (following issuance of the Final Public Report). Under the Escrow Agreement no disbursement of funds can be made to the Developer until the Sales Contract becomes effective under the provisions of Chapter 514A, Hawaii Revised Statutes.

It is incumbent upon a prospective Purchaser to read the executed Escrow Agreement with care.

**EXHIBIT F**

**SUMMARY OF DEPOSIT AND RESERVATION AGREEMENT**

The specimen Deposit and Reservation Agreement (the "Reservation Agreement"), filed with the Commission, provides, among other things:

1. The Reservation Agreement does not bind or oblige the purchaser to purchase an Apartment or the Developer to sell an Apartment. Upon the purchaser's payment of a deposit into an escrow account established by the Developer with Title Guaranty Escrow Services, Inc. ("Escrow"), the Reservation Agreement reserves a designated Apartment for the purchaser so long as Escrow continues to hold the purchaser's deposit. The Reservation Agreement does not establish a purchase price for any Apartment in the Project.
2. The Developer has entered into an Escrow Agreement with Escrow covering the deposit with Escrow of all funds paid by the purchaser under the Reservation Agreement and the disbursement of the funds from Escrow.
3. In the event that the purchaser or the Developer cancel the Reservation Agreement and do not enter into a sales contract, the purchaser's deposit shall be returned to the purchaser without interest.
4. The Reservation Agreement and Escrow Agreement provide that the purchaser shall not earn or receive any interest on any funds deposited with Escrow. Upon the written request of the purchaser either directly to Escrow or the Developer, or upon the written request of the Developer to Escrow, Escrow will grant the purchaser an immediate, unqualified refund of the deposit made by the purchaser without interest. The Developer may, at its sole and absolute discretion, cancel the Reservation Agreement.