

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

STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

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

on
MILILANI TOWN HOUSES
Honolulu, Hawaii

REGISTRATION NO. 359

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 but may only take reservations therefore after

- (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: January 25, 1971

Expires: February 25, 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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED NOVEMBER 24, 1970 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS LATE AS JANUARY 22, 1971. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514, HAWAII REVISED STATUTES.

1. MILILANI TOWN HOUSES is a proposed fee simple condominium consisting of twenty-eight (28) town house apartments arranged throughout four (4) detached buildings. The town houses are each two stories in height. Each apartment includes a double carport.
2. The basic documents (Declaration of Horizontal Property Regimes, with By-Laws of Association of Apartment Owners attached, and a copy of the approved Floor Plans) have not been filed in the office of the recording officer.

3. No advertising and promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
4. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
5. If a Final Public Report is not issued within one year from the date of this Preliminary Report, January 25, 1971, purchasers are entitled to refund of all monies paid by them, less one-half escrow cancellation fee.
6. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, January 25, 1971, unless a Final Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: MILILANI TOWN HOUSES

LOCATION: In Mililani Town off Kamehameha Highway between Pearl City and Wahiawa, Oahu, Hawaii.

TAX KEY: 9-5-01 portion 37

ZONING: A-1 Apartment District

DEVELOPER: MILILANI TOWN, INC., Suite 800, 700 Bishop Street, Honolulu, Hawaii.

Directors

Stanley Baird
 H. B. Clark, Jr.
 W. G. Haight
 R. A. Minckler
 H. F. Mosher
 Duane Newton
 C. J. Pietsch, Jr.
 D. D. Rietow
 Stanley Rosch
 R. Y. Tsuyemura

Officers

W. G. Haight, President
 Wendell Brooks, Vice President
 and General Manager
 George Yim, Vice President
 and Secretary
 Stanley Lee, Controller
 R. A. Minckler, Treasurer

Alternates

Robert S. Gordon
 David Zundel
 Wendell Brooks

ATTORNEY REPRESENTING DEVELOPER: JENKS, KIDWELL, GOODSILL & ANDERSON
 (Attention: Walter E. Bliss), 16th Floor, Castle & Cooke Building, Financial Plaza of the Pacific, Honolulu, Hawaii. Phone 531-5066.

DESCRIPTION: There will be 4 buildings, each building containing six or more apartments. Each building shall be constructed primarily of concrete and wood. The buildings are appropriately spaced throughout the 130,425 square feet of land and one should look at the condominium map for the location of the various apartments and buildings. Each apartment is situated within an area designated as a homesite which is set aside for the exclusive use of such apartment. Each homesite area opens into a roadway or walkway which is a common area and which leads to a public roadway as shown on the condominium map.

The apartment numbers, the approximate size of the homesite within which each apartment is situated, the approximate area of each apartment and the number of rooms contained in each apartment are as follows:

<u>Apartment No.</u>	<u>Homesite Area</u>	<u>Apartment Area</u>	<u>Number of Rooms</u>
301	2871 sq. ft.	2184 sq. ft.	9
302	2700 " "	2184 " "	9
303	2858 " "	2184 " "	9
304	2700 " "	2330 " "	11
305	2700 " "	2330 " "	11
306	2700 " "	2184 " "	9
307	2700 " "	2184 " "	9
308	2730 " "	2184 " "	9
309	2888 " "	2184 " "	9
310	2700 " "	2330 " "	11
311	2700 " "	2330 " "	11
312	2700 " "	2330 " "	11
313	2606 " "	2330 " "	11
314	2957 " "	2184 " "	9
315	2957 " "	2184 " "	9
316	2606 " "	2330 " "	11
317	2700 " "	2330 " "	11
318	2700 " "	2330 " "	11
319	2700 " "	2330 " "	11
320	2888 " "	2184 " "	9
321	2730 " "	2184 " "	9
322	2700 " "	2184 " "	9
323	2700 " "	2184 " "	9
324	2700 " "	2184 " "	9
325	2700 " "	2184 " "	9
326	2858 " "	2184 " "	9
327	2700 " "	2184 " "	9
328	2876 " "	2184 " "	9

The apartments, each being an apartment within the meaning of that term as used in the Horizontal Property Act, consist of (i) all of the areas or spaces enclosed by walls and roofs within the apartment boundaries as delineated by perimeter boundaries upon said Condominium Map, and (ii) that portion of the lanais (on the ground level), the balconies (on the second floor level), the carports and service areas which are covered by roof or overhang as shown on said Condominium Map, but shall not include the following:

- (a) The foundation, exterior walls (including doors and windows), roofs, floors and load-bearing walls, beams and columns of all buildings and all perimeter or party walls separating two apartments.
- (b) All pipes, wires, conduits and other utility or service lines which are utilized for or serve another or more than one apartment.

Each apartment shall be deemed to include all interior non-load-bearing walls and all inner decorated or finished surfaces of all floors and of all perimeter or party walls and finished surfaces of interior load-bearing walls and all fixtures originally installed in the apartment space.

HOMESITE: Each apartment, as depicted upon the Condominium Map, is contained within a larger space depicted upon said Condominium Map and denominated home site.

COMMON ELEMENTS: The common elements within the meaning of that term as used in the Horizontal Property Act include the land together with all improvements and vegetation thereon, but excluding therefrom the apartments as described above under the subheading of "DESCRIPTION".

LIMITED COMMON ELEMENTS: All common elements situated within a home site except as hereafter set forth, are limited common elements restricted to the use of the apartment situated within said home site including the surface finish facing on the home site of perimeter walls and fences. Excluded as a limited common element restricted to the use of the apartment within said home site are perimeter walls and fences and all pipes, wires, conduits and other utility or service lines which are utilized for or serve another or more than one apartment.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto an undivided 1/28th interest in all common elements of the project and in all common profits and expenses of the project and for all other purposes, including voting.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The buildings and apartments and common elements shall be used only for a private dwelling for the owner, his family, tenants and social guests and such other purposes as are permitted by the Declaration of Covenants, Conditions and Restrictions (known as the Mililani Town Covenants) filed in the Office of the Assistant Registrar of the Land Court of Hawaii as Land Court Document No. 441561, as amended by Land Court Documents Nos. 445150 and 474351.

DESCRIPTION OF LAND: Lot 2529-B, area 63,336 square feet, and Lot 2740-B, area 67,089 square feet, as shown on Map 281 filed in the Office of the Assistant Registrar of the Land Court of Hawaii with Land Court Application 1000, being portions of the land described in Transfer Certificate of Title No. 116,965.

OWNERSHIP OF TITLE: The Notice of Intention states that the ownership of title is vested in Mililani Town, Inc. The Preliminary Title Report dated December 22, 1970, prepared by Title Guaranty of Hawaii, Incorporated, confirms the fact that Mililani Town, Inc., owns title to the land involved.

ENCUMBRANCES AGAINST TITLE: The Preliminary title report dated December 22, 1970, prepared by Title Guaranty of Hawaii, Incorporated, reveals the following encumbrances against the land: (1) Real property taxes for the fiscal year July 1, 1970 through June 30, 1971 now a lien; (2) Mortgage dated October 2, 1967, filed as Land Court Document No. 427991, made by MILILANI TOWN, INC. to AETNA LIFE INSURANCE COMPANY, which Mortgage was amended by instrument dated June 18, 1969, filed as Document No. 476649; (3) Mortgage dated October 2, 1967, filed as Land Court Document No. 427993, made by MILILANI TOWN, INC. to CASTLE & COOKE, INC. CASTLE & COOKE, INC., Mortgagee under Document No. 427993 subordinates said Mortgage to Amendment of Mortgage filed as Document No. 476649, as set forth by instrument dated June 18, 1969, filed as Document No. 476650; (4) Easement "588" over Lot 2740-B, as shown on Maps 272 and 281, as set forth by Land Court Order No. 29087, filed October 8, 1968; (5) Grant dated December 10, 1968, filed as Land Court Document No. 465542, in favor of The City and County of Honolulu; granting easement for sewer purposes over Easement "588"; (6) Grant dated December 10, 1968, filed as Land Court Document No. 465543, in favor of the City and County of Honolulu, granting easement for drainage purposes over Easement "588"; (7) Easement "610" for water purposes over and across the South (side) boundary of Lot 2529-B and Easement "611" (36 feet wide) for water purposes over and across a portion of the North boundary of Lot 2740-B, as shown on Map 281, as set forth by Land Court Order No. 30226, filed June 23, 1969; (8) Grant dated January 13, 1970,

filed as Land Court Document No. 494435, in favor of the Board of Water Supply and The City and County of Honolulu, granting easements for water pipe line purposes over Easements "610" and "611".

Note: The Developer advises the Commission that the mortgages to Aetna Life Insurance, second mortgage to Castle and Cooke, Inc. and amendment of Mortgages, covers project land under search besides other lands. The Developer further advises the Commission that none of the seven (7) unrecorded encumbrances set forth in Schedule 1 attached to Aetna Life Insurance mortgage filed in Land Court Document 427991 and Castle and Cooke mortgage filed as Land Court Document 427993, except Encumbrances Nos. 5 and 7 hereinafter referred to: (a) Encumbrance No. 5 is a fall-out shelter license and is revocable on ninety (90) days' notice. The fall-out shelter license gives a right of access to the fall-out shelter over what in 1964 was a cane road. In view of the foregoing, the Developer advises that they have exercised their rights to revoke said license to the extent that it encumbers the property involved in the Mililani subdivision, including that portion thereof devoted to Mililani Town Houses. The Developer reports that revocation was given to the federal government and the City and County of Honolulu by registered mail; (b) Encumbrance No. 7 was a revocable license given to Hawaiian Telephone Company. This granted an easement to Hawaiian Telephone Company over the same cane road referred to above. According to Developer, this easement has also been revoked by a notice to Hawaiian Telephone Company with respect to the area covered by the Mililani Town subdivision, including the area covered by Mililani Town Houses, by a revocation.

The specimen Condominium Deed filed with the Notice of Intention reveals that the developer has reserved the right to grant the State of Hawaii, City and County of Honolulu, or any other governmental agencies or any public utility or other corporation easements under such terms and conditions as it shall deem appropriate in any of the easement areas shown on Map 281 filed in the Office of the Registrar of the Land Court of Hawaii with Land Court Application 1000, being the easement areas referred to above, and it further states that each purchaser will be obligated upon request to join in the granting of any such easement.

The proposed Declaration of Horizontal Property Regimes filed with the Notice of Intention reveals that the property is further subject to the Declaration of Covenants, Conditions and Restrictions filed as Land Court Document No. 441561, and amended by Land Court Documents Nos. 445150 and 474351.

PURCHASE MONEY HANDLING: A copy of the executed escrow agreement dated October 8, 1970, identifies Bank of Hawaii, a Hawaii corporation, as the escrow agent. On examination, the specimen Deposit Receipt and Contract of Sale and executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-14.

The Escrow Agreement provides that if the Purchaser purchases prior to the issuance of a Final Public Report he can cancel the contract and obtain a refund of his money if (a) (i) the Final Public Report is not issued within one year from the date of issuance of the Preliminary Public Report, or (ii) there is any change in the condominium building plans subsequent to the execution of the sales contract and prior to the issuance of said Final Public Report and Seller fails to obtain Purchaser's written approval or acceptance of the specific change, or (iii) the Final Public Report differs in any material respect from the Preliminary Public Report, and (b) Purchaser delivers notice in writing to Seller and Escrow Agent prior to the expiration of ten (10) days after receipt by Purchaser, or any one of them if Purchaser is more than one person, of a copy of said Final Public Report.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the sales agreement and the executed escrow agreement. The latter document, the escrow agreement, establishes how the proceeds from the sale

of the apartment spaces and all sums received from any source are placed in trust as well as the retention and disbursement of said trust fund.

MANAGEMENT AND OPERATION: Declarant discloses that the administration of the project shall be vested in the Association of Apartment Owners. The proposed By-Laws empower the Board of Directors to employ a managing agent to manage and control the project, subject to control by the Board. Mililani Town, Inc., is identified as the initial managing agent.

STATUS OF PROJECT: In the Notice of Intention, the Developer advised the Commission that it estimated construction would start in May of 1971, and it estimated that the project would be completed in December of 1971.

CONSTRUCTION OF BUILDINGS: The Developer stated in the Notice of Intention that the buildings would be constructed by the Developer, Mililani Town, Inc. It anticipates that it will sell at least 20 apartments to purchasers and such apartments will be conveyed to such purchasers on or before commencement of construction. Proceeds from the sale of at least 20 of the apartments in the aggregate amount of not less than \$800,000, of which not less than \$720,000 will be made available to meet project cost.

The purchaser or prospective purchaser should be cognizant of the fact that this public report represents information disclosed by the Developer in the required Notice of Intention submitted November 24, 1970, and additional information subsequently filed as late as January 22, 1971.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 359 filed with the Commission on November 24, 1970. The report, when reproduced, shall be a true copy of the Commission's Public Report. In making facsimiles the paper stock shall be yellow in color.


HERBERT S. ISONAGA, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

YH/f
DISTRIBUTION:
Department of Taxation
Bureau of Conveyances
Planning Dept., City & County of Honolulu
Federal Housing Administration
Escrow Agent

Registration No. 359
January 25, 1971