

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

1010 HICHARUS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

ON
PALOLO GARDEN
2138-2140 10th Avenue
Honolulu, Hawaii 96816

REGISTRATION NO. 423

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 Condo-
minium 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 31, 1979
Expires: September 30, 1980

SPECIAL ATTENTION

A comprehensive reading of this report by prospective purchasers 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 ON NOVEMBER 26, 1971, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF AUGUST 28, 1979. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. The Final Public Report on PALOLO GARDEN was issued on January 3, 1972.

Under the topical heading therein entitled OWNER'S AND DEVELOPER'S RESERVED RIGHT TO ALTER AND AMEND THE PROJECT, full disclosure was made of the rights reserved in the Declaration of Horizontal Property Regime of Palolo Garden to amend the Project to add additional apartments to the Project and to amend the common interests appurtenant to each apartment. The reserved rights have been so exercised and this report amends the Commission's Final Public Report of January 3, 1972 in order to describe and include the 12 additional units. Upon completion, the size of the project will be increased from 37 to 49 units.

This Supplementary Public Report (pink paper stock) amends the Final Public Report (white paper stock), becoming a part of PALOLO GARDEN registration. 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 and Disclosure Abstract. Each such person shall be asked to sign a receipt signifying that he has received and read the reports and Disclosure Abstract.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of this condominium project and the issuance of this Supplementary Public Report.
3. The basic condominium documents have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, as follows:

The Declaration of Horizontal Property Regime of Palolo Garden, with By-Laws of the Association of Apartment Owners of Palolo Garden, dated December 20, 1971 was filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 563772 and noted on Transfer Certificate of Title No. 129,400, and also recorded in the Bureau of Conveyances of the State of Hawaii in Liber 8025, at Page 135.

Two Amendments of said Declaration of Horizontal Property Regime of Palolo Garden (dated December 15, 1978 and August 13, 1979) have been filed in said Office and recorded in said Bureau and are disclosed further under "Encumbrances Against Title" below.

The floor plans of the project have been designated as Condominium Map No. 125 in said Office and as Condominium File Plan No. 212 in said Bureau.

Amendments to Condominium Map No. 125 and to Condominium File Plan No. 212 have been filed to show the floor plans of the additional units.

4. No advertising and promotional matter has been submitted to the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to horizontal property regimes.
6. This Supplementary Public Report automatically expires thirteen (13) months after the date of issuance, August 31, 1979, unless the Commission, upon review of the registration, issues an order extending the effective period of this report.

With the exception of the information under the captions below, the information in the Final Public Report remains unchanged.

TAX MAP KEY: 3-4-02-5 and 3-4-03-por. 6

ZONING: A-2 (Apartment-Medium Density)

DEVELOPER: The present Developer is Palolo Land Co., Ltd., a Hawaii corporation, the principal place of business and post office address of which is 164 North Judd Street, Honolulu, Hawaii. Its telephone number is 536-6061 and its officers are Samuro Ichinose, President; Florence Ichinose, Secretary and Treasurer; and Wallace Higashi, Vice-President. The previous Developer, Valley Hi Joint Venture, was dissolved and Palolo Land Co., Ltd. succeeded to the rights of said previous Developer.

ATTORNEY REPRESENTING DEVELOPER: Ashford & Wriston (Attention: Galen C. K. Leong), 235 Queen Street, Honolulu, Hawaii 96813 (Phone: 524-4787).

DESCRIPTION: The Declaration of Horizontal Property Regime, as amended, and the plans submitted by the Developer describe a fee simple condominium project which now consists of forty-nine (49) apartments contained in a five (5) story hollow concrete block building containing twenty-nine (29) apartments, a five (5) story addition thereto also constructed principally of hollow concrete block and containing ten (10) apartments, six (6) single family houses constructed principally of wood and two (2) duplex dwelling units, containing four (4) apartments, also constructed principally of wood.

The apartments covered by the Final Public Report remain unaltered. The 12 apartments which have been added to the Project are described as follows:

1. There are 10 apartments in a new five-story addition to the existing five-story building. There are two floors below street level, which are referred to on the plans as "Basement Floor" and "Lower Floor" but which are referred to in the amended Declaration as the first floor and the second floor. There are two apartments on each floor. Apartments 101A and 102A are located on the first floor, Apartments 201A and 202A are located on the second floor, Apartments 301A and 302A are located on the third floor, Apartments 401A and 402A are located on the fourth floor and Apartments 501A and 502A are located on the fifth floor. The 10 apartments in the five-story addition are of 3 types, as follows:
 - (i) Unit Type "A" is an apartment consisting of a living room, a kitchen, 2 bedrooms, a bathroom and a lanai, containing a floor area of approximately 784 square feet. Apartments 102A, 202A, 302A, 402A and 502A are of this type.
 - (ii) Unit Type "B" is an apartment consisting of a living room/kitchen, 2 bedrooms, a bathroom and a lanai, containing a floor area of approximately 644 square feet. Apartments 201A, 301A, 401A and 501A are of this type.
 - (iii) Unit Type "C" is an apartment consisting of a living room, a kitchen, a bedroom and a bathroom, containing a floor area of approximately 544 square feet. Apartment 101A is of this type.
2. There are two duplex apartments 2138-H and 2138-J without basements, and each contains 3 bedrooms, a living room, a kitchen, a bathroom and a half bathroom with lavatory and toilet, and contains a total area of 738 square feet.
3. The project was originally reported to contain fifty-nine (59) parking stalls, of which eight (8) were covered carports assigned to the single family houses and duplex apartment units. Eleven (11) covered parking stalls and four (4) open parking stalls have been added to the project, making a total of seventy-four (74) parking stalls.

INTEREST TO BE CONVEYED TO PURCHASERS: The Declaration, as amended, provides that each apartment shall have appurtenant thereto an undivided 2.0408+ percentage interest (1/49th fractional interest) in all common elements of the project and the same proportionate share in all common profits and expenses of the project and for all other purposes including voting.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: In addition to the prohibition against pets and children less than 14 years of age as noted in the Final Public Report, the House Rules also restrict occupancy to only 3 persons in the two bedroom units; 4 persons in each of the three bedroom units and 2 persons in the one bedroom units.

OWNERSHIP OF TITLE: A Preliminary Report signed by First Land Title Corp. dated July 6, 1979 states that title to the land and the twelve apartments which have been added to the project are owned by the Developer.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report of July 6, 1979 indicates that the property is subject to:

1. The lien of any taxes that may be due and owing on the property. For further information, please check with the Tax Assessor, First Division.
2. Title to all minerals and metallic mines is reserved to the State of Hawaii. (As to Parcel Second.)
3. "The rights of the State of Hawaii in the water rights and water ways, which said rights are expressly excluded from this title", as mentioned in Transfer Certificates of Title Nos. 105,643, 103,675 and 104,030. (As to Parcel First.)
4. Designation of Easement 6 over Lots 336-B and 337-B, as shown on Maps 189 and 305, respectively, as set forth by Land Court Order No. 15128, filed January 18, 1957. (As to Parcel First.)
5. An easement for the right privilege and authority to construct, operate and perpetually maintain a sewer main as part of a sanitary sewer system, in favor of the City and County of Honolulu, a municipal corporation, as granted by instrument dated May 6, 1932, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 26333. (As to Parcel First.)
6. Terms and provisions as contained in that certain Land Patent (Grant) No. S-14,453, dated February 18, 1966. (As to Parcel Second only.)
7. A perpetual easement in favor of the City and County of Honolulu, a municipal corporation, for pedestrian access as granted by instrument dated July 1, 1969, recorded on July 3, 1969 in the Bureau of Conveyances, State of Hawaii, in Book 6582, Page 470. (As to Parcel Second only.)

8. Condominium Map Nos. 212 and 125, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii.
9. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions, easements and by-laws set forth in the Declaration of Horizontal Property Regime dated December 20, 1971, filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 563772, and also recorded in the Bureau of Conveyances, State of Hawaii, in Book 8025, at Page 135. The Developer advises that said Declaration was amended by instruments dated (1) December 15, 1978, recorded in said Bureau in Liber 13371, at Page 165, and in said Office as Document No. 915169, and (2) August 16, 1979, recorded in said Bureau in Liber 13920, at Page 775, and in said Office as Document No. 957857. Copies thereof have been provided the Commission.
10. Any and all easements encumbering the apartments on subject property and/or the common interests appurtenant thereto, as created by or mentioned in said Declaration, and/or in the Apartment Deeds, and/or as delineated on said Condominium Map.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement dated December 1, 1978, by and between King Escrow Services, a Hawaii corporation, as Escrow, and Palolo Land Co., Ltd., as Seller, has been submitted to the Commission as part of this registration. Upon examination the Escrow Agreement and Sales Contract have been found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended.

It is incumbent upon the purchaser that the purchaser read with care the Sales Contract and Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of the apartments and all sums from any source relating to the project are placed in escrow as well as the manner in which the purchaser's funds are to be retained, disbursed or refunded.

MANAGEMENT AND OPERATION: According to the Disclosure Abstract submitted to the Commission, the managing agent for the project is S. Ichinose, President of the Corporation developing the property.

MAINTENANCE CONTRIBUTION: Each of the purchasers of the twelve additional apartments shall be required to advance to the Association an amount equal to the average existing apartment's share of funds on deposit with the Association for operation of the project, including the Maintenance Reserve Fund. This amount is \$600.00 for the purchasers of each new apartment.

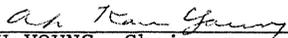
STATUS OF THE PROJECT: The Developer has substantially completed the project and has submitted to the Commission copies of the

published Notices of Completion covering the new apartments.

The purchaser or prospective purchaser shall be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted November 26, 1971, and information subsequently filed as of August 28, 1979.

THIS SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 423 filed with the Commission on November 26, 1971.

The report, when reproduced, shall be a true copy of the Commission's public report. The paper stock must be pink in color.



AH KAU YOUNG, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Department of Taxation
Bureau of Conveyances
Planning Department, City and County of Honolulu
Federal Housing Administration
Escrow Agent

REGISTRATION NO. 423

August 31, 1979