

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

STATE OF HAWAII
1010 RICHARDS STREET
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HONOLULU, HAWAII 96801

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT

on
THE KONA ALII
Kailua-Kona, Hawaii

REGISTRATION NO. 309

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.

Issued: August 26, 1971
Expires: September 26, 1972

SPECIAL ATTENTION

A comprehensive reading of this report is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the purchaser and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 8, 1969, AND INFORMATION SUBSEQUENTLY FILED AS LATE AS AUGUST 26, 1971. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES, AS AMENDED.

1. The Developer has fulfilled all the requirements of Chapter 514, Hawaii Revised Statutes, for the issuance of a Final Report.
2. Since the issuance of the Commission's Preliminary Report on January 27, 1970, the Developer reports that changes have been made in the plans for the Project as presented in the Preliminary Public Report. Although the changes are not deemed to be material, since they merely involve a reduction of the number of parking stalls from 117 to 110, and slight adjustments in the square foot

floor area of certain apartments, the description of the project has been revised in this report to reflect these changes. This Final Public Report (white paper stock) amends the Preliminary Public Report (yellow paper stock) becoming a part of the Kona Alii Registration. The Developer is responsible for placing a true copy of this Final Public Report in the hands of all purchasers and prospective purchasers, along with a copy of the Preliminary Public Report. The buyers shall sign the required receipt signifying that he has had an opportunity to read both reports.

3. The Developer has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report.
4. The Developer advises that the Declaration of Horizontal Property Regime and attached Bylaws are recorded in the Bureau of Conveyances of Hawaii in Book 7351, Page 240, and that the condominium map has been filed with the Bureau as Map No. 181.
5. Advertising and promotional materials have been submitted pursuant to the rules and regulations promulgated by the Commission.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
7. This Final Public Report automatically expires thirteen (13) months from the date of issuance, August 26, 1971, unless a Supplementary Public Report issues, or the Commission, upon review of the Registration, issues an Order extending the effective period of this Report.

The information in the topical headings of the Preliminary Public Report of January 27, 1970, with the exception of DESCRIPTION OF PROJECT, LIMITED COMMON ELEMENTS, ENCUMBRANCES and STATUS OF PROJECT has not been disturbed.

DESCRIPTION OF PROJECT: The project will consist of one building with two wings connected on the ground floor and separated above containing four commercial apartments and seven residential apartments. Both wings will be seven stories high and there will be an elevator serving each wing. There will be no basement space. Construction will be of reinforced concrete with interior partition walls of concrete block and Gypsum board. There will be a two-level parking structure on the mauka portion of the site which will provide a total of 102 parking stalls, and there will also be 8 parking stalls on the site, for a total of 110 parking stalls.

On the ground floor, there will be four commercial apartments numbered Commercial Apartment 1 through 4, inclusive. There will also be two public restrooms located on the ground floor. The approximate floor area of each commercial apartment will be as follows:

Commercial Apartment No. 1:	820 square feet
Commercial Apartment No. 2:	3,550 square feet
Commercial Apartment No. 3:	2,764 square feet
Commercial Apartment No. 4:	150 square feet

There will be twelve residential apartments on each of the second, third and fourth floors. Each apartment will have two bedrooms and two baths and contain approximately 910 square feet, including a lanai of approximately 130 square feet. The apartments will be numbered 201 through 212, inclusive, on the second floor, 301 through 312, inclusive, on the third floor, and 401 through 412, inclusive, on the fourth floor.

There will be twelve residential apartments on the fifth floor numbered 501 through 512, inclusive. Eleven of these will have two bedrooms and two baths and contain a floor area of approximately 910 square feet including a lanai of approximately

130 square feet. Apartment number 512 will consist of three bedrooms and three baths and have a floor area of approximately 1,200 square feet, including a lanai of approximately 130 square feet.

There will be eleven residential apartments on the sixth floor numbered 601 through 611, inclusive. Each will have two bedrooms and two baths and contain approximately 910 square feet of floor area, including a lanai of approximately 130 square feet.

There will be eleven penthouse residential apartments on the seventh floor numbered 701 through 711, inclusive. Each will have two bedrooms and two baths and contain a floor area of approximately 1,490 square feet, including a lanai of approximately 130 square feet and a sundeck of approximately 500 square feet.

LIMITED COMMON ELEMENTS: The hallways, walkways, and storage rooms on each of the floors, two through seven, inclusive, shall be limited common elements appurtenant to and for the exclusive use of the apartments on such floor.

One parking stall for each residential apartment and one parking stall for approximately each 200 square feet of floor space in the commercial apartments shall be limited common elements appurtenant to and for the exclusive use of such apartments.

ENCUMBRANCES: The Developer has submitted Certificates of Title prepared by Title Guaranty of Hawaii, Inc., updated to July 2, 1971, which report that titles to the lands committed to the project are subject to the following:

As to Leasehold parcel only:

Sewer Easement in favor of the County of Hawaii, as recorded in Liber 4794, Page 496

As to Fee parcel only:

Mortgage dated June 5, 1968, in favor of Kona Engineering Corporation, recorded in Liber 6087, Page 233;
Reservation in favor of the State of Hawaii of all mineral and metallic mines, as reserved in Royal Patent Grant No. 1848.

STATUS OF PROJECT: The Developer has filed with the Commission a copy of an executed construction contract made November 30, 1970 with Mars Constructors, Inc. The contract specifies that construction shall start within seven (7) days from notice to proceed and shall be completed in three hundred and ninety (390) calendar days from date of notice to proceed. If notice to proceed is not issued within sixty days from the date of agreement, the agreement will automatically be cancelled and be open for renegotiation. Mars Constructors, Inc., in a letter dated July 23, 1971 to the Developer, has agreed to extend the construction contract to September 15, 1971.

The Developer has obtained a construction loan commitment from State Savings and Loan Association. The Developer advises that a condition to the disbursement of the construction loan is that 70% of the apartments be sold to qualified buyers. The construction loan commitment specifies that the loan must be closed by November 1, 1971.

The Developer has also obtained a commitment from the State Savings and Loan Association to make loans to purchasers of apartments at an interest rate of 1-1/4% over the FIA rate at the time of take-out of the mortgages, or the prevailing rate charged by banks and savings and loan associations for similar loans at the time of completion of construction of the project, whichever is higher.

A purchaser or prospective purchaser should be cognizant of the fact that this Final Public Report represents information disclosed by the Developer in the required Notice of Intention submitted December 8, 1969 and additional information filed as late as August 26, 1971

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 309 filed with the Commission on December 8, 1969.

The report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be white.


for DOUGLAS R. SODEVANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

YH/f

Distribution:

Department of Taxation
Bureau of Conveyances
Planning Department, County of Hawaii
Federal Housing Administration
Escrow Agent

REGISTRATION NO. 309
August 26, 1971