

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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HONOLULU, HAWAII 96801

SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
TROPICANA VILLAGE-AIEA, PHASES 2 AND 3
Kaonohi Ridge
Honolulu, Hawaii

REGISTRATION NO. 315

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

It was prepared as a supplement to an earlier Report dated _____ 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.

Issued: July 16, 1971
Expires: August 16, 1972

SPECIAL ATTENTION

A comprehensive reading of the 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 SUPPLEMENTARY REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED DECEMBER 17, 1969 AND ADDITIONAL INFORMATION SUBSEQUENTLY SUBMITTED AS LATE AS JULY 15, 1971. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON MATERIAL CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW (CHAPTER 514, HAWAII REVISED STATUTES).

1. Since the issuance of the Commission's Final Public Report of March 16, 1970 on TROPICANA VILLAGE-AIEA, PHASES 2 & 3, Registration No. 315, which effective period was extended to April 16, 1972, the Developer reports that changes have been made in the plan or setup as presented in the December 17, 1969 notice of intention to sell and information subsequently filed on July 15, 1971.

The changes subsequently made after December 18, 1969 are determined to be a material revision to the information disclosed earlier. This Supplementary Public Report (pink paper stock) amends the Final Public Report (white paper stock) of March 16, 1970, becoming a part of TROPICANA VILLAGE-AIEA, PHASES 2 & 3.

The Developer is responsible for placing a true copy of this Supplementary Public Report in the hands of all purchasers and prospective purchasers, along with a copy of the Final Public Report. The buyer shall sign the required receipt signifying that he has had an opportunity to read both reports.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for registration of the project and the updating of information disclosed therein.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the approved Floor Plans) have been filed in the office of the recording officer.

Declaration and By-Laws are recorded starting at Book 6790 at page 69 of the Bureau of Conveyances. The Floor Plans have been filed in the Bureau of Conveyances as Condominium Map No. 155.

4. The Developer has advised the Commission that Warford Bros., Inc., on behalf of the Developer, has contracted with Hawaii Housing Authority for a loan under Act 239, Session Laws of Hawaii 1969.

As part of the consideration for the loan, disposition of the units in the project will be restricted to elderly persons, persons displaced by government action, low and moderate income persons and university and college students and faculty, who are specified in Act 239.

The loan is secured by a mortgage on the units in the project. Hawaii Housing Authority has agreed to look only to its mortgage security for repaying of the loan, and all deficiency and surplus claims are waived. All sales of the units will be at prices set by Hawaii Housing Authority.

5. The purchaser and prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations promulgated thereunder which relate to Horizontal Property Regimes.

Only the information under the topical headings "DEVELOPER", "DESCRIPTION", "COMMON ELEMENTS", "LIMITED COMMON ELEMENTS", "PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE", "PURCHASE MONEY HANDLING", "ENCUMBRANCES", "APARTMENT LEASES", and "STATUS OF PROJECT" have been disturbed. All other headings are as recited in the Final Public Report dated March 16, 1970.

NAME OF PROJECT: TROPICANA VILLAGE-AIEA, PHASES 2 & 3

DEVELOPER: The Developer has advised the Commission that since the issuance of the Final Public Report, one of the parties to the joint venture was Lear Siegler, Inc., Trousdale Division. The correct name of the corporation is "Lear Siegler Properties, Inc., a Delaware corporation". The updated Preliminary Title Report dated July 7, 1971 shows this change was occasioned by the transfer by Trousdale Construction Company of its interest to Lear Siegler Properties, Inc.

DESCRIPTION: The Developer has advised the Commission that the doors in the laundry and pantry area in certain of the "i" units have been eliminated or changed.

COMMON ELEMENTS: The Developer has submitted to the Commission an "as built" plans and "as built" condominium map showing that the swimming pool depicted for this project has been eliminated.

LIMITED COMMON ELEMENTS: The Developer has submitted to the Commission an "as built" condominium map and "as built" plans showing that the recessed refuse container will not be installed in 44 apartments as shown on Condominium Map No. 155.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Developer has advised the Commission that Warford Bros., Inc., on behalf of the Developer, has contracted with the Hawaii Housing Authority for a loan under Act 239, Session Laws of Hawaii 1969. As part of the consideration for the loan, disposition of the units in the project will be restricted to elderly persons, persons displaced by government action, low and moderate income persons and university and college students and

faculty, who are specified in Act 239. The loan is secured by a mortgage on the units in the project. Hawaii Housing Authority has agreed to look only to its mortgage security for repayment of the loan, and all deficiency and surplus claims are waived. All sales of units will be at prices set by Hawaii Housing Authority.

Upon the sale of each unit:

- (a) Warford Bros., Inc. will obtain for the buyer of each unit, as lessee, an apartment lease from the owners of the fee simple title, and of any intermediate interests in the parcels of land;
- (b) Hawaii Housing Authority will grant to the buyer of each unit the release of the unit from the mortgage referred to above;
- (c) The buyer shall execute and deliver to Warford Bros., Inc. such cash down payment as may be required by Hawaii Housing Authority, together with a note for the balance of the price of the unit, payable to Hawaii Housing Authority, which shall bear interest at the rate of seven and one-half per cent (7-1/2%) and shall mature thirty (30) years after the date thereof, but upon the further condition that it be paid, principal and interest, in equal monthly installments, commencing on the first day of the first month after the date thereof, together with a mortgage of the unit securing repayment thereof in which Hawaii Housing Authority is named as mortgagee, and which is satisfactory to Hawaii Housing Authority in form and substance.

PURCHASE MONEY HANDLING: The Developer has submitted to the Commission a copy of the supplemental condition to be added to the specimen Sales Contract as required by the Hawaii Housing Authority.

The supplemental condition requires that for a period of ten (10) years from the date of the purchase of the unit by the buyer, the following restrictions apply to the use and transfer of the unit and the property:

- (a) Buyer shall occupy the dwelling unit. Violation of this provision is sufficient cause for Hawaii Housing Authority to repurchase the dwelling unit at the original sales price. This restriction may be waived by Hawaii Housing Authority in cases of extreme hardship as determined by Hawaii Housing Authority.
- (b) Should the buyer or his heirs and assigns, within ten (10) years from the date of the purchase of the unit, decide to sell, assign, bargain, convey, lease or sublease, or otherwise transfer or dispose of any interest in the dwelling unit for other than security purposes, Hawaii Housing Authority, within a reasonable period of time after receipt of notice of such determination, shall have the option to repurchase said unit for the original price.

Also, the Commission is further advised that Paragraphs 10 and 13 of the specimen Sales Contract have been eliminated:

- (a) Paragraph 10 - "In the event leases on less than eighty percent (80%) of the apartments in the project are sold prior to June 30, 1970, Seller may at its option cancel this contract, in which event Seller will cause Escrow Agent to refund to Buyer all moneys paid, without interest, and thereupon Seller shall be relieved and released of all further liabilities hereunder."
- (b) Paragraph 13 - "If said apartment is not completed and ready for occupancy on or before July 1, 1971, the obligations of both Buyer hereunder shall be refunded without interest."

ENCUMBRANCES: Additional Charge Mortgage dated September 10, 1969, recorded on October 13, 1969 in Liber 6725, Page 17, was assigned to Hawaii Housing Authority by instrument dated August 31, 1970, recorded on September 11, 1970 in Book 7182, Page 90.

Grant dated March 6, 1970, recorded on May 1, 1970 in Book 6986, Page 236, in favor of Hawaiian Electric Company, Inc., granting a perpetual right and easement to build, etc., underground power lines, etc. for the transmission of electricity to be used for light and power, etc., including the right of entry upon the premises for the

construction, etc. of said lines over, across, through and under Easements 1 and 2, affecting the parcels of land herein described.

APARTMENT LEASES: The Developer has advised the Commission that the specimen Apartment Lease has been amended to include the supplemental conditions as found in the specimen Sales Contract, as a new Paragraph H.

STATUS OF PROJECT: The Developer has submitted to the Commission "as built" plans as certified by Edward T. Mayamasu, a registered professional architect, dated April 30, 1971.

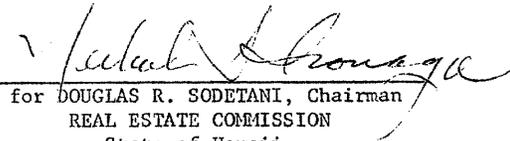
The Developer further has advised the Commission that the contract with Hawaii Housing Authority, Act 239, Session Laws of Hawaii 1969, states that Hawaii Housing Authority has agreed that buyers of the units will assume ownership thereof AS IS, with no warranty from Warford Bros., Inc. or any other party, except that Warford Bros., Inc. will warrant to Hawaii Housing Authority and each buyer for one year from the date that the unit is certified to Hawaii Housing Authority as ready for occupancy, and that all materials and equipment incorporated in the unit will be new, unless otherwise specified, and that both workmanship and materials shall be of good quality, free from faults and defects, and in conformance with the condominium application and the public reports, and any failure of the workmanship and materials to meet these standards shall be considered to be a discrepancy. The liability of Warford Bros., Inc. to each buyer with respect to the sale of the unit he is buying, however, is limited to correction of all discrepancies shown on discrepancy lists drawn up by the buyer or by Hawaii Housing Authority with regard to the unit and delivered to Warford Bros., Inc. within one year of the date that the particular unit is certified to Hawaii Housing Authority as ready for occupancy, and to damages imposed by law for personal injury suffered as a proximate result of any discrepancy by any person who may reasonably be expected to be affected by it. Warford Bros., Inc. shall not be liable for any other consequential damages or for any incidental damages, as those terms are defined in Section 490:2-715 of the Hawaii Revised Statutes.

As a condition to the right to purchase the units, each buyer is required by Hawaii Housing Authority to declare and covenant that he does not own in fee simple or in leasehold any residential property within the County of Honolulu. Buyer shall be deemed to own such a residential property if he, his spouse, or both he and his spouse (unless separated and living apart under a decree of a court of competent jurisdiction) own such residential property. In the event of violation of this requirement, Hawaii Housing Authority has the right to repurchase the dwelling unit at the original sales price.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted December 17, 1969 and information subsequently filed as late as July 15, 1971.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 315 filed with the Commission on December 17, 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 pink in color.


for DOUGLAS R. SODETANI, Chairman
REAL ESTATE COMMISSION
State of Hawaii

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PLANNING DEPARTMENT, CITY & COUNTY OF HONOLULU
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ESCROW AGENT

July 16, 1971
Registration No. 315