REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
KONA DRIFTWOOD TOWNHOUSE APARTMENTS
75-180 Alakai Street
Kailua, Kona, Hawaii

REGISTRATION NO. 417

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: December 8, 1971
Expires: January 8, 1973

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 or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED OCTOBER 28, 1971, AND INFORMATION SUBSEQUENTLY FILED AS LATE AS NOVEMBER 29, 1971. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. KONA DRIFTWOOD TOWNHOUSE APARTMENTS is a fee simple condominium project consisting of one two-story building containing a total of eleven (11) residential apartment units and one commercial unit situated on 16,919 square feet of fee simple land. Twelve (12) parking stalls are available.

2. This Final Public Report is made a part of the registration on the KONA DRIFTWOOD TOWNHOUSE APARTMENTS condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers. The securing of a signed copy of the receipt for Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also a responsibility of the Developer.

3. The Developer has submitted to the Commission all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report.

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3. The Developer has submitted to the Commission all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report.

4. The basic documents (Declaration of Horizontal Property Regime with By-Laws of the Association of Apartment Owners and Exhibit A attached thereto) were filed with the Bureau of Conveyances on October 27, 1971, recorded in Liber 4763, page 301. The Registrar has designated Condominium Map No. 207 to the project.

5. No advertising and promotional material has been submitted to the Commission. The Developer advises the Commission that in the event any advertising or promotional matter shall be used, it will first be submitted prior to public exposure.

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

7. This Final Public Report automatically expires thirteen (13) months after the date of issuance, December 8, 1971, unless a Supplementary Public Report is issued or the Commission, upon review of the registration, issues an order extending the effective period of this Report.

NAME OF PROJECT: KONA DRIFTWOOD TOWNHOUSE APARTMENTS

LOCATION: The approximately 16,919 square feet, in fee simple committed to the regime is situate at 75-180 Alakai Street, the corner of Alahou and Alakai Streets, Lono Kona Subdivision, Kailua-Kona, Hawaii, Island and County of Hawaii. The property consists of two lots and is roughly rectangular in shape, having approximately 240 feet along Alakai Street. The location is about one-half mile to the Kona Post Office and the same distance from the edge of the major shopping district of Kailua-Kona. The land lies in the Lono Kona Subdivision in the District of North Kona, Island, County and State of Hawaii.

TAX KEY: Third Taxation Division, State of Hawaii 7-5-22-76 and 77.

ZONING: Multi-family

DEVELOPER: Tharp Investment Company, a Limited Partnership with GEORGE V. THARP, its General Partner, Room 6, 1336 Dillingham Boulevard, Honolulu, Hawaii 96817, telephone: 841-6211.

The Developer is a Limited Partnership registered as such on April 29, 1971, with the Office of the Director of Regulatory Agencies, State of Hawaii.

ATTORNEY REPRESENTING DEVELOPER: Mr. Louis B. Blissard, Suite 1021, First Hawaiian Bank Building, Honolulu, Hawaii 96813, telephone: 537-5942.

DESCRIPTION: The building is completed and a Certificate of Occupancy dated July 26, 1971, has been issued by the Department of Public Works, County of Hawaii. The Declaration of Horizontal Property Regime reflects that the project consists of one (1) two-story apartment building with no basement, constructed of concrete and wood frame, containing eleven (11) residential apartments and one (1) commercial apartment, all situated on 16,919 square feet of fee simple land hereinbefore described. There are five (5) residential and one (1) commercial apartments on the first floor and six (6) residential apartments on the second floor. Each residential apartment has one (1) bedroom, one (1) bath with a dining-living room, a kitchen and a lanai.

The apartments are numbered from makai to mauka, the apartments on the first floor being numbered 101 through 106, and on the second floor 201 through 206.

Each of the apartments has a total floor area of approximately 528 square feet, the residential apartments having 484 square feet within the perimeter walls and a lanai of approximately 44 square feet.

All apartments are located as shown on the Condominium Map filed in the office of the Registrar of Conveyances. Purchasers should review the map to ascertain the

size of the living area and lanai. All apartments have access either directly or through stairs and landing areas and all such means of access are common elements.

COMMON ELEMENTS: The Declaration reflects that the common elements include all other portions of the land and improvements other than the apartments themselves as described in said Declaration.

Such common elements shall specifically include, but shall not be limited to, the following: (a) The land above described, the foundations, supporting columns, main walls, floors, framing, roof, stairways, and communication ways of the building; (b) the compartments or installations of all central services such as power, light, cold and hot water, cesspool, drainage pipes, and all utility lines wherever located and all other devices or installations existing for or rationally of common use or necessary to the existence, upkeep and safety of the building.

LIMITED COMMON ELEMENTS: The Declaration reflects that the limited common elements will include the following: (a) The balconies and stairs of the building which shall be reserved for the use of the apartments on the second floor; (b) one parking space designated on the condominium file plan by the number corresponding to the number of each apartment shall be appurtenant to and for the exclusive use of such apartment.

INTEREST TO BE CONVEYED TO PURCHASER: The percentages of undivided interest in the common elements appertaining to each apartment are 8.33333%.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration states that except for the commercial apartment the building shall at all times be used as residential apartment building, and each of the apartments located in said building shall be used as a single family residence and for no other purpose. The Commercial Apartment may be used for any lawful purpose.

Developer advises that every apartment owner shall have the absolute right to lease their respective apartments subject to the limitations, restrictions, covenants and conditions set forth and as they may be from time to time duly amended in the Declarations, the By-Laws of the Association of Apartment Owners or in any apartment lease.

OWNERSHIP OF THE LAND: By Warranty Deed dated July 15, 1970, recorded in the Bureau of Conveyances at Honolulu on September 18, 1970, in Liber 7202 at Page 259, the property was conveyed in fee simple to George V. Tharp, as General Partner of Tharp Investment Company, a Limited Partnership, subject to the encumbrances and reservations set forth below.

ENCUMBRANCES AGAINST TITLE: The Developer has submitted to the Commission a Preliminary Report executed October 7, 1971, prepared by Security Title Corporation which certifies that title to the land is subject to the following:

1. For any taxes that may be due and owing and a lien on the parcel of land, reference is made to the Office of the Tax Assessor of the Third Division.

2. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent Grant No. 3148, Ap. 4.

3. Mortgage dated April 19, 1971, recorded on April 29, 1971 in the Bureau of Conveyances of the State of Hawaii in Book 7513, Page 434, made by GEORGE V. THARP, husband of Margaret S. Tharp, General Partner and Trustee for Tharp Investment Company, a Limited Partnership, as Mortgagor, to STATE SAVINGS AND LOAN ASSOCIATION, a Utah corporation, as Mortgagee, to secure the repayment of the sum of $147,750.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to. Waiver of dower by Margaret S. Tharp.

4. Mortgage dated May 3, 1971, recorded on May 4, 1971 in said Bureau of Conveyances in Book 7523, Page 238, made by GEORGE V. THARP, husband of Margaret S. Tharp, General Partner and Trustee for Tharp Investment Company, a Limited Partnership, as Mortgagor, to FINANCE FACTORS, LIMITED, a Hawaii corporation, as Mortgagee, to secure the repayment of the sum of $20,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said Mortgagor therein referred to.

FINANCING OF PROJECT: The Developer advises that the total construction costs have been covered from the above-mentioned mortgages and developer's equity funds. The Commission has been advised that the Developer intends to sell the condominium units to individual buyers on Agreements of Sale, and there will be a partial release of the mortgage when an Agreement of Sale is paid off and an Apartment Deed is delivered.

MANAGEMENT AND OPERATIONS: The project is being managed by the General Partner of Tharp Investment Company, and upon the issuance of this Final Public Report will act under the recorded By-Laws, and in accordance therewith enter into such management arrangements as are provided for under the By-Laws.

STATUS OF PROJECT: The Developer has submitted a copy of a certificate from the County of Hawaii dated July 26, 1971, certifying that the project has been completed and that by said certificate authority is granted to occupy the units.

The purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted October 28, 1971, and information subsequently filed as late as November 29, 1971.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 417 filed with the Commission on October 28, 1971.

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

DOUGLAS R. SODETANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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Distribution:
DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING COMMISSION, COUNTY OF HAWAII
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 417
December 8, 1971