

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 GARDEN HOMES, UNIT NO. 1
Honolulu, Hawaii

REGISTRATION NO. 373

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: April 22, 1971

Expires: May 22, 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 MARCH 12, 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 Garden Homes, Unit No. 1, is a proposed fee simple condominium consisting of 52 town house apartments arranged throughout nine (9) detached buildings. The town houses are each two stories in height. Each of Apartments 201, 202, 203 and 204 includes a carport designed for two cars. Each of the remaining apartments includes a carport designed for parking one car and it also has the exclusive right to use one additional parking space for one car, which is a limited common element.
2. The basic documents (Declaration of Horizontal Property Regime, 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. A previous plan to develop this land as a condominium has been abandoned, and the Declaration of Horizontal Property Regime filed therewith, being Land Court Document No. 472623 will be amended to read the same as that filed with the Real Estate Commission with the Application for this Preliminary Public Report.

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 Regime.
5. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, April 22, 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 GARDEN HOMES, UNIT NO. 1.

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

TAX KEY: 9-5-01-45

ZONING: Class 2, Apt-Hotel-Resort

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

| <u>Directors</u> | <u>Officers</u> |
|--------------------|---|
| Stanley Baird | W. G. Haight, President |
| H. B. Clark, Jr. | Wendell Brooks, Vice President and General Manager |
| W. G. Haight | George Yim, Vice President and Secretary |
| R. A. Minckler | Stanley Lee, Controller |
| H. F. Mosher | R. A. Minckler, Treasurer |
| Duane Newton | |
| C. J. Pietsch, Jr. | |
| D. D. Rietow | |
| Stanley Rosch | |
| R. Y. Tsuyemura | |
| <u>Alternates</u> | |
| Robert S. Gordon | |
| David Zundell | |
| 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 9 buildings, each building containing four or more apartments and a total of 52 apartments. Each building shall be constructed primarily of concrete and wood. The buildings are appropriately spaced throughout the 201,313 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> |
|----------------------|----------------------|-----------------------|------------------------|
| 201 | 2700 sq. ft. | 2267 sq. ft. | 11 |
| 202 | 2700 " " | 2094 " " | 10 |
| 203 | 3600 " " | 1870 " " | 8 |
| 204 | 3600 " " | 1778 " " | 8 |
| 205 | 1600 " " | 1520 " " | 10 |
| 206 | 1600 " " | 1520 " " | 10 |
| 207 | 1600 " " | 1520 " " | 10 |
| 208 | 1600 " " | 1520 " " | 10 |
| 209 | 1600 " " | 1520 " " | 10 |
| 210 | 1600 " " | 1520 " " | 10 |
| 211 | 1600 " " | 1520 " " | 10 |
| 212 | 1600 " " | 1520 " " | 10 |
| 213 | 1600 " " | 1520 " " | 10 |
| 214 | 1600 " " | 1520 " " | 10 |
| 215 | 1600 " " | 1520 " " | 10 |
| 216 | 1600 " " | 1520 " " | 10 |
| 217 | 1600 " " | 1520 " " | 10 |
| 218 | 1600 " " | 1520 " " | 10 |
| 219 | 1600 " " | 1520 " " | 10 |
| 220 | 1600 " " | 1520 " " | 10 |
| 221 | 1600 " " | 1520 " " | 10 |
| 222 | 1600 " " | 1520 " " | 10 |
| 223 | 1600 " " | 1520 " " | 10 |
| 224 | 1600 " " | 1520 " " | 10 |
| 225 | 1600 " " | 1520 " " | 10 |
| 226 | 1600 " " | 1520 " " | 10 |

| <u>APARTMENT NO.</u> | <u>HOMESITE AREA</u> | <u>APARTMENT AREA</u> | <u>NUMBER OF ROOMS</u> |
|--------------------------|--------------------------|---------------------------|----------------------------|
| 227 | 1600 sq. ft. | 1520 sq. ft. | 10 |
| 228 | 1600 " " | 1520 " " | 10 |
| 229 | 1600 " " | 1520 " " | 10 |
| 230 | 1600 " " | 1520 " " | 10 |
| 231 | 1600 " " | 1520 " " | 10 |
| 232 | 1600 " " | 1520 " " | 10 |
| 233 | 1600 " " | 1520 " " | 10 |
| 234 | 1600 " " | 1520 " " | 10 |
| 235 | 1600 " " | 1520 " " | 10 |
| 236 | 1600 " " | 1520 " " | 10 |
| 237 | 1600 " " | 1520 " " | 10 |
| 238 | 1600 " " | 1520 " " | 10 |
| 239 | 1600 " " | 1520 " " | 10 |
| 240 | 1600 " " | 1520 " " | 10 |
| 241 | 1600 " " | 1520 " " | 10 |
| 242 | 1600 " " | 1520 " " | 10 |
| 243 | 1600 " " | 1520 " " | 10 |
| 244 | 1600 " " | 1520 " " | 10 |
| 245 | 1600 " " | 1520 " " | 10 |
| 246 | 1600 " " | 1520 " " | 10 |
| 247 | 1600 " " | 1520 " " | 10 |
| 248 | 1600 " " | 1520 " " | 10 |
| 249 | 1600 " " | 1520 " " | 10 |
| 250 | 1600 " " | 1520 " " | 10 |
| 251 | 1600 " " | 1520 " " | 10 |
| 252 | 1600 " " | 1520 " " | 10 |

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) and the carports 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 homesite.

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.

LIMITED COMMON ELEMENTS: All common elements situated within a homesite except as hereafter set forth, are limited common elements restricted to the use of the apartment situated within said homesite including the surface finish facing on the homesite of perimeter walls and fences. Excluded as a limited common element restricted to the use of the apartment within said homesite 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. With respect to all apartments other than Apartments 201, 202, 203, and 204, in addition to the carport which is a part of each apartment as shown on the Condominium Map, each apartment has appurtenant thereto a parking space which is a limited common element and which is shown on the Condominium Map and which bears the same number as the apartment.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto an undivided 1/52nd 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; provided, however, that the developer as stated by the Declaration may use any of such apartments and appurtenant homesites for sales or display purposes prior to the sale thereof.

DESCRIPTION OF LAND: Lot 2778, area 201,313 square feet, as shown on Map 280 filed in the Office of the Assistant Registrar of the Land Court of Hawaii with Land Court Application 1000, being all of the land described in Certificate of Title No. 126,080.

OWNERSHIP OF TITLE: The Notice of Intention states that the ownership of title is vested in Mililani Town, Inc. The Preliminary Title Report dated March 4, 1971 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 March 4, 1971 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, the first installment having been paid.
2. Mortgage dated October 2, 1967, filed as Land Court Document No. 427991, made by MILILANI TOWN, INC. to AETNA LIFE INSURANCE COMPANY.
3. Mortgage dated October 2, 1967, filed as Land Court Document No. 427993, made by MILILANI TOWN, INC. to CASTLE & COOKE, INC.
4. Reservation in favor of Castle & Cooke, Inc., its successors and assigns, of nonexclusive, appurtenant rights and easements

reasonably convenient for access, drainage, water and utilities over, across, along, upon and under Lot 2778, appurtenant to the following lots described in Certificate of Title No. 96,989: 97-B-1, 97-B-2, 97-B-3, 1-A-12-A-2, 1-A-12-F, 1-A-12-H, 1-A-18-B, 1-A-20-A, 1-A-20-B, 1-A-21-C, 1-A-21-D, 1-A-21-E, 1-A-21-F, 1-A-22-B, 1-A-22-H, 1-A-12-G-3, 1-A-12-G-4-A, 1-A-12-G-6, 1-A-21-G-1, 1282, 2138, 1-A-12-J, 1-A-19, 11-A-2, 2131, 2135, 2136, 1-A-22-E, 1-A-12-D, 536, 543, 1279, 1280, 1-A-22-D and 1-A-22-F, as set forth in Deed dated October 2, 1967 and filed as Document No. 427989.

5. Designation of Easements 462 and 463, as shown on Maps 248 and 280, as set forth by Land Court Order No. 28364, filed April 29, 1968.
6. Easement 606 is subject to a right-of-way in favor of Lots 2196 to 2232 inclusive and Lot 2281, subject to termination on conveyance to City and County or State of Hawaii, as set forth by said Land Court Order No. 28364.
7. Designation of Easements 531 and 532, as shown on Maps 263 and 280, as set forth by Land Court Order No. 28668, filed June 25, 1968.
8. Designation of Easements 581, 582 and 583, as shown on Maps 271 and 280, as set forth by Land Court Order No. 29029, filed September 25, 1968.
9. A Grant of easement in favor of the City and County of Honolulu for drainage over Easement 463, dated July 25, 1968 and filed as Document No. 455732.
10. A grant of easement in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, within Easement 606, said easement to cease upon conveyance of Easement 606 as public roadway, dated June 13, 1968, filed as Document No. 447038.
11. Designation of Easement 606, as shown on Map 280, as set forth by Land Court Order No. 29820, filed April 7, 1969.
12. Restrictive covenants and conditions set forth in instrument dated April 19, 1968, filed as Document No. 441561. Said restrictive covenants and conditions were amended by instrument dated May 22, 1968, filed as Document No. 445150 and Declaration of Additional Property Annexed to Mililani Town dated May 8, 1969, filed as Document No. 472622.
13. A Grant in favor of the City and County of Honolulu, dated June 24, 1969, filed as Document No. 478715, granting easement for drainage over Easements 531, 606 and 532.
14. A Grant in favor of Hawaiian Electric Company, Inc., dated December 21, 1969, filed as Document No. 491677, granting easement for utility purposes.
15. Condominium Map 76 showing lay-out, location, etc. by Land Court Order No. 30008, filed May 9, 1969.
16. Declaration by Mililani Town, Inc. submitting Lot 2778 to the Horizontal Property Regime, dated May 8, 1969, filed as Document No. 472623.

The developer has advised that Encumbrance No. 4 above, being the reservation of appurtenant rights and easements by Castle & Cooke, Inc., will be totally released on or before the conveyance of the first apartment to a buyer and that a partial release of the mortgages to Aetna and Castle & Cooke, Inc. will be given in favor of each apartment as it is conveyed to a purchaser. The documents filed with the Notice of Intention reveal 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 280 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.

NOTE: The Developer advises the Commission that the mortgages to Aetna Life Insurance, second mortgage to Castle and Cooke and amendment of Mortgages, cover 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 as Land Court Document 427991 and Castle and Cooke mortgage filed as Land Court Document 427993 affect the property utilized for Mililani Garden Homes, Unit 1, 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 Gardens Homes, Unit 1. The Developer reports that revocation dated January 21, 1971 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 dated January 21, 1971 to Hawaiian Telephone Company with respect to the area covered by the Mililani Town subdivision, including the area covered by Mililani Gardens No. 1, by a revocation.

PURCHASE MONEY HANDLING: A copy of the executed escrow agreement dated March 12, 1971, 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.

Also, the specimen Deposit Receipt and Contract of Sale provides that the developer reserves the right to cancel this contract if less than 25 apartments are sold prior to July 1, 1971.

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.

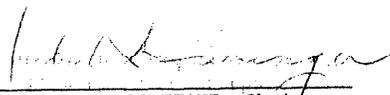
STATUS OF PROJECT: In the Notice of Intention, the developer advised the Commission that Units J, K, L and M have been completed and that construction for the remainder of the units would start in July of 1971 and that it is estimated that the project would be completed in December of 1971.

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 25 apartments to purchasers and such apartments will be conveyed to such purchasers on or before commencement of construction. The developer will post a Performance and Payment Bond which provides that the obligees are all persons who purchase apartments and Honolulu Mortgage Company, Limited.

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 March 12, 1971.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 373 filed with the Commission on March 12, 1971. 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.


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

YH:km

Distribution

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY & COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 373

April 22, 1971