

**REAL ESTATE COMMISSION**

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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

SECOND SUPPLEMENTARY  
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)  
PUBLIC REPORT

on

MAKAHA VALLEY PLANTATION  
Makaha, Oahu, Hawaii

REGISTRATION NO. 577

IMPORTANT - Read This Report Before Buying

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

It was prepared as a supplement to ~~an~~ earlier Reports dated August 13, 1973, July 8, 1974, and May 18, 1977 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: January 22, 1979  
Expires: January 22, 1980

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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JUNE 22, 1973, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF JUNE 21, 1974, MAY 13, 1977, AND JANUARY 18, 1979. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON MATERIAL CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Preliminary, Final and Supplementary Reports on the HOLIDAY PLANTATION project, Registration No. 577, dated August 13, 1973, July 8, 1974 and May 18, 1977, respectively, additional information to that filed in the May 13, 1977 submittal has been submitted. The changes subsequently made are determined to be a material revision to the information disclosed earlier. This second Supplementary Public Report (pink paper stock) amends the prior Supplementary Public Report (pink paper stock), the Final Public Report (white paper stock), and the Preliminary Public Report (yellow paper stock), and is made a part of the registration. The Developer is required to provide all purchasers or prospective purchasers of apartments with a copy of this Supplementary Public Report, as well as the prior Supplementary Public Report, the Final Public Report and the Preliminary Public Report. Securing a signed copy of the receipt for Horizontal Property Regimes Public Report for each report from each purchaser and prospective purchaser is also the responsibility of the Developer.
2. The Developer has complied with Chapter 514A, Hawaii Revised Statutes, and has fulfilled the requirements of the Commission for the issuance of this Supplementary Public Report prior to the completion of construction.
3. No advertising or promotional matter required has been filed pursuant to the rules and regulations promulgated by the Commission.
4. The basic documents (Declaration of Horizontal Property Regime, as amended, By-Laws of the Association of Apartment Owners, as amended), and a copy of the approved Floor Plans have been filed in the office of the recording officer.

The first amendment to Declaration and By-Laws was filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, on February 15, 1977, as Document No. 805045. Condominium Map No. 217 was appropriately amended.

The Second Amendment to the Declaration and By-Laws, dated December 5, 1978, was filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, as Document No. 914408. The

Declaration, as amended, and the By-Laws, as amended, are hereinafter referred to as the "Declaration" and the "By-Laws", respectively.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. This Second Supplementary Public Report automatically expires twelve (12) months after date of issuance, January 22, 1979, unless the Commission upon review of the registration, issues an order extending the effective period of this report.

The information in the topical headings of the Preliminary Public Report, the Final Public Report and the prior Supplementary Public Report has all changed except for LOCATION, LIMITED COMMON ELEMENTS and USE.

NAME: The name of the project has been changed to MAKAHA VALLEY PLANTATION.

DEVELOPER: Hawaii National Bank, Honolulu, a national banking association, Fidelity Savings and Loan Association, a California savings and loan association, and Brentwood Savings and Loan Association, a California savings and loan association, have acquired the interest of the former developer in and to the Master Lease described in the Final Public Report, and the fee simple interest in the land upon which the project is located. The officers of Hawaii National Bank, Honolulu are:

K. J. Luke - President and Chairman of the Board  
William H. Pratt - Senior Executive Vice President and Chief Operations Officer  
Warren K. K. Luke - Executive Vice President  
Ernest T. Murata - Executive Vice President and Cashier  
Frederick C. Noe, Jr. - Executive Vice President

The officers of Fidelity Savings and Loan Association are:

A. C. Meyer, Jr. - President  
David M. Partridge - Executive Vice President  
Karen M. Manning - Executive Vice President-Secretary  
H. B. Bertson - Vice President-Treasurer

The officers of Brentwood Savings and Loan Association are:

David C. Grimes - Chairman of the Board and Chief Executive Officer  
Richard S. Huston - President and Chief Administrative Officer  
Kenneth H. Nelson - Executive Vice President and Treasurer  
Julian Scheiner - Secretary and General Counsel  
Allan J. Long - Executive Vice President

ATTORNEYS REPRESENTING DEVELOPER: Emmet White (Mau, White & Yee, Suite 303, 1000 Bishop Street, Honolulu, Hawaii 96813) is the attorney for Hawaii National Bank, Honolulu; George L.

Dyer, Jr. (Goodsill Anderson & Quinn, 1600 Castle & Cooke Building, Financial Plaza of the Pacific, Honolulu, Hawaii 96813) is the attorney for Fidelity Savings and Loan Association; and Nicholas C. Dreher (Cades, Schutte, Fleming & Wright, Bishop Trust Building, Honolulu, Hawaii 96813) is the attorney for Brentwood Savings and Loan Association.

DESCRIPTION: As set forth below, the plans for the common areas of the project have been revised, but the total number of apartments remains 572 and the undivided percentage interest in the common elements appurtenant to each apartment remains the same.

COMMON ELEMENTS: In addition to the common elements described in the Final Public Report, the common elements include a tennis court, volleyball/basketball court, sauna, shuffleboard, horseshoe and putting green area, children's sand pits and other recreational areas and facilities.

LIMITED COMMON ELEMENTS: No change as earlier reported except that the following has been added: One mailbox shall be assigned to each apartment upon the original conveyance thereof and shall be appurtenant to and for the exclusive use of such unit.

COMMON INTERESTS: Each apartment shall have appurtenant thereto an undivided percentage 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.

INTEREST TO BE CONVEYED TO PURCHASER: Each person who purchases an apartment subsequent to the date of issuance of this Supplementary Public Report shall receive an apartment deed which shall convey to such purchaser ownership of the apartment purchased together with an undivided percentage interest in the common elements of the project (including land). It is the present intention of the developers that those persons who previously purchased an apartment and a lease of an undivided interest in the land will be given an opportunity to surrender their leases and to purchase an undivided percentage interest in the land in fee, which percentage shall be equal to such purchaser's undivided interest in the common elements exclusive of land.

OWNERSHIP OF TITLE: A Preliminary Report dated December 21, 1978, has been issued by Security Title Corporation, a licensed abstractor, which indicates that title to the land is vested in Hawaii National Bank, Honolulu, a national banking association, Fidelity Savings and Loan Association, a California savings and loan association, and Brentwood Savings and Loan Association, a California savings and loan association.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report prepared by Security Title Corporation, dated December 21, 1978, provides that the land is subject to the following encumbrances:

1. For any taxes that may be due and owing, reference is hereby made to the Office of the Tax Assessor of the First Division.
2. Condominium Map No. 217, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii on June 18, 1974, as amended.
3. The covenants, agreements, obligations, conditions and other provisions set forth in that certain DECLARATION OF HORIZONTAL PROPERTY REGIME, dated June 13, 1974, filed in said Office of the Assistant Registrar as Document No. 685716, and the By-Laws attached thereto.

By undated instrument filed in said Office of the Assistant Registrar as Document No. 805045, the foregoing Declaration was amended. The foregoing Declaration was further amended by instrument dated December 5, 1978 and filed in said Office of the Assistant Registrar as Document No. 914408.

4. The terms and provisions of that certain Lease dated September 28, 1973, filed in said Office of the Assistant Registrar as Document No. 652593, made by and between MAKAHA VALLEY, INCORPORATED, a Hawaii corporation, and EDWIN YEE, LTD., a Hawaii corporation, dba HOLIDAY PLANTATION, a Joint Venture, as Lessor, and HOLIDAY MART, INC., a Hawaii corporation, as Lessee, for a term commencing from September 28, 1973 to and including December 31, 2074; as amended by instrument dated December 31, 1973, filed in said Office of the Assistant Registrar as Document No. 667332; and as further amended by instrument dated July 9, 1974, filed in said Office of the Assistant Registrar as Document No. 699165; and as further amended by instrument dated March 31, 1977, filed in said Office of the Assistant Registrar as Document No. 811792.

a) By instrument dated July 7, 1978, filed in said Office of the Assistant Registrar as Document No. 886530, the foregoing Lease, through mesne assignments, was assigned to HAWAII NATIONAL BANK, HONOLULU, a national banking association, FIDELITY SAVINGS AND LOAN ASSOCIATION, a California savings and loan association, and BRENTWOOD SAVINGS AND LOAN ASSOCIATION, a California savings and loan association. Consent thereto filed as Document No. 886531.

b) By instrument dated July 7, 1978, filed in said Office of the Assistant Registrar as Document No. 886532, HOLIDAY MAKAHA, a Hawaii registered limited partnership, as Assignor, assigned all of its right, title, interest and estate in and to any and all of the property described in said instrument, or any rights or interest therein, whether real or personal, tangible or intangible, which as of the date thereof has accrued to or has been acquired by the Assignor or which may hereafter accrue to or be acquired by the Assignor, in connection with the development by Assignor of the Project, to HAWAII NATIONAL BANK, HONOLULU, a national banking

association, FIDELITY SAVINGS AND LOAN ASSOCIATION, a California savings and loan association, and BRENTWOOD SAVINGS AND LOAN ASSOCIATION, a California savings and loan association, as Assignee.

5. Grant and Covenant dated February 6, 1973, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 116618, in favor of THE CITY AND COUNTY OF HONOLULU, granting all rights in basal water only.
6. The Covenants as set forth in that certain Deed dated June 28, 1973, filed in said Office of the Assistant Registrar as Document No. 651892.
7. The terms and provisions of that certain AGREEMENT TO PROVIDE SEWERAGE SERVICE dated December 20, 1974, filed in said Office of the Assistant Registrar as Document No. 707707, made by and between MAKAHA VALLEY, INCORPORATED, a Hawaii corporation, HOLIDAY PLANTATION, a Hawaii registered limited partnership, and HOLIDAY MART, INC., a Hawaii corporation, to which reference is hereby made.

By instrument dated March 31, 1977, filed in said Office of the Assistant Registrar as Document No. 811802, HOLIDAY MART, INC., a Hawaii corporation, as Assignor, assigned all its right, title and interest in and to the foregoing Agreement, as the same affects and applies to Lot 1009-B only, to HOLIDAY MAKAHA, a Hawaii registered limited partnership, as Assignee. Consent thereto filed as Document No. 811802A.

[Note: By instrument dated July 7, 1978, filed in said Office of the Assistant Registrar as Document No. 886532, HOLIDAY MAKAHA, a Hawaii registered limited partnership, as Assignor, assigned all of its right, title and interest in and to the foregoing Agreement to HAWAII NATIONAL BANK, HONOLULU, a national banking association, FIDELITY SAVINGS AND LOAN ASSOCIATION, a California savings and loan association, and BRENTWOOD SAVINGS AND LOAN ASSOCIATION, a California savings and loan association, as "Assignee."]

8. Designation of Easements 75 to 95, inclusive, as shown on Map 118, as set forth by Land Court Order No. 41751, filed April 8, 1975 (affects Lot 1009).
9. Any and all easements encumbering the apartments herein identified and described and/or the common interest appurtenant thereto, as created by or mentioned in said Declaration, as amended, and/or as delineated on said Condominium Map No. 217, as amended.

In addition, the land is subject to the terms and provisions of those certain Apartment Leases of Holiday Plantation, said Apartment Leases being listed in the Supplementary Public Report on the project issued May 18, 1977.

PURCHASE MONEY HANDLING: An executed Escrow Agreement dated December 11, 1978, identifies Long & Melone Escrow, Ltd. as Escrow, and the Developers as "Seller". The executed Escrow Agreement and the specimen Sales Contract are found to be in compliance with Chapter 514A, Hawaii Revised Statutes.

Among other things, the Escrow Agreement provides that the purchaser is entitled to a refund, without interest, less a cancellation fee of \$25.00, of all sums he has deposited with Escrow if he shall request such refund in writing and any one of the following shall have occurred:

- (a) Escrow receives a written request from Developer to return to purchaser purchaser's funds then held by Escrow pursuant to the Escrow Agreement; or
- (b) Escrow receives a written statement from Developer that Developer or purchaser has exercised an option to rescind the Sales Contract pursuant to any right of rescission stated therein or otherwise available; or
- (c) If a purchaser's funds were obtained prior to the issuance of a final public report and if there is any change in the condominium building plans, subsequent to the execution of the purchaser's Sales Contract, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless the purchaser has given written approval or acceptance of such change; or
- (d) If a purchaser's funds were obtained prior to the issuance of a final public report and the request is prior to the time the final public report is issued; or
- (e) If the final public report differs in any material respect from the preliminary public report, unless the purchaser has given written approval or acceptance of the difference; or
- (f) If the final public report is not issued within one year from the date of issuance of the preliminary public report.

It is incumbent upon the purchaser and prospective purchaser that they read the specimen Sales Contract and Escrow Agreement with care. The Escrow Agreement establishes the procedure for receiving and disbursing the proceeds from the sale of apartments and any sums received from any other source, and the Sales Contract specifically states that the purchaser approves said Escrow Agreement.

Among other things, the specimen Sales Contract provides that:

(1) Seller makes no warranty of any kind with respect to the apartment, the common and limited elements or the appliances and other personal property attached to or installed in the apartment, and the Seller disclaims all implied warranties of any nature whatsoever, including without limitation habitability and fitness for a particular purpose.

(2) Seller expressly reserves the right to sell or lease unsold units free from any restrictions on such sale or lease which may under the By-Laws apply to Buyer.

(3) Seller reserves the right to modify the Declaration, By-Laws and Apartment Deed as may be required by law, any title insurance company, and any institutional mortgagee or otherwise, provided that no such modification shall:

- (a) increase Buyer's share of common expenses;
- (b) increase cost of the property covered thereby;
- (c) require a substantial physical change of the building in which the apartment is situated;
- (d) reduce the obligations of the Seller for common expenses on unsold apartments; or
- (e) substantially impair or modify any of the obligations undertaken by Seller.

(4) Seller further reserves the right to make changes in the apartment and other apartments and in common elements but, except as provided in the Declaration, no changes shall be made which substantially affect the physical location or design of the apartment or substantially change the design of other apartments.

(5) Seller intends to pre-close by having all documents necessary for closing executed approximately forty-five (45) to sixty (60) days prior to final closing and deposited with Escrow and Buyer agrees to execute all necessary documents for final closing and deposit all sums required with Escrow at that time upon the request of Seller.

(6) Buyer agrees that all of the rights of Buyer are and shall be subject to and subordinate to the lien of any mortgage securing the repayment of interim loans made to finance the cost of construction and other costs during construction and to any and all advances made thereon.

COMMUNICATIONS UTILITIES: The Declaration provides that all telephone equipment will be and remain the property of Hawaiian Telephone Company. The Declaration has been amended to provide that all radio and television signal distribution equipment will be installed by and remain the property of Cablevision Incorporated and service arrangements regarding that equipment will be the subject of an agreement between the Association of Apartment Owners of Makaha Valley Plantation and Cablevision Incorporated.

STATEMENT OF FINANCING: The Developers are financing the construction of the project directly.

The Developers may make individual permanent mortgage financing available to purchasers at competitive rates and on terms prevailing in the market.

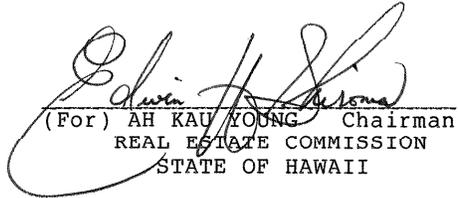
HOUSE RULES: The House Rules provide in part that each 2-bedroom apartment shall have no more than six (6) occupants therein; and each 3-bedroom apartment shall have no more than nine (9) occupants therein, except that this occupancy limit may be exceeded by guests of the owner, lessee or renter of an apartment on a temporary basis.

STATUS OF PROJECT: Construction of the project began on October 1, 1973, but was suspended due to contractor disputes from June 1, 1975 until early 1977. Construction of 438 apartments has been completed and remedial work is being done on some of the apartments. The beginning of construction of the remaining 134 apartments is imminent. Construction of the remaining 134 apartments is expected to be completed within approximately eight (8) months from the date hereof. The contractor for the remedial work and the construction of the remaining 134 apartments is Dura/Constructors, Inc. and the architect for the project is Architects 2.

\* Note: The Developer has advised through the Disclosure Abstract and Specimen Sales Contract that there are no warranties, despite the terms of the construction contract.

The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by the former Developer in the required Notice of Intention submitted June 22, 1973, and additional information subsequently filed as of June 21, 1974, and May 13, 1977, and additional information subsequently filed by the new Developers as of January 18, 1979.

This SECOND SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 577 filed with the Commission on June 22, 1973. This report, when reproduced, shall be a true copy of the Commission's public report. The paper stock must be pink in color.

  
(For) AH KAU YOUNG Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

DISTRIBUTION:

DEPARTMENT OF TAXATION  
BUREAU OF CONVEYANCES  
PLANNING COMMISSION, CITY AND COUNTY OF HONOLULU  
FEDERAL HOUSING ADMINISTRATION  
ESCROW AGENT

REGISTRATION NO. 577  
January 22, 1979