

REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
1010 RICHARDS STREET
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FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT

on

PALI KE KUA - INCREMENT II
Princeville, Kauai, Hawaii

REGISTRATION NO. 578

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: July 9, 1974

Expires: August 9, 1975

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 JUNE 22, 1973 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF JULY 5, 1974. 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 Final Public Report.

2. Since the issuance of the Commission's Preliminary Public Report on Registration No. 578, dated August 27, 1973, the

Developer has forwarded additional information reflecting material changes which have been made in the documents and plans for the project.

3. PALI KE KUA - INCREMENT II is a leasehold condominium project consisting of six (6) buildings without basements; Building "4" contains three stories and four (4) apartments; Buildings "5" and "6" each contain three stories and ten (10) apartments; Buildings "7" and "8" each contain two stories and two (2) apartments; and the "Administration Building" contains two stories and one (1) apartment. There are a total of twenty-nine (29) apartments and forty-two (42) parking spaces.

This Final Public Report is made a part of the registration on PALI KE KUA - INCREMENT II condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers receiving the Preliminary Public Report (yellow paper stock). Securing a signed copy of the Receipt for Horizontal Property Regime Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

4. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report.

The Developer reports that the basic documents (Declaration of Horizontal Property Regime, with By-Laws of the Association of Apartment Owners attached, and a copy of the approved Floor Plans) have been recorded in the Bureau of Conveyances of the State of Hawaii.

The Declaration of Horizontal Property Regime, executed April 26, 1974, with By-Laws attached, was recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9915, Page 65, as amended by instrument dated June 10, 1974, recorded as aforesaid in Liber 9961, Page 256.

The approved Floor Plans showing the layout, location, apartment numbers, etc., have been designated Condominium File Plan No. 356.

5. Advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.

6. 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 which relate to Horizontal Property Regimes.

7. This Final Public Report expires thirteen (13) months from the date of issuance, July 9, 1974, unless a supplementary report is published or the Commission upon review of the registration, issues an order extending the effective period of this report.

8. PALI KE KUA - INCREMENT II is a leasehold condominium project and the purchaser will secure a Condominium Conveyance Document, being a combined Apartment Deed (conveying an apartment together with an appurtenant common interest in the common elements of the buildings) and Ground Lease (demising an undivided percentage interest in the lands of the project).

The information in the topical headings of the Preliminary Public Report of August 27, 1973, with the exception of DEVELOPER, DESCRIPTION, COMMON ELEMENTS, INTEREST TO BE CONVEYED TO PURCHASERS, ENCUMBRANCES AGAINST TITLE and STATUS OF PROJECT, has not been disturbed.

DEVELOPER: The address and telephone number of The McCormack Land Company, Ltd., has been changed to 20th Floor Davies Pacific Center, Honolulu, Hawaii, telephone number: 524-2600.

DESCRIPTION:

Apartment No. "C" is located in the first and second floors of the "Administration Building".

(b) Type "B": Four (4) apartments being numbers 123, 124, 129 and 130 each consist of six and one-half (6-1/2) rooms, including two (2) bedrooms, a bathroom, a half bathroom, a living room, a combined dining-family room, a kitchen and two (2) lanais; all rooms and the lanais for each apartment are located on the first floors of their respective buildings; each of these apartments contains a floor area of approximately 1,258 square feet, including the lanais of approximately 109 square feet and approximately 49 square feet.

(f) "Commercial Apartment": One (1) apartment being Apartment No. C, consists of eight (8) rooms, including a bar, a restaurant, a kitchen, store room #1, store room #2, a loading dock, a general store and a lanai, located on the second floor of the "Administration Building", and storage room located on the first floor of the "Administration Building"; this apartment contains a floor area of approximately 3,313 square feet, including the lanai of approximately 783 square feet.

NOTE: In accordance with local practice, the approximate gross floor area of each apartment as set forth in the Declaration includes all of the walls and partitions within its perimeter walls, the entirety of its perimeter non-party walls and the interior half of its perimeter party walls, whether load-bearing or non-load-bearing.

COMMON ELEMENTS: There will not be a tennis court as part of the common elements of the project.

ENCUMBRANCES AGAINST TITLE: A Preliminary Title Report dated June 28, 1974, issued by Title Guaranty of Hawaii, Inc., and other documents, as submitted to the Commission, provide that the following are encumbrances against title to the property:

1. The terms, covenants, conditions and provisions of that certain agreement dated November 15, 1973, by and be-

tween The McCormack Land Company, Ltd., Inter-Island Builders and Developers, Ltd., Kauai County Public Improvement Corporation and County of Kauai, attached to the Declaration of Horizontal Property Regime as Exhibit "E" thereof.

2. Declaration of Restrictive Covenants by Eagle County Development Corporation dated March 1, 1972, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 8192, Page 262.

3. Declaration of Horizontal Property Regime with By-Laws attached dated April 26, 1974, recorded in Liber 9915, Page 65, and as amended by instrument dated June 10, 1974, recorded in Liber 9961, Page 256.

The approved Floor Plans have been designated as Condominium File Plan No. 356.

4. Water and Sanitation Assessment and Lien in favor of Kauai County Public Improvement Corporation, recorded in Liber 7486, Page 292, as confirmed by instrument recorded in Liber 8192, Page 257, and amended by instrument recorded in Liber 8222, Page 388, and further amended by instruments recorded in Liber 8743, Page 1, and Liber 9583, Page 21.

The interest of Kauai County Public Improvement Corporation having been assigned to First Hawaiian Bank, as security for the Bond holders by instrument recorded in Liber 8192, Page 276.

By Declaration of Restrictive Covenants recorded in Liber 8192, Page 262, all lands are, or may be subject to waterline easements as now existing or hereafter relocated.

5. Easement "S-1" (10 feet wide) for sanitary sewer purposes, as shown on said File Plan 1252, in favor of Kauai County Public Improvement Corporation, recorded in Liber 8192, Page 284.

6. Exception of title to that portion of the property lying below the wash of waves, usually evidenced by the edge of vegetation or by the line of debris left by the wash of such waves of the sea.

7. To the location of the seaward boundary in accordance with the law of the State of Hawaii.

8. Declaration of Restrictions, Covenants and Conditions by Eagle County Development Corporation, dated March 1, 1971, recorded in Liber 7444, Page 93, as amended by Declaration of Additional Land, recorded in Liber 7663, Page 264.

9. Mortgage dated June 22, 1973, in favor of Princeville Corporation, recorded in Liber 9252, Page 249.

Said Mortgage was assigned to Mortgage Trust of America, First Wisconsin Mortgage Trust and Fidelity Mortgage Investors, by instrument dated June 22, 1973 and recorded in

Liber 9252, Page 256.

10. Mortgage dated June 22, 1973, in favor of Realty Income Trust, recorded in Liber 9252, Page 283.

By Subordination Agreement dated June 22, 1973 and recorded in Liber 9252, Page 314, Mortgage Trust of America, First Wisconsin Mortgage Trust and Fidelity Mortgage Investors have agreed and consented to subordinate that certain Mortgage dated June 22, 1973 and recorded in Liber 9252, Page 249, to the lien of the above Mortgage.

11. Taxes that may be due and owing and a lien on the land. Real Property Taxes have been fully paid up to and including June 30, 1974.

NOTE: The Developer will grant to Kauai Electric Division of Citizens Utilities Company and Hawaiian Telephone Company easements across certain portions of the lands of the project.

INTEREST TO BE CONVEYED TO PURCHASERS: Documents filed with the Real Estate Commission indicate that the purchaser will secure a Condominium Conveyance Document, conveying an apartment and an undivided 1/29 fractional interest (a 3.448+ percentage interest) in the common interest in the common elements of the buildings of the project and demising an undivided 1/29 fractional interest (a 3.448+ percentage interest) in the lands 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.

NOTE: Developer advises that the following notice contained in the Commission's Preliminary Public Report on Registration No. 578, dated August 27, 1973, is no longer correct, and therefore such notice is deleted therefrom:

"The Developer advises that it is not offering to provide services relating to the sale or rental of apartments of the project and that no representation or reference to that effect has been made or will be made by or on behalf of the Developer. Rental of the apartments with the provision of management services in connection therewith is and shall be the sole responsibility of the purchaser."

STATUS OF PROJECT: The Developer advises that it estimates that construction of the project will be completed on September 15, 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 June 22, 1973, and information subsequently filed as of July 5, 1974.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 578 filed with the Commission on June 22, 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 white.



(for) DOUGLAS R. SODEHANI, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING COMMISSION, County of Kauai
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 578

July 9, 1974