

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

**SUPPLEMENTARY
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT**
on

MAKAHA VILLAGE
84-520 Farrington Highway
Waianae, City and County of Honolulu

REGISTRATION NO. 548

This Report Is Not an Approval or Disapproval of This Condominium Project

It was prepared as a supplement to an earlier Report dated July 2, 1974 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 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: March 22, 1976
Expires: November 1, 1976

SPECIAL ATTENTION

A comprehensive reading by the prospective purchaser is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED APRIL 17, 1973, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF MARCH 19, 1976. THE DEVELOPER IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL AND SUBMITTING ADDITIONAL INFORMATION, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514, HAWAII REVISED STATUTES.

1. The Developer has complied with Chapter 514, Hawaii Revised Statutes and has fulfilled the requirements for the issuance of a Supplementary Public Report.

2. Since the issuance of the Commission's Final Public Report on Registration 548, dated July 2, 1974, the Developer has forwarded additional information reflecting material changes which have been made in the documents for the project.

3. This Supplementary Public Report is made a part of the registration of the MAKAHA VILLAGE condominium project. The Developer is responsible for placing this Supplementary Public Report (pink paper stock) in the hands of all purchasers and prospective purchasers together with the Final Public Report (white paper stock) and the Preliminary Public Report (yellow paper stock). Securing a signed copy of the Receipt for all three public reports from each purchaser and prospective purchaser is also the responsibility of the Developer.

4. The Developer of the Project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of this Supplementary Public Report.

5. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a copy of the approved Floor Plans) have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

The approved Floor Plans showing the layout, location, apartment numbers, etc., have been designated Condominium Map No. 202.

The Declaration of Horizontal Property Regime, executed April 16, 1974, with By-Laws attached, was filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 676307, and was amended by instrument dated June 21, 1974, filed as aforesaid as Document No. 686533, by instrument dated November 26, 1974, filed as aforesaid as Document No. 705250, and by instrument dated February 18, 1976, filed as aforesaid as Document No. 754365.

6. No advertising or promotional matter has been filed pursuant to the rules and regulations promulgated by the Commission.

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

8. This Supplementary Public Report automatically expires on November 1, 1976, unless another Supplementary Public Report issues or the Commission upon review of the registration, issues an order extending the effective period of this report.

The Developer has requested and the Real Estate Commission has approved the extension of the Final Public Report issued July 2, 1974 to November 1, 1976.

9. MAKAHA VILLAGE is a fee simple condominium project consisting of eight (8) buildings, without basements, each containing one (1) story and two (2) apartments. There are a total of sixteen (16) apartments and sixteen (16) carports.

NOTE: There have been many minute changes to the Declaration and related documents resulting from the latest amendment thereto to facilitate the fact that the units are no longer being sold as leasehold units but are being sold in fee simple as provided herein.

The information in the topical headings of the Preliminary Public Report of June 27, 1973, as modified by the Final Public Report of July 2, 1974, has not been disturbed, with the exception of DEVELOPER, LIMITED COMMON ELEMENTS, INTEREST TO BE CONVEYED TO PURCHASERS, OWNERSHIP OF TITLE, PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING, MANAGEMENT OF THE PROJECT and STATUS

DEVELOPER: Sherwood & Roberts, Inc., a Washington corporation, whose principal place of business and post office address in Hawaii is Suite 2305, Pacific Trade Center, Honolulu, Hawaii, Phone No. 521-6721.

The officers of the Developer are:

James F. Aylward, President
9357 Hilltop Road
Bellevue, Washington 98004

Ben Scott, Vice President
Route 3, Box 72
Snohomish, Washington 98290

Charles H. Whitmore, Vice
President
Route 8, Box 8781
Bainbridge Island, Washington
98110

T. B. Dame, Vice President
14454 SE 45th Place
Bellevue, Washington 98006

Darrell A. Devine, Vice
President
19124 Kenlake Place NE
Seattle, Washington 98155

James T. Kearney, Vice President
3200 - 44th West
Seattle, Washington 98199

Calvin A. Meredith, Vice
President
4840 Tiffany Way
Fair Oaks, California 95628

Arthur H. Hammann, Vice
President
427 Opihikao Place
Hawaii Kai
Honolulu, Hawaii 96825

Robert Humphrey, Vice
President & Treasurer
9604 NE 139th
Kirkland, Washington 98033

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called the "limited common elements", are hereby designated and set aside for the exclusive use of certain apartments,

and such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

1. The lot upon which each respective apartment is built, as outlined in red on said Condominium Map, shall be appurtenant to and for the exclusive use of such apartment;
2. One (1) carport as designated on said Condominium Map by a number corresponding to the number of each of the respective apartments shall be appurtenant to and for the exclusive use of such apartment;
3. The roof and the surface of all exterior walls and other exterior surfaces of each apartment shall be appurtenant to and for the exclusive use of such apartment.

Each apartment owner shall be responsible for the proper repair and maintenance of such limited common elements appurtenant to his apartment, and shall at all times keep the same in good order and condition, and maintain and keep the land of each such lot in a neat and attractive condition and all trees and shrubs and grass thereon in good cultivation and replant the same as may be necessary, and repair and make good all defects in the same of which notice shall be given by the Board of Directors or Managing Agent within thirty (30) days after the giving of such notice. No apartment owner shall change the external appearance of any apartment without the prior written consent thereto by the Board of Directors.

INTEREST TO BE CONVEYED TO PURCHASERS: Documents filed with the Real Estate Commission indicate that the purchaser will secure an Apartment Deed, conveying an apartment and an undivided 6.25 percentage interest in the common elements of the Project. This same percentage interest for each apartment shall be used in determining each purchaser's proportionate share of all common profits and expenses of the Project and shall be used for all other purposes including determining the proportionate representation for voting purposes in the Association of Apartment Owners of the Project.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration, as amended, provides that, except when a mortgagee has entered into possession of an apartment following (i) a default under a first mortgage, (ii) a foreclosure proceeding, or (iii) a conveyance in lieu of foreclosure, the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, except that the apartments may also be used for transient or hotel purposes. The apartments may not be used for any other purpose unless consent of the Board of Directors is secured. The owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration and the By-Laws attached hereto; provided, however, that no apartment owner may lease less than the entire apartment.

OWNERSHIP OF TITLE: A Preliminary Report dated January 2, 1976 by American Abstract and Escrow, Inc. states that the Owner of the fee simple title to the property committed to the Project is the Developer, said property being the same land described in and covered by Transfer Certificate of Title No. 179,284 issued to Developer. The Developer will issue individual apartment deeds directly to the purchasers.

ENCUMBRANCES AGAINST TITLE: A Preliminary Report dated January 2, 1976, issued by American Abstract and Escrow, Inc., as submitted to the Commission, and other documents filed with the Commission, provide that the following are encumbrances against title to the property:

1. For any taxes that may be due and owing and a lien on the lands of the Project, reference is hereby made to the Office of the Tax Assessor of the First Division, Island of Oahu, State of Hawaii.

2. Declaration of Horizontal Property Regime, with By-Laws attached, dated April 16, 1974, filed as aforesaid as Document No. 676307, as amended by instruments dated June 21, 1974, filed as aforesaid as Document No. 686533, dated November 26, 1974, filed as aforesaid as Document No. 705250, and dated February 18, 1976, filed as aforesaid as Document No. 754365.

3. Grant dated September 17, 1974, filed as aforesaid as Document No. 704234, in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company.

4. Grant dated September 17, 1974, filed as aforesaid as Document No. 706439, in favor of City and County of Honolulu and Board of Water Supply.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated February 18, 1976, between American Abstract And Escrow, Inc., as Escrow, and Developer, has been filed with the Commission and found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Sections 514-36 through 514-40 thereof.

NOTE: The specimen reservation agreement contains the following provision:

"Seller hereby informs Buyer that Seller proposes to qualify the Project for Veterans Administration (V.A.) guaranteed loans under 38 U.S.C. 1810(a)(6), Public Law 93-569. The Loan Guaranty Information Bulletin No. L-75-12, dated May 19, 1975, issued by V.A. Honolulu Regional Office, provides in relevant part that the following requirement must be met prior to the Project being so qualified: 'Bona fide agreements of sale must have been executed by purchasers (who are contractually obligated to complete the purchase and who intend to occupy the property as their principal place of residence) of 70 percent of the total number of units in the project. Lenders shall certify as to satisfaction of the presale requirement. Multiple

purchases of condominium units by one owner are to be counted as one sale when computing the number of sales within a condominium regime to determine if this requirement has been met.' Therefore, Buyer and Seller agree that . . . in the event that said V.A. presale requirement is not met on or before December 31, 1976, Seller may at its option cancel this Agreement, in which event Seller will cause Escrow to refund all monies paid by Buyer hereunder, without interest, and less Escrow's cancellation fee and Seller shall be relieved and released of all further liability hereunder."

NOTE: The specimen reservation agreement also includes a provision under which the purchaser agrees that until the Developer has closed out the sale of all of the apartments in the project, or until December 31, 1977, whichever shall first occur, the purchaser will not enter into an agreement with any owner of another apartment in the Project and/or any third party under which the purchaser agrees to share expenses and/or rentals of apartments in the Project, and that this agreement of the purchaser shall survive the issuance to the purchaser of the apartment deed conveying the premises and shall bind the purchaser's heirs, executors, administrators, successors and assigns during the term thereof.

It is incumbent on the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the Sales Agreement since the Escrow Agreement prescribes the procedure for receiving and disbursing the purchaser's funds. The specimen sales agreement specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided. Purchasers and prospective purchasers are advised to read with care the provisions of the sales agreement.

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the Project may be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent, but there is no requirement that a managing agent be appointed. At this time, the Developer does not propose to so appoint a managing agent.

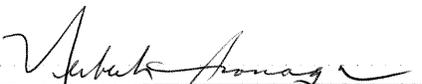
NOTE: Developer advises that no representation or references will be made to either purchasers or prospective purchasers concerning rental of the apartment, income from the apartment or any other economic benefit to be derived from the rental of the apartment, including but not limited to, any reference or representation to the effect that Developer or the Managing Agent of the Project will provide, directly or indirectly, any services relating to the rental or sale of the apartment. Rental of the apartments and the provisions of management services in connection therewith is and shall be the sole responsibility of the purchaser.

STATUS OF THE PROJECT: The developer advises that construction of the Project was completed in September, 1974.

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 April 17, 1973, and information subsequently filed as of March 19, 1976.

THIS SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 548 filed with the Commission on April 17, 1973.

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


MEMBER, 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

March 22, 1976

Registration No. 548