

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
CLUB VIEW GARDENS III
Hui Iwa Street and Kahekili Highway
Kaneohe, Hawaii

REGISTRATION NO. 478

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: February 5, 1974
Expires: March 5, 1975

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 AUGUST 4, 1972, AND ADDITIONAL INFORMATION SUBSEQUENTLY SUBMITTED AS OF JANUARY 21, 1974. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report of February 8, 1973, on CLUB VIEW GARDENS III, Registration No. 478, the Developer has submitted additional information to that filed with its Notice

of Intention of August 4, 1972. This Final Public Report is made a part of the registration on CLUB VIEW GARDENS III. The Developer is responsible for placing a true copy of this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers receiving the Preliminary Public Report (Yellow paper stock), and for obtaining from such purchasers and prospective purchasers the required receipts therefor.

2. Amended site plans filed with the Commission on January 21, 1974 show that CLUB VIEW GARDENS III consists of 100 townhouse apartments contained in 16 townhouse buildings, and 220 parking stalls of which 20 are for guest parking.

Although the Developer proposes to develop other condominium projects adjoining or in the vicinity of the project, pursuant to its development agreement with the owner of certain lands of which the project is a part, the Developer does not thereby represent to any purchaser of an apartment in the project that it will so develop any such other condominium project. The specimen Sales Contract provides for a representation by purchasers of apartments in the project that they do not rely upon any other condominium project being so developed.

3. All documents deemed necessary for the registration of a condominium project and issuance of this Final Public Report have been submitted by the Developer to the Commission for examination.

An updated Title Report, dated January 10, 1974, prepared by Security Title Corporation, shows that Waikiki Development Co., Inc. and Rotag Development, Inc. (formerly Centex Development Company) general partners of Ahuimanu Investment Company, are the owners in fee simple of Lot 170-B-1 and Lot 170-B-2, the project lots, and Lot 170-B-3, the roadway lot, as shown on Map 55, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1805.

4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners, and a copy of the approved amended site plans and floor plans) have been filed in the office of the recording officer.

The Declaration of Horizontal Property Regime executed December 10, 1973, with By-Laws attached, was filed in said Office of the Assistant Registrar as Land Court Document No. 664917. Copies of the approved amended site plans and floor plans were also filed in said Office of the Assistant Registrar and have been designated as Condominium Map No. 195.

The Declaration of Covenants, Conditions and

Restrictions executed June 23, 1972, with Charter of Incorporation of Club View Gardens Home Owners Association and By-Laws attached, was filed in said Office of the Assistant Registrar as Land Court Document No. 585821. The Declaration was amended by Amendment to the Declaration executed August 4, 1972, filed in said Office of the Assistant Registrar as Land Court Document No. 600327.

5. Promotional and advertising materials have been submitted pursuant to the rules and regulations promulgated by the Commission.

6. The Developer advises that sales of individual units have commenced. Although no commitment exists at this time, Bank of Hawaii has expressed an intent to make loans to qualified purchasers of these units.

7. The developer advises that it substantially completed construction of the recreational center in January, 1972. The developer also advises that it has commenced construction of all 16 townhouse buildings in the project. The developer estimates that the project will be substantially completed by December 31, 1974.

8. 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 promulgated thereunder which relate to horizontal property regimes.

9. This Final Public Report automatically expires thirteen (13) months after the date of issuance, February 5, 1974, unless a supplementary public report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

Only certain information appearing on the first page of the Preliminary Public Report dated February 8, 1973, and under the topical headings LOCATION, TAX KEY, DEVELOPER, DESCRIPTION, COMMON ELEMENTS, LIMITED COMMON ELEMENTS, COMMON INTEREST TO BE CONVEYED TO PURCHASER, OWNERSHIP OF AND ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING, MANAGEMENT AND OPERATION, and STATUS OF PROJECT has been amended since the issuance of the Preliminary Public Report dated February 8, 1973, and then only to the extent indicated below. Otherwise, the information recited in the Preliminary Public Report of February 8, 1973 applies.

Paragraph 1 on the first page of the Preliminary Public Report dated February 8, 1973 has been amended to read as follows:

1. CLUB VIEW GARDENS III is a proposed fee simple condominium project consisting of 100 townhouse apartments arranged throughout 16 townhouse buildings, with the obligation of each apartment owner to become a member of an existing nonprofit corporation known as

the Club View Gardens Home Owners Association, which is separate from the Association of Apartment Owners of Club View Gardens III, by which membership such apartment owner will be entitled to use and be obligated to pay a 1/449th share of the costs of maintaining and operating a recreation center, including swimming pool, located on 4.545 acres of land adjoining or in the vicinity of but not a part of the project. The Developer proposes to sell under sales contracts, and to cause to be conveyed by apartment deeds from the fee owners, various apartments in the project to prospective purchasers.

LOCATION: The project is located at or in the vicinity of the northwest corner of the intersection of Hui Iwa Street and Kahekili Highway, Kaneohe, City and County of Honolulu, and presently consists of two lots containing areas of 8.590 and 7.532 acres, respectively, or a total of approximately 16.122 acres separated by a roadway lot containing an area of 1.333 acres to which said two lots will have a perpetual non-exclusive easement for ingress, egress, and drainage, utility, and sewer purposes, which easement shall automatically terminate upon said roadway lot's conveyance to or acquisition by the State of Hawaii, the City and County of Honolulu, or any other governmental authority as a public right-of-way. The Developer has obtained the approval of both the Planning Department of the City and County of Honolulu and the Land Court of the State of Hawaii for the subdivision of the two project lots and the roadway lot. The areas of the two project lots and the roadway lot are shown on Map 55, filed with Land Court Application No. 1805. A copy of said Map has been filed with the Real Estate Commission.

TAX KEY: The developer advises that the correct TAX KEY for the project lots is: FIRST DIVISION, 4-7-4: Portion of Parcel 16.

DEVELOPER: Dan Ostrow Construction Co., Inc., whose principal place of business and post office address is Suite 1415, Amfac Building, 700 Bishop Street, Honolulu, Hawaii, 96813.

DAN OSTROW	President
JAMES H. WODEHOUSE, JR.	Executive Vice President
JOEL OSTROW	Vice President
ARDIE OSTROW	Secretary, Assistant Treasurer
PHILLIP WONG	Treasurer

DESCRIPTION: The developer advises that while the project still consists of 100 townhouse apartments arranged throughout 16 townhouse buildings, inaccuracies in the topographical information supplied to the Developer have required the transposition of Buildings 72 and 75 in order to physically accommodate the project to the true topography of the land. Building 72, which formerly was to contain six (6) townhouse apartments, will now contain nine (9) townhouse apartments; and, Building 75, which formerly was to contain nine (9) townhouse apartments, will now contain six (6) townhouse apartments. The apartment

composition of Buildings 72 and 75, as transposed, is as follows:

<u>Building</u>	<u>Apartment</u>	<u>Type</u>
72	7201	E
72	7202	E
72	7203	E-R
72	7204	G
72	7205	G-R
72	7206	G
72	7207	G-R
72	7208	G
72	7209	G-R
75	7501	D-R
75	7502	D
75	7503	D-R
75	7504	D
75	7505	D-R
75	7506	D

The developer also advises that the total approximate area of the two balconies of the Type C townhouse apartment is approximately 117 square feet rather than 119 square feet as stated in the Preliminary Public Report of February 8, 1973.

The developer further advises that the approximate area of the lanai of the Type E townhouse apartment is approximately 320 square feet rather than 32 square feet as stated in the Preliminary Public Report of February 8, 1973.

The developer further advises that the total approximate area of the Type D townhouse apartment is approximately 1,287 square feet rather than 1,321 square feet as stated in the Preliminary Public Report of February 8, 1973.

Except to the extent specifically modified above, the balance of the information under the heading DESCRIPTION in the Preliminary Public Report dated February 8, 1973 remains applicable.

COMMON ELEMENTS: The executed Declaration states that the common elements for the project include, but are not limited to said land in fee simple; all foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter and load-bearing walls, roofs, entrances, and exits of said buildings; all roadways, walkways, grounds, landscaping, and recreational facilities; all parking areas, service rooms, equipment rooms, and storage areas; all central and appurtenant installations for common services, including power, light, water, gas, sewer, telephone, television antenna and trash disposal; all tanks, pumps, motors, fans, compressors, ducts, and, in general, all apparatus and installations existing for common use; and all other parts of the project necessary or convenient to its existence, maintenance, and safety, or normally in common use.

LIMITED COMMON ELEMENTS: The developer advises that the executed Declaration states that each of 200 of the 220 parking stalls in the project shall be a limited common element reserved for the use of a certain apartment. The remaining 20 parking stalls shall be reserved for guest parking and shall be designated as part of the common elements. Each apartment shall have an exclusive easement to use two parking stalls, such stalls being designated on the condominium plans with the number of such apartment. Each fenced yard and fenced garbage can enclosure shall be a limited common element reserved for the use of the apartment to which it is attached or immediately adjacent and as shown on the condominium plans. Notwithstanding anything to the contrary contained herein or inferable therefrom and until December 31, 1975, Owner, for itself, its assigns, and the agents, employees, and independent contractors of Owner or its assigns, hereby reserves an easement over, under, and across the common elements of the Project, both general and limited, for purposes of all work connected with or incidental to the development, construction, and sale of all or any part of or any interest in the Project or any other part of that certain parcel of land designated as Lot 159, area 101.785 acres, as shown on Map 32 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1805.

COMMON INTEREST TO BE CONVEYED TO PURCHASER: The Declaration, dated December 10, 1973, filed as Land Court Document No. 664917, discloses that each apartment shall have appurtenant thereto an undivided percentage interest, or common interest, in the common elements, in all profits and expenses of the project and for all other purposes, including voting, according to the type of such apartment, as follows:

<u>Type of Apartment</u>	<u>Percentage Common Interest</u>
A, A-R, A-1, A-1-R	.6760%
B, B-R	.9530%
B-1, B-1-R	.9660%
C, C-R	1.1400%
D, D-R	.9430%
E, E-R	.8800%
G, G-R	1.0910%

OWNERSHIP OF AND ENCUMBRANCES AGAINST TITLE: The Developer has filed with the Commission an updated Title Report dated January 10, 1974, prepared by Security Title Corporation, covering Lots 170-B-1 and 170-B-2, area 8.590 and 7.532 acres, respectively, as shown on Map 55 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1805, which shows that the fee title to said Lots 170-B-1

and 170-B-2 is vested in Waikiki Development Co., Inc., a Hawaii corporation, and Rotag Development, Inc. (formerly Centex Development Company), a Delaware corporation authorized to do business in the State of Hawaii, general partners of Ahuimanu Investment Company, a California limited partnership authorized to do business in the State of Hawaii. Said Lots 170-B-1 and 170-B-2, as shown on said Map 55, Certificate of Title No. 163,573, are subdivided portions of Lot 170-B, as shown on Map 51 filed in said Office of the Assistant Registrar with Land Court Application No. 1805, Certificate of Title No. 156,493; and are the lots upon which the project is being constructed.

The updated Title Report also shows that Lots 170-B-1 and 170-B-2 shall have a perpetual non-exclusive easement for ingress, egress, and drainage, utility, and sewer purposes over, under, and across Lot 170-B-3 as shown on said Map, Lot 170-D as shown on Map 51, Lot 167 as shown on Map 45, and Lot 47 as shown on Map 26 and noted on Certificate of Title No. 163,573, to be used in common with others entitled thereto, for access to and from a public highway; provided, however, that at such time or times as said Lot 170-B-3, said Lot 170-D, said Lot 167 or said Lot 47, or any portion or portions of any of said lots, be conveyed to or acquired by the State of Hawaii, the City and County of Honolulu, or any other governmental authority as a public right-of-way all private easements in said lot or any portion or portions thereof so conveyed or acquired shall automatically terminate.

The updated Title Report further shows that Lots 170-B-1 and 170-B-2 shall have a perpetual non-exclusive easement over, under, and across:

Easement 88 for sewer purposes; and

Easement 91 for sewer purposes, both as shown on Map 48;

Easement 98 for sewer purposes;

Easement 99 for sewer purposes;

Easement 100 for drainage purposes; and

Easement 101 for drainage purposes, all as shown on Map 51, to be used in common with others entitled thereto.

The updated Title Report further indicates that the only encumbrances against said Lots 170-B-1 and 170-B-2 are as follows:

Against Lot 170-B-1:

Easement 36, for storm drain purposes, as shown on Map 31 as set forth by Land Court Order No. 31439, filed March 12, 1970.

Easement 42, for storm drain purposes, over and across Lot 138; and

Easement 45, for storm drain purposes over and across Lot 141, both as shown on Map 32, as set forth by Land Court Order No. 31473, filed March 23, 1970.

Designation of the following Easements affecting Lot 170-B-1 as follows:

Easement 115 for drainage purposes;

Easement 116 for drainage purposes; and

Easement 117 for water purposes, all as shown on Map 55, as set forth by Land Court Order No. 38517, filed October 23, 1973.

Against Lot 170-B-2:

Designation of the following Easements affecting Lot 170-B-2 as follows:

Easement 118 for water purposes;

Easement 119 for water purposes; and

Easement 120 for water purposes, all as shown on Map 55, as set forth by Land Court Order No. 38517, filed October 23, 1973.

Against both Lots 170-B-1 and 170-B-2:

Reservation in favor of the State of Hawaii of all mineral and metallic mines of every description as reserved under Royal Patents 1423, 1554, 1555, 1664, 2012, and 6589.

Development Agreement dated December 13, 1971, effective as of August 27, 1971, made by and between Waikiki Development Co., Inc., a Hawaii corporation, and Centex Development Company (now Rotag Development, Inc.), a Delaware corporation authorized to do business in the State of Hawaii, general partners of Ahuimanu Investment Company, a California limited partnership authorized to do business in the State of Hawaii, "Owner", and Dan Ostrow Construction Co., Inc., a Hawaii corporation, "Developer", a short form of which was filed in said Office of the Assistant Registrar as Document No. 563559.

Said Development Agreement has been amended by Amendment to Development Agreement dated March 27, 1973, a short form of which was filed in said Office of the Assistant

Registrar as Document No. 624951;

Said Development Agreement, as amended, is encumbered by the following:

(a) Real Estate Mortgage dated December 13, 1971, filed in said Office of the Assistant Registrar as Document No. 563560, made by said Dan Ostrow Construction Co., Inc., as Mortgagor, to Bank of Hawaii, a Hawaii corporation, as Mortgagee, to secure the repayment of the sum of \$1,400,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note to said mortgagor therein referred to. Consent thereto filed as Document No. 563561.

(b) Undated Financing Statement recorded on December 22, 1971, in the Bureau of Conveyances of the State of Hawaii in Book 8019, at Page 170.

(c) Additional Charge Mortgage dated September 20, 1972, filed in said Office of the Assistant Registrar as Document No. 601994, made by said Dan Ostrow Construction Co., Inc., as Mortgagor, to said Bank of Hawaii, as Mortgagee, to secure the repayment of the additional loan of \$750,000.00 together with interest thereon in accordance with the terms of the promissory note therein referred to. Consent thereto filed as Document No. 601995. This is an additional charge mortgage to the foregoing mortgage.

(d) Undated Financing Statement recorded on October 12, 1972, in said Bureau of Conveyances in Book 8660, at Page 223.

(e) Second Additional Charge Mortgage dated May 10, 1973, filed in said Office of the Assistant Registrar as Document No. 631805, made by said Dan Ostrow Construction Co., Inc., as Mortgagor, to said Bank of Hawaii, as Mortgagee, to secure the repayment of the additional loan of \$1,000,000.00 together with interest thereon in accordance with the terms of the promissory note therein referred to. Consent thereto filed as Document No. 631806. This is a second additional charge mortgage to the foregoing mortgage.

(f) Undated Financing Statement recorded on May 30, 1973, in said Bureau of Conveyances in Book 9180, at Page 306.

(g) Third Additional Charge Mortgage dated August 15, 1973, filed in said Office of the Assistant Registrar as Document No. 644883, made

by said Dan Ostrow Construction Co., Inc., as Mortgagor, to said Bank of Hawaii, as Mortgagee, to secure the repayment of the additional loan of \$750,000.00 together with interest thereon in accordance with the terms of the promissory note therein referred to. Consent thereto filed as Document No. 644884. This is a third additional charge mortgage to the foregoing mortgage.

(h) Undated Financing Statement recorded on August 20, 1973, in said Bureau of Conveyances in Book 9417, at Page 286.

Real Estate Mortgage dated October 3, 1972, filed in said Office of the Assistant Registrar as Document No. 601804, made by said Waikiki Development Co., Inc. and said Rotag Development, Inc. (formerly Centex Development Company), general partners of said Ahuimanu Investment Company, as Mortgagors, to said Bank of Hawaii, as Mortgagee, to secure the repayment of the sum of \$2,000,000.00, together with interest thereon, all according to the terms of the promissory note of said mortgagors of even date. Said mortgagors also assign to said mortgagee as additional security to said mortgage, all rents, issues, payments, income and profits now or hereafter arising or in any manner accruing from or out of all and every part of the mortgaged property.

(a) Undated Financing Statement recorded on October 11, 1972, in said Bureau of Conveyances, in Book 8657, at Page 169.

Grant dated July 27, 1972, filed in said Office of the Assistant Registrar as Document No. 591601, in favor of said Hawaiian Electric Company, Inc., granting a perpetual right and easement for utility purposes with authority to build, etc. underground lines, pullboxes and transformer vaults, etc., over, under, and within said lots. Consents thereto filed as Documents Nos. 591602 and 591603.

Declaration of Horizontal Property Regime dated December 10, 1973, filed in said Office of the Assistant Registrar as Document No. 664917, made by said Waikiki Development Co., Inc., and said Rotag Development, Inc., general partners of said Ahuimanu Investment Company, as Owner, and said Dan Ostrow Construction Co., Inc., as Developer. The Office of Assistant Registrar has assigned to the project Condominium Map No. 195.

Declaration of Covenants, Conditions and Restrictions dated June 23, 1972, filed as Document No. 585821.

Real Property Taxes that may be due and owing on the land, reference is hereby made to the office of the Tax Assessor of the First Taxation Division.

NOTE: The interest conveyed to each individual purchaser by an apartment deed will also be subject to: (1) such easements for sewers, drainage and water as Grantor may grant to the City and County of Honolulu or other governmental authority or agency through, under, and across said easements designated hereinbefore; and, (2) such easements for electricity and telephones as may be appropriate to service the property and as shall be designated by Grantor on or before December 31, 1975. By acceptance of his apartment deed, the Grantee will covenant and agree to join in such designation of said easements and to grant easements to the City and County of Honolulu or other governmental authority or agency, Hawaiian Electric Company, Inc. and Hawaiian Telephone Company for the purposes of building, constructing, rebuilding, reconstructing, repairing, maintaining and operating sewer and/or storm drain and/or water pipeline, electrical and telephone facilities to service the property as set forth in Exhibit A to the standard apartment deed.

PURCHASE MONEY HANDLING: The developer advises that the Escrow Agreement dated July 19, 1972, between Bank of Hawaii, as escrow agent, and Dan Ostrow Construction Co., Inc., as Seller, a copy of which has been filed with the Real Estate Commission, has been amended by Amendment to Escrow Agreement, dated October 12, 1973. A copy of the Amendment to Escrow Agreement has also been filed with the Real Estate Commission.

MANAGEMENT AND OPERATION: The Developer advises that on behalf of the Association of Apartment Owners of Club View Gardens III it has retained Hawaiiiana Management Company as the initial managing agent for the project, and has submitted to the Commission an executed copy of the Property Management Agreement dated July 20, 1972. The Developer also advises that it has entered into a five-year contract with the Club View Gardens Home Owners Association under which the Developer will undertake the maintenance of the recreational center. As previously mentioned, the Developer has undertaken the maintenance of the recreational center, which is separate from the project, for a five-year period, under a Property Maintenance Agreement dated June 23, 1972, amended August 4, 1972, with the Club View Gardens Home Owners Association, a non-profit corporation. Copies of the executed Property Maintenance Agreement and Amendment thereto have been submitted to the Commission.

STATUS OF PROJECT: The developer advises that in January, 1972, it substantially completed the recreational center, consisting of clubhouse, including swimming pool. Construction of the remaining buildings in the project has

commenced. The developer estimates that the project will be substantially completed by December 31, 1974.

The purchaser or prospective purchaser should recognize that this published report represents information disclosed by the Developer in the required Notice of Intention submitted on August 4, 1972, and information subsequently filed as of January 21, 1974. The information disclosed in the Commission's Preliminary Public Report of February 8, 1973, should be carefully reviewed by the purchaser and prospective purchaser.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 478 filed with the Commission on August 4, 1972.

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


For DOUGLAS R. SODEVANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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Registration No. 478

Dated: February 5, 1974