



**REAL ESTATE COMMISSION**  
PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES  
STATE OF HAWAII  
212 SO. BERETANIA ST.  
P. O. BOX 3469  
Honolulu 1, Hawaii

**SUPPLEMENTARY  
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)  
PUBLIC REPORT**

**SECOND  
AND  
FINAL AMENDED**

on  
**HYATT HOUSE KAUAI**  
Keawaloa Tract, Koloa  
Island and County of Kauai  
State of Hawaii

REGISTRATION NO. 9

**This Report Is Not an Approval or Disapproval of This Condominium Project**

It was prepared as a supplement to an earlier Report dated Feb. 8, 1963, June 6, 1963, and Sept. 13, 1963 issued by the Real Estate Commission on the above project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

The developer shall not enter into a binding contract or agreement for the sale of any unit in a Condominium Project until

- (1) A copy of this Report has been given to the prospective purchaser,
- (2) The latter has been given an opportunity to read same, and,
- (3) His receipt taken therefor.

August 6, 1964

**SPECIAL ATTENTION**

Particular attention of purchasers and prospective purchasers is directed to the following:

- (1) Since the issuance of the Commission's Final Report of February 8, 1963, and Supplementary Report of June 6, 1963 and Amended Supplementary Report of September 13, 1963 on this proposed horizontal property regimes project, the Developer has advised that additional changes have been incorporated. This **SECOND AND FINAL AMENDED** Supplementary Public Report supersedes the three (3) previously issued reports and is the document which the Developer must give to all purchasers and prospective purchasers.
- (2) The Developer advises that the former name **KAUAIAN HYATT HOUSE** has been officially changed to **HYATT HOUSE KAUAI** and is a proposed condominium project.
- (3) The Developer advises that the original planning on the project called for sixty five (65) dwelling units. Further study by the architectural personnel and revisions and additions to the preliminary plans brought the number of dwelling units offered for sale to eighty (80).
- (4) The Developer advises that all of the eighty (80) units of the project have been sold, and that the development is now in the final stages of construction.

- (5) Architects and engineers have completed all final, detailed building plans and specifications, copies of which have been filed with the Commission for examination.
- (6) Forms of the Contract of Sale and By-Laws of Council of Co-Owners are on file with the Commission.
- (7) Any future purchaser is advised to acquaint himself with the general provisions of the Horizontal Property Act enacted by the Legislature of the State of Hawaii in 1961, as amended in 1962, and again in 1963 and 1964.

NAME OF PROJECT: HYATT HOUSE KAUAI

DEVELOPER: Kauaian Development, Company, Inc.  
a Hawaii Corporation, Suite 504-506, Stangenwald Building,  
119 Merchant Street, Honolulu, Hawaii. Telephone 564-622.

Incorporated August 2, 1963, the officers are:

Robert M. Kimbrough, President  
Ralph E. Corey, Vice President  
Wallace C. S. Young, Secretary-Treasurer

DECLARATION: The Horizontal Property Regime declaration was filed and recorded in the Bureau of Conveyances, State of Hawaii, by the Kauaian Development Company, Inc., on October 19, 1962, Liber 4386, Page 435. The land assets of Kauaian Development Company, Inc., were purchased from said Company by Assignment of Agreement of Sale by Kauaian Development Company, Inc. on August 2, 1963.

LOCATION: The property in question is on the Island of Kauai in the district of Koloa, and is in a hotel-apartment zone. The Developer has filed with the Commission a variance from the County of Kauai for hotel resort use, and subsequently building permits were approved and issued. The site is approximately 12.0 miles from the town of Lihue, the county seat, off Federal Aid Highway No. 52 at Koloa Landing, adjacent to Poipu Beach Road, mid-way between Prince Kuhio Park and Poipu Beach Park - a distance of approximately 1.5 miles along the southern shore of Kauai. This parcel of 69,500 square feet, more or less, is on the ocean-side of the extreme end of Puuholo Road.

DESCRIPTION: The Developer advises as follows:

Description of Land. The land on which the project buildings and improvements are located is a leasehold covered by a Master Lease executed by KAUAIAN LAND COMPANY, INC., as Lessor, and Developer, as Lessee, dated July 6, 1964, and recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 21177. The term of the Master Lease is 55 years from the later of the following dates: July 1, 1964, or the day on which the hotel on the land commences its business. The Master Lease grants an option to Lessee to purchase the fee simple title to the land for \$350,000.00 on or before July 1, 1974. The land is situated in Weliweli, Koloa, Island and County of Kauai, State of Hawaii, and is described as follows:

LOT NO. 31-A, comprising all of the lots numbered 3, 29-A, 29-B, 30, 31, 32, 33-A, and 43, and portions of lots numbered 33-B and 34-A, of the "Keawaloa Tract", as shown on the map filed in the Bureau of Conveyances in Honolulu as File Plan No. 326.

The Developer advises that there are 10 buildings, consisting of 1 main building and 9 detached cottages. The main building is basically a 3-story structure having concrete slab floors, masonry walls, and concrete and timber A-frame roof structure. It contains 53 apartments,

commercial areas and common areas. Each cottage is a 2-story structure of masonry and wood walls on concrete slab floors with A-frame timber roof structure, and contains 3 apartments. There are a total of 80 apartments in the 10 buildings.

Description of apartments, their location and areas. The following apartments are in the main building:

LOWER FLOOR

<u>Apt. No.</u>	<u>Sq. Ft.</u>	<u>Apt. No.</u>	<u>Sq. Ft.</u>	<u>Apt. No.</u>	<u>Sq. Ft.</u>
001	384	009	384	017	384
002	384	010	384	018	384
003	384	011	384	019	384
004	384	012	384	020	384
005	384	013	384	021	384
006	384	014	384	022	384
007	384	015	384	023	384
008	384	016	384	024	384

FIRST FLOOR

101	618	105	440	109	440
102	440	106	440	110	440
103	440	107	440	111	440
104	440	108	440		

SECOND FLOOR

201	720	207	392	213	392
202	392	208	392	214	544
203	392	209	392	215	720
204	392	210	392	216	846
205	392	211	544		
206	392	212	392		

THIRD FLOOR

301	482	302	496
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Each apartment has single bedroom and living area, bathroom, kitchenette, wardrobe and lanai, and has access to a corridor which leads to open ground.

The following apartments are in the detached cottages:

<u>Apt. No.</u>	<u>Sq. Ft.</u>	<u>Apt. No.</u>	<u>Sq. Ft.</u>	<u>Apt. No.</u>	<u>Sq. Ft.</u>
1-A	476	1-B	476	1-C	612
2-A	476	2-B	476	2-C	612
3-A	476	3-B	476	3-C	612
4-A	476	4-B	476	4-C	612
5-A	476	5-B	476	5-C	612
6-A	476	6-B	476	6-C	612
7-A	476	7-B	476	7-C	612
8-A	476	8-B	476	8-C	612
9-A	476	9-B	476	9-C	612

In the above designation, the numeral designation indicates the number of the cottage. Apartments with letters A and B are on the first floor. Apartments with the letter C are on the second floor. Each apartment in the cottages has the same accommodations as apartments in the main building. Apartments on the first floor have direct access to open ground, and apartments on the second floor have access to a stairway which leads to open ground.

The Developer's description of the improvements - 10 buildings containing eighty (80) apartment-hotel units; common areas with servicing facilities; and commercial areas and passage ways thereto and therefrom solely-owned in fee-simple absolute, reserved and operated by the Developer, including kitchen, kitchen storage, freezer and chill-box storage, dining room and dining decks, banquet room, bar, long-house and commercial shops.

The Developer further advises that the apartment-hotel units each contain kitchenettes, are fully-furnished, and that the purchase or lease payments for the furnishings and equipment for the units and common areas will be included in the maintenance expenses.

GENERAL COMMON ELEMENTS: The Developer states, and the documents on file reflect, that the general common elements will not include the commercial areas, facilities, owned and expressly reserved by the Developer in amended paragraph 12 of the Contract of Sale, but will include:

- (1) Leased land on which the project is located;
- (2) Foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, stairs, stairways, fire escapes, entrances and exits of buildings;
- (3) Swimming pools and tropical pools;
- (4) Basement common areas, flat roofs, yards, gardens, recreational facilities, parking area, specified storage spaces, and maids' storage areas.
- (5) Central and appurtenant installations for services such as power, light, gas, hot and cold water, refrigeration, reservoirs, water tanks, pumps, and the like;
- (6) All installations existing for general common use; however, expressly reserving and retaining to the Developer an irrevocable right of access to and from and use of the project sewage treatment plant and facilities;
- (7) All other parts of the property necessary or convenient to its existence, maintenance or safety, or normally in general common use.

OWNERSHIP TO TITLE: The land on which the entire project is situated is owned in fee-simple absolute by Kauaian Land Company, Inc., when Deed is recorded in the Bureau of Conveyances of the State of Hawaii, as Document No. 21176.

ENCUMBRANCES AGAINST TITLE: A 55-year Master Lease of the development premises; and a 55-year lease of the commercial facilities, with option to renew, was given by Kauaian Land Company, Inc. to Kauaian Development Company, Inc. on July 6, 1964, which Master Lease was recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 21177. Leasehold Condominium Deeds to the respective apartment units and sub-Indentures of Lease to the general common elements have been executed with and to all unit Purchasers, which Deeds and sub-Leases are subject to the terms and conditions of said Master Lease.

INTEREST TO BE CONVEYED TO PURCHASER: The Developer states that each of the 80 apartment-unit Purchasers will receive from the Developer a recorded Leasehold Condominium Deed to a certain apartment-hotel unit, and a pro-rata leasehold share by Indenture of Lease as a tenant-in-common with all other co-owners in the general common elements of the project, excepting the commercial areas, facilities and access ways expressly retained and reserved by the Developer.

The Developer advises, for the general interest, welfare and benefit of the Purchasers, that it has requested all Purchasers to agree in writing to a modification of the existing Contract of Sale in the following respects:

- (1) By amending Paragraph 4 of said Contract of Sale to read as follows:

"4. Ownership of Hotel Unit. The Purchaser shall have the exclusive right, title, interest, use and possession for a term of 55 years commencing on the 1st day of July, 1964, or on the first day of business operation of the Hyatt House Kauai project, whichever is the later date, in and to the unit hereby sold and shall have an undivided interest and common right to a share with other co-owners in the general common elements of the property, including: (a) leased land on which the project is located; (b) foundations, columns, girders, beams, supports, main walls, roofs, halls, corridor, stairs, stairways, fire escapes, entrances and exits of buildings; (c) swimming pool and tropical pools; (d) basement common areas, flat roofs, yards, gardens, recreational facilities, parking area, specified storage area, and maids' storage areas; (e) central and appurtenant installations for services such as power, light, gas, hot and cold water, reservoirs, water tanks, pumps and the like; (f) all installations existing for general common use; however, expressly reserving and retaining to the Developer an irrevocable right of access to and from and use of the project sewage treatment plant and facilities; (g) all other parts of the property necessary or convenient to its existence, maintenance or safety, or normally in general common use, excepting the ownership and use of the premises owned, reserved and retained by the Seller for use for commercial purposes."

- (2) By amending Paragraph 9 of the said Contract of Sale to read as follows:

"9. Description of Land. The land is a 55-year master leasehold with 10-year option to purchase in fee. The Master Lease is recorded in the Bureau of Conveyances of the State of Hawaii as Document No. 21177, and is hereby referred to and made a part hereof as fully as if it were set out at length herein. Purchaser shall perform pro-rata the relevant terms and conditions of the Master Lease."

- (3) By amending Paragraph 12 of the said Contract of Sale to read as follows:

"12. Reservation - Commercial Areas and Facilities. It is expressly acknowledged, understood and agreed by and between the Seller and the Purchaser that the Seller expressly reserves to itself an irrevocable right of access to and from and use of the project sewage-treatment plant and facilities; and is the sole and fee simple owner of the respective commercial areas, facilities, land and space on, in, under and over which said commercial areas and facilities are situated. It is further understood and agreed that, primarily, these commercial areas and facilities consist of, but are not expressly limited to, kitchen areas, kitchen storage, freezer and chill-box storage, dining rooms and dining decks, bar, banquet room, long-house and commercial shops, as are more particularly and fully defined in the final plans and specifications on file with the Real Estate Commission. As part of the consideration for this Contract of Sale, the Seller and its

successors and assigns have expressly and irrevocably reserved the sole and fee-simple ownership, right, title, interest and the exclusive, unconditional and irrevocable right of use of these aforesaid commercial areas and facilities, including exclusive and free right of easement, passage and access thereto and therefrom. No interest in the commercial business conducted by the Seller or by its duly-authorized representative thereon, nor any liability or expense incurred in connection therewith is intended to be nor shall be conveyed to or imposed on any Purchaser. Seller and Purchaser further expressly understand and agree that the Seller shall be solely liable for and shall pay to the Manager its respective share of the costs of insurances, taxes, utilities applicable and chargeable to the commercial areas reserved, and shall pay the salaries of the commercial-area employees only."

- (4) By adding a new paragraph 12(a) to the said Contract of Sale as follows:

"12(a). Right of Seller, Agents, Representatives and Business Licensees to Free Access and Passage to and from Commercial Areas and Facilities. Purchaser and Seller mutually agree that Seller, its agents, servants, duly-authorized representatives, business licensees and permittees are granted an irrevocable, free and unencumbered right of passage, ingress and egress, use and access to, from, over and under all general common elements of the development property demised, including all commercial areas, facilities, access-ways and improvements."

- (5) By adding a new paragraph 12(b) to the said Contract of Sale as follows:

"12(b). Wherever the name KAUAIAN appears in this Contract of Sale, the name shall be re-designated as HYATT HOUSE KAUAI.

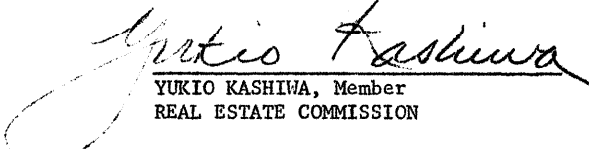
PURCHASE MONEY HANDLING: Funds paid by Purchasers prior to occupancy have been placed in escrow with Title Guaranty Escrow Services, Inc., and have regularly been disbursed from time-to-time in accordance with instructions from the Seller for the construction and development of the Hyatt House Kauai project.

MANAGEMENT AND OPERATION: The Developer advises that it has obtained and executed a 20-year management contract with Hyatt Corporation of America for the management and operation of the Hyatt House Kauai project. Information on file with the Commission recites that the Developer has been appointed for the 55-year term of the Master Lease to act and serve as the Manager of the project, and has reserved the right to appoint a Manager in its stead to supervise the rental and operation of Purchaser's unit on a hotel basis, as provided in the original Contract of Sale (and in the Contract of Sale as proposed to be amended herein). The Developer shall also act as administrator for the Council of Co-Owners and in accordance with the By-Laws of the Hyatt House Kauai and applicable state laws and regulations as enacted.

The Contract of Sale (original and as proposed to be amended) and the By-Laws define the rights and duties of the individual unit owners and should receive the particular attention of each Purchaser, since it is these documents which will govern the management and operation of the project.

Information contained in the Contract of Sale (original and as proposed to be amended) on file with the Commission further recites that the Contract of Sale comprises the entire agreement between the parties, supersedes all prior oral or written agreements, and shall not be modified, waived, altered or changed except in writing signed by both parties thereto.

STATUS OF PROJECT: The Developer advises that the contract for the construction of Hyatt House Kauai was awarded to Better Built Hawaii, Ltd., a Honolulu general contractor; that both adequate Performance and Payment Bonds have been posted to insure completion of construction; that Building Code Permit No. 870 was issued by the County of Kauai on December 20, 1962; and that the Developer anticipates completion of the project during the month of July, 1964.

  
YUKIO KASHIWA, Member  
REAL ESTATE COMMISSION

cc: DEPT. OF TAXATION  
DEPT. OF REGULATORY AGENCIES  
(Business Registration Division)  
BUREAU OF CONVEYANCES  
PLANNING AND TRAFFIC COMMISSION, COUNTY OF KAUAI

SECOND  
AND  
FINAL AMENDED

