

**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  
KAILUA VILLAGE  
Kuakini Highway, Kailua, Kona  
Island and County of Hawaii  
Hawaii

REGISTRATION NO. 509

**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 16, 1973  
Expires: March 16, 1974

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 DECEMBER 29, 1972. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514 OF THE HAWAII REVISED STATUTES.

1. KAILUA VILLAGE is a fee simple condominium project consisting of a seven (7) story building having a total of 64 residential apartment units, 66 parking stalls are available at the Project. (This Project was earlier registered with the Commission under Registration No. 178 and a Preliminary Public Report was issued by the Commission on September 29, 1967, and a Supplementary Public Report was issued by the Commission on January 29, 1968. Since the issuance of the Preliminary and Supplementary Public Report on Registration No. 178, the Developer has advised the Commission that Registration No. 178 has been abandoned and taken over by the present Developer.)

2. No promotional and advertising materials have been submitted pursuant to the rules and regulations promulgated by the Commission.
3. 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.
4. 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 prior to completion of construction.
5. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the approved Floor Plans) have been filed in the office of the recording officer.

The Declaration of Horizontal Property Regime executed September 26, 1972, with By-Laws attached, was recorded in the Bureau of Conveyances, State of Hawaii, at Honolulu in Liber 8826, Page 80, with Condominium Map No. 254.

6. This Final Public Report is made a part of the registration on the KAILUA VILLAGE condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for the Final Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.
7. This Final Public Report automatically expires thirteen (13) months after date of issuance, February 16, 1973, unless a supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: KAILUA VILLAGE

LOCATION: The approximately 45,994 square feet of land committed to the project is situate on the Makai (South Westerly) side of Kuakini Highway at Hienaloli 2, Kailua, District of North Kona, Island, County and State of Hawaii.

TAX KEY: THIRD DIVISION 7-5-08:16

ZONING: Hotel-Apartment

DEVELOPER: Aloha Development, Inc., a Hawaii corporation, registered with the Department of Regulatory Agencies of the State of Hawaii on November 5, 1970. The corporation conducts its business at 888 Mililani Street, Honolulu, Hawaii. Telephone 521-1891

The officers of Aloha Development, Inc. are:

President	Lester H. Gamble	888 Mililani Street, Honolulu, Hawaii
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Vice-President Edgar L. Fickle 888 Mililani Street,  
Honolulu, Hawaii

Secretary/Treasurer Wallace S. Fujiyama 888 Mililani Street,  
Honolulu, Hawaii

Asst. Sec/Treasurer Daniel R. Matsukage 888 Mililani Street,  
Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER : Chuck and Fujiyama (Attention:  
Mr. Wilfred K. Watanabe) Attorneys at Law, Suite 202 International  
Savings Building, King and Bethel Streets, Honolulu, Hawaii 96813.  
Telephone 536-0802.

DESCRIPTION: The executed and recorded Declaration of Horizontal  
Property Regime and Developer's floor plans reflect that the  
building and other improvements to be placed on the land committed  
to the regime shall consist of a seven (7) story apartment  
building having a total of sixty-four (64) residential apartment  
units, constructed of reinforced concrete, steel, glass,  
aluminium, and other allied building materials. The declarant  
advises that the project is divided into the following freehold  
estates:

The building to be constructed on the Project shall  
have seven apartment levels (floors) and no basement,  
and shall contain sixty-four (64) residential apart-  
ments. The building shall be constructed principally  
of reinforced concrete, steel, glass, aluminium, and  
other allied building materials. The ground floor  
contains eight (8) residential apartments; one (1)  
office-studio apartment designated as a Type A  
apartment, and seven (7) one-bedroom apartments  
which are designated as Type B apartments. The  
second through the sixth floors contain ten (10)  
Type B apartments on each of said floors. The  
seventh floor contains two (2) Type B apartments and  
four (4) two bedroom apartments which are designated  
as Type C apartments.

The one and only Type A apartment is an office-  
studio apartment which contains seven hundred  
thirty-three (733) square feet, including one (1)  
lanai containing twenty-five (25) square feet.  
The apartment contains an office with restroom,  
a living room, a kitchenette, bath-dressing room,  
and the one lanai.

The Type B apartments, and there are seven (7)  
of them on the ground floor, ten (10) each on  
the second through the sixth floors, and two (2)  
on the seventh floor, shall each contain six  
hundred ninety-six (696) square feet, including  
one (1) lanai, containing fifty-seven (57)  
square feet. Each of the Type B apartments contains  
one bedroom, one bath-dressing room, one kitchen,  
one living-dining room, and the one lanai.

The Type C apartments, and there are four (4)  
of them on the seventh floor, shall each contain  
one thousand three hundred ninety-two (1,392)  
square feet, including two (2) lanais, each  
containing fifty-seven (57) square feet. Each  
of the Type C apartments contains two bedrooms,  
one bath, one bath-dressing room, one kitchen,  
one living room-study, one family room, and the  
two lanais.

In addition to the foregoing, the ground level shall also contain an entry mall, a main elevator lobby containing approximately two hundred ninety-six (296) square feet, a laundry room, a restroom, and trash, storage and utility rooms.

Apartments on the second through seven apartment levels of the building shall each have immediate access to a balcony corridor running generally along the east side of the building leading to an elevator lobby and three (3) stairways to the first apartment level. The three (3) stairways are located, one on each end and one in the middle of the building. In addition to the foregoing, the building shall have two (2) elevators.

The apartments on the ground floor shall be numbered 101 through 108, the numbers running from south to north beginning with 101.

The apartments on the second through the sixth floors shall be numbered 1 through 10 from south to north with the number of the floor preceding the number of the apartment. The six (6) apartments on the seventh floors shall be designated 701 through 706 respectively, the numbers running from south to north beginning with 701.

COMMON ELEMENTS: The common elements will include the limited common elements described in the next topical heading of the Final Public Report, LIMITED COMMON ELEMENTS, and all other portions of the land and improvements other than the apartments, including the apartment building, an interest in the land on which it is located, and all elements mentioned in the Horizontal Property Act which are actually constructed on the land described, and specifically shall include, but shall not be limited to: (a) a fee simple interest in the land; (b) all foundations, floors, columns, girders, beams, supports, main or load-bearing walls, roofs, corridors, lobbies, stairs, stairways, walkways, entrances and exits of said building; (c) all driveways and roadways, sidewalks, and other common ways in the building, mailboxes, the laundry room, restroom, storage room, yards, gardens and recreational facilities, including the swimming pool; (d) all central and appurtenant installations for common services, including power, light, water, telephone and trash disposal; and (e) all other elements and facilities rationally in common use or necessary to the existence, upkeep and safety of the building of the Project.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called and designated the "limited common elements", are hereby set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are those rationally of limited common use for less than all of said apartments and include the following: (a) The parking stalls which are numbered and shown on said Condominium Map and shall be assigned to an apartment upon the original conveyance of the apartments, and shall be appurtenant to and for the exclusive use of such apartment. (b) The hallways and walkways on each floor shall be reserved for the exclusive use of the apartments on such floor.

INTEREST TO BE CONVEYED PURCHASER: Each apartment shall have appurtenant thereto the respective undivided interest in the common elements and such interest is defined and referred to as the "Common Interest." The common interest, the proportionate share in the profits and common expenses of the project and the proportionate representation for voting purposes in the Association of Apartment Owners of the project, as established for each apartment, shall be as set forth in percentages as follows:

- Type A apartment containing 733 sq. ft. . . . . 0.1594%
- Type B apartments each containing 696 sq. ft. . . 0.1562%
- Type C apartments each containing 1392 sq. ft. . 0.1562%

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The building shall at all times be used as a residential apartment building and each of the apartments with the exception of the office-studio apartment, shall be occupied and used only as living accommodations solely by the respective owners and tenants thereof, and the families, servants and guests of such owners and tenants, and for no other purpose. The owners of the respective apartments shall have absolute right to lease or rent the same, subject to the limitations, restrictions, covenants and conditions of the Declaration and of the By-Laws of the Association.

OWNERSHIP TO TITLE: In the Notice of Intention submitted as part of the registration the Developer states that ownership of title to the land committed to the regime is in the name of Aloha Development, Inc., a Hawaii corporation. The Certificate of Title, updated to December 26, 1972, by the Abstractor, Title Guaranty of Hawaii, Inc., verifies that title to the land is vested in Aloha Development, Inc.

ENCUMBRANCES AGAINST TITLE : The title report certifies that the land committed to the project is subject to the following encumbrances:

1. Mortgage dated April 30, 1969 by Lester H. Gamble in favor of Great Pacific Development Corporation, recorded in the Bureau of Conveyances in Liber 6510, Page 149.

Assignment of Mortgage dated July 1, 1971 by Great Pacific Development Corporation to Aloha Development, Inc., recorded in the Bureau of Conveyances in Liber 7649, Page 80.

NOTE: The Developer advises the Commission that since the mortgage note was lost or misplaced, a settlement was made with Great Pacific Mortgage Corporation. Great Pacific Mortgage Corporation stated in a letter dated June 30, 1971, to the Developer of acknowledging payment and relinquishing its interest in the said mortgage note.

2. Lis Pendens, Civil No. 2536, dated July 13, 1971, with Lester H. Gamble; Mary Alice Gamble, Joseph Gomes; Margaret P. Gomes; Great Pacific Development Corporation; and Great Pacific Development Corporation as Trustee in a trust for the Benefit of the Kailua Village Developers as "Defendants" and the County of Hawaii as "Plaintiff", filed with the Third Circuit Court on July 21, 1971, recorded in the Bureau of Conveyances in Liber 7683, Page 428.

3. Deed dated July 16, 1971 by and between Lester H. Gamble and Aloha Development, Inc., recorded in the Bureau of Conveyances in Liber 7708, Page 139.

Correction Deed dated September 26, 1972, by and between Lester H. Gamble and Aloha Development, Inc., correcting the description of the land, recorded in the Bureau of Conveyances in Liber 8661, Page 57.

4. Mortgage dated July 28, 1971 by Aloha Development, Inc. in favor of Pacific Guardian Life Insurance Company, Limited, and recorded in the Bureau of Conveyances in Liber 7708, Page 143.

Assignment of Mortgage dated July 19, 1972 to Pacific Standard Life Insurance Company, recorded in the Bureau of Conveyances in Liber 8451, Page 4.

5. Second Mortgage dated July 28, 1971 by Aloha Development Inc., in favor of Hawaii Thrift & Loan, Inc., and recorded in the Bureau of Conveyances in Liber 7708, Page 149.

Assignment of Mortgage dated July 19, 1972 to Pacific Standard Life Insurance Company, recorded in the Bureau of Conveyances in Liber 8451, Page 1.

6. Declaration of Horizontal Property Regime dated September 26, 1972, recorded in the Bureau of Conveyances in Liber 8826, Page 80.

Condominium Map No. 254 was assigned.

7. Taxes that may be due and owing as a lien on the land under search, reference is made to the office of the Tax Assessor of the District in which said land is situated.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement, dated September 26, 1972, between Real Estate Finance Corporation, as "Escrow Agent" and Aloha Development, Inc., as "Developer", has been filed with the Commission. On examination the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly section 514-15.

Among other provisions, the Sales Contract and Escrow Agreement provides that if the Developer notifies Escrow Agent in writing of its exercise of its option to terminate the Sales Contracts as provided therein because less than fifty per cent (50%) of the apartments of the Project are sold prior to June 30, 1973, or because Buyer's application for a mortgage loan was rejected or was not approved within 30 days of the date of the Sales Contract; or if the Sales Contracts become null and void as provided therein because said building and other improvements are not completed prior to June 30, 1973, or such later deadline as may be extended pursuant to the Sales Contract; then in either event Escrow Agent shall refund to each Purchaser under a Sales Contract all funds of such Purchaser then held by Escrow Agent, without interest, and shall return such Purchaser's Sales Contract to Developer, whereupon such Sales Contract shall cease to be held hereunder.

It is incumbent upon the purchaser and prospective purchaser that he read with care the Sales Contract and the executed Escrow Agreement. The latter document, the Escrow Agreement, established how the proceeds from the sale of apartments and all sums received from any source are placed in trust, as well as the retention and disbursement of said trust funds.

MANAGEMENT AND OPERATIONS: A specimen of the proposed Property Management Agreement, to be executed between the Developer - acting for the Association of Apartment Owners of KAILUA VILLAGE and Real Estate Finance Corporation, has been filed with the Commission.

STATUS OF PROJECT: In the Notice of Intention the Developer advised that construction started on August 23, 1971. The Standard Form of Agreement Between Owner and Contractor (AIA Document A 101) executed July 29, 1971, between Aloha Development, Inc. "the Owner" and Glenn Construction Corporation, "the Contractor" states that work under the Contract shall be commenced on or about August 23, 1971, and completed within 360 calendar days after the date of notice to proceed. The Developer advised that as of the date of issuance of this Final Public Report, the construction is 100% completed.

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The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted December 29, 1972.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 509 filed with the Commission on December 29, 1972.

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

  
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(For) Douglas R. Sodevani, Chairman  
Real Estate Commission  
State of Hawaii

Distribution:  
  
Department of Taxation  
Bureau of Conveyances  
Planning Commission, County of Hawaii  
Federal Housing Administration  
Escrow Agent

REGISTRATION NO. 509  
February 16, 1973