



REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII
424 SO. BERETANIA STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT

on
MAKAUA SHORES
Makaua Koolauloa, Oahu
Hawaii

REGISTRATION NO. 92

IMPORTANT — Read This Report Before Buying

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

It reflects information obtained by the Real Estate Commission in its investigation of the project. This report, based on a principle of disclosure, is issued by the Commission for the purpose of preventing fraud, misrepresentation or deceit.

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

July 16, 1965

SPECIAL ATTENTION

Particular attention of the purchaser or prospective purchaser is directed to the following:

1. MAKAUA SHORES is a fee simple condominium project consisting of eight (8) dwelling units.
2. The Developer has filed the following documents or specimen documents with the Commission for examination: Horizontal Property Regime Questionnaire and Notice of Intention; Articles of Association of Clarke Investment Corporation; the By-Laws of Clarke Investment Corporation; a deed conveying the subject property from Dole Corporation to Clarke Investment Corporation; a purchase money mortgage in favor of the Dole Corporation; a copy of the second mortgage covering the subject property of Larry Mederois; the Declaration of Horizontal Property Regime; the Declaration of Covenants, Conditions, Restrictions and By-Laws; a copy of the Condominium Deed; a copy of the Sales Contract; a copy of the Escrow Agreement; a copy of the House Rules; an Abstract of Title and seven sheets of drawings showing the site plan, grading plan, landscaping plan and construction plans of the various improvements to be erected upon the property.

3. The Purchaser is advised to acquaint himself with the general provisions of the Horizontal Property Act (HPA) passed by the Legislature of the State of Hawaii in 1961. This statute has been amended by each succeeding session of the Legislature since enactment of the original enabling legislation.

NAME OF PROJECT: MAKAAUA SHORES

DEVELOPER: The Developer is Clarke Investment Corporation a Hawaii Corporation whose principal office is located at 45 S King Street. The officers of said corporation are as follows: J. K. Clarke, Jr., President; R. H. Rice, Vice President; E. H. Mahn, Secretary Treasurer, H. C. Dunn, Assistant Secretary Treasurer.

ATTORNEY REPRESENTING DEVELOPER: Smith, Wild, Beebe & Cades (Attn: Mr. James S. Campbell), First National Bank Building, P. O. Box 939, Honolulu, Hawaii 96808. Telephone 569-331.

LOCATION: The condominium project is on a piece of property consisting of 47,180 square feet located between the beach and Kamehameha Highway next to the Makaua stream at Makaua, Koolauloa, Oahu, Hawaii. The zoning is rural protective.

TAX KEY: FIRST DIVISION 5-1-3-2

DESCRIPTION: The Developer advises that the project will be a fee simple cottage apartment condominium project consisting of 8 cottage apartment sites with cottages thereon erected, all on approximately 47,180 square feet of land fronting upon the ocean; that the cottage apartments are, in general, located along the periphery of the property, some being located on the ocean and some being located away from the ocean, all as more fully shown on the plot plan filed with the Real Estate Commission.

The cottage apartment sites are numbered 1 through 8, inclusive and will be restricted to single family dwellings. Seven of the cottages to be constructed on the premises will have a living room, kitchen, two bedrooms and one and one-half bathrooms having a total net floor area of approximately 768 square feet on the ground floor. There shall also be a second floor loft area covering about 50% of the ground floor area, an outdoor lanai containing an area of approximately 288 square feet and a paved attached outdoor utility area. The eighth apartment will contain a living room, kitchen, two bedrooms, and one bathroom having a ground floor area of approximately 605 square feet, a similar second floor loft area together with an outdoor lanai having an area of approximately 195 square feet and in addition a paved outdoor utility area. The cottages shall be erected on a concrete slab with exterior tongue and groove walls 2" x 8". The interior partitions shall be 3/4" x 6" tongue and groove. The ceilings shall be open with a 2" x 6" tongue and groove ceiling below the half story. The roof in each case shall be of cedar shakes and the windows shall be of glass or jalousies.

The cottages shall be numbered 1 through 8 with cottage number 1 facing the ocean on the Kahuku side of the property and numbered successively to the right along the periphery of the property. The drawings reveal that there will be 13 uncovered parking stalls. Each apartment shall have access to the common elements which in turn will give access to the beach and highway.

COMMON ELEMENTS: The Declaration notes that the common elements will include:

- (a) The land above described, including a swimming pool, paddle tennis court, a pavilion, the parking area and the paved access road connecting the parking lot to the State highway.

- (b) All underground water lines, electric and telephone lines, sewer facilities, and other utilities which may be required by governmental authorities to be constructed or installed;
- (c) All other devices or installations upon the above described land existing for or rationally of common use to all the owners of cottage apartments within the project.

LIMITED COMMON ELEMENTS: The cottage apartment sites shall be limited common elements which shall be limited to the exclusive use of the purchaser of the cottage apartment building on each of said sites or for such persons or persons as he or she shall designate.

OWNERSHIP OF TITLE: The Developer advises that at this time title to the property is vested in Clarke Investment Corporation and that there is a purchase money mortgage in favor of the Dole Corporation and a second mortgage in favor of Larry Mederois. The Developer further advises that the first and second mortgage shall be released before title to any of the condominium units shall pass to the purchaser. The Developer further advises that it is its intention to presale sufficient number of units to make the project economically feasible. The proceeds shall be placed in escrow and there shall be a closing at such time as sufficient funds have been paid into escrow by the prospective purchasers to pay off the existing first and second mortgage and to pay in full for the construction of the condominium cottages to be erected upon the property.

The Developer advises that the condominium apartments will be conveyed to their respective purchasers by a deed at the time that the building has been completed and the full purchase price paid. The undivided interest in the common elements appertaining to each apartment and its owner for all purposes including voting is:

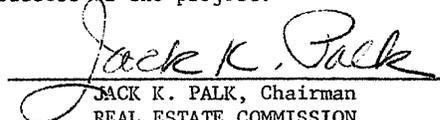
- (a) Apartments 1 through 5 14%
- (b) Apartments 6 and 7 11%
- (c) Apartment 8 8%

PURCHASE MONEY HANDLING: The Developer advises that it will enter into an escrow agreement with the National Escrow & Title Corporation whose address is 921 Bethel Street under which all monies paid by an apartment purchaser either as a down payment or at a subsequent time will be placed in an escrow account with the National Escrow & Title Corporation. The proceeds of the construction loan secured by the Developer will also be placed in this account and funds will be disbursed from this account only upon certification that they are due to the general contractor under the terms of the building contract or to either the first or second mortgagee to discharge such mortgages.

Note: It is incumbent upon the purchaser or prospective purchaser that he reads this escrow agreement which establishes how the proceeds from the sale of dwelling units are placed in trust, as well as the retention and disbursement of the trust fund.

MANAGEMENT AND OPERATIONS: The proposed By-Laws of Association of Apartment Owners submitted to the Commission for examination state that the Board of Directors of the Horizontal Property Regime shall be responsible for the management and operation of the condominium project.

STATUS OF PROJECT: The Notice of Intention provides that the Developer will enter into a contract to erect the apartment cottages at such time as sufficient presales have been made to assure the success of the project.


 JACK K. PALK, Chairman
 REAL ESTATE COMMISSION
 STATE OF HAWAII

cc: DEPARTMENT OF TAXATION
 DEPARTMENT OF REGULATORY AGENCIES
 (Business Registration Division)
 BUREAU OF CONVEYANCES
 PLANNING DEPARTMENT, C&C OF HONOLULU
 FEDERAL HOUSING ADMINISTRATION