

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

ALII KAI AT HANAIEI
Princeville, Hanalei, Kauai

Registration No. 588

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

It was prepared as a supplement to an earlier Report dated August 7, 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: January 23, 1978

Expires: June 7, 1978

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.

Particular attention of the purchaser and prospective purchasers are directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JULY 6, 1973, AND INFORMATION SUBSEQUENTLY FILED AS OF DECEMBER 8, 1977. THE DEVELOPER'S SUCCESSOR IN INTEREST, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on March 5, 1974 and the Final Public Report on August 7, 1974, the Developer's Successor reports that certain material changes have been made in the project.

This Supplementary Public Report (pink paper stock) amends the Preliminary Public Report (yellow paper stock) and the Final Public Report (white paper stock) becoming a part of the Alii Kai at Hanalei registration. The Developer's Successor is responsible for placing a true copy of the Supplementary Public Report in the hands of all purchasers and prospective purchasers together with a copy of the Final Public Report. Securing from each purchaser or prospective purchaser a signed receipt for both reports is also the responsibility of the Developer.

2. ALII KAI AT HANALEI is a 59 fee simple two bedroom apartment condominium project of 7 buildings of which 30 apartments have been sold and the remaining 29 apartments acquired by the Developer's Successor are being sold.
3. The Developer has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Supplementary Public Report.
4. The Developer advises that the Declaration of Horizontal Property Regime and By-Laws for the Alii Kai at Hanalei dated June 10, 1974 have been filed in the Bureau of Conveyances, State of Hawaii, in Liber 10034, Page 302 and the Condominium Map has been filed as Condominium Map No. 368 with the Bureau of Conveyances. The Developer's successor further advises that the Declaration of Horizontal Property Regime and By-Laws have been amended on November 20, 1974, which has been filed in the Bureau of Conveyances, State of Hawaii, in Liber 10601, Page 39.
5. Advertising and promotional materials have been submitted pursuant to the rules and regulations promulgated by the Commission by the Developer.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to the Horizontal Property Regime.
7. This Supplementary Public Report expires June 7, 1978 unless another supplementary public report issues or the Commission upon review of this registration issues an order extending the effective period of this report.

NOTE: The Developer's Successor has requested its Fifth extension and the Real Estate Commission has granted through this Supplementary Public Report for another three months until June 7, 1978.

This information is the topical headings of the Preliminary Public Report of March 5, 1974 and the Final Public Report of August 7, 1974 under the topical headings TAX MAP KEY,

DEVELOPER, DESCRIPTION OF APARTMENTS, OWNERSHIP OF TITLE, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING and STATUS OF PROJECT have been changed.

TAX MAP KEY: 4th Division 5-4-5-16.

DEVELOPER: The Developer Alii Kai Development Co., a Hawaii partnership, sold 30 apartments and defaulted in the payment of the interim construction loan resulting in a mortgage foreclosure in which the hereafter described Developer's Successor acquired title to the remaining 29 apartments through a Commissioner's Foreclosure Deed dated October 7, 1977 recorded in the Bureau of Conveyances, State of Hawaii, in Book 12555, Page 638.

The Developer's Successor is LFRECC of California, Inc., a California corporation, whose address is 10100 Santa Monica Boulevard, Los Angeles, California 90067, and whose address in the State of Hawaii is Suite 602, City Bank Building, Honolulu, Hawaii 96813, Tel. No. 531-4171. The officers of the corporation are as follows:

<u>Name</u>	<u>Office Held</u>
James J. Corcoran	President
Harvey B. Hoffman	Vice President
Rocco L. Palermo	Vice President
Kevin G. Byrnes	Vice President
Edwin T. Burnett	Vice President
William L. Carmody	Treasurer
Robert C. Gebhardt	Secretary

DESCRIPTION OF APARTMENTS: The Developer's Successor advises that the remaining 29 apartments for sale are as follows:

<u>Building No.</u>	<u>Apartment Nos.</u>	<u>Floor</u>
4	102, 103, 104 201, 202, 204 301, 304	Ground Second Third
5	101, 102, 103, 104 201, 202, 203, 204 301, 302, 303, 304	Ground Second Third
6	101, 102, 103	Ground
7	102, 103, 104 201, 203, 204	Ground Second

OWNERSHIP OF TITLE: A copy of the Preliminary Title Report dated November 17, 1977 issued by Security Title Corporation certifies that the title to the above-described apartments are vested in LFRECC of California, Inc.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report dated November 17, 1977 prepared by Security Title Corporation reveals that title to the land committed to the regime and the above-described apartments are affected as follows:

As to the above apartments, the following:

1. Condominium Map No. 368, filed in the Bureau of Conveyances of the State of Hawaii on July 16, 1974.
2. The covenants, agreements, obligations, conditions and other provisions set forth in that certain DECLARATION OF HORIZONTAL PROPERTY REGIME ALII KAI AT HANAIEI dated June 10, 1974, recorded on July 16, 1974 in said Bureau of Conveyances in Book 10034, Page 302, and the By-Laws attached thereto, to which reference is hereby made.

By instrument dated November 20, 1974, recorded on April 29, 1975 in said Bureau of Conveyances in Book 10601, Page 39, the foregoing Declaration and By-Laws were amended.

4. 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. 368.

As to the common elements only:

1. As to that portion of the land herein described bordering on the Ocean:

The effect of Sections 205-31 to 205-37, inclusive, Hawaii Revised Statutes, as now or hereafter amended pertaining to shoreline setbacks.

2. Any adverse claim of State of Hawaii based upon the contention that some portion of the land hereinafter described lies seaward of the line of vegetation, pursuant to the ruling in County of Hawaii v. Sotomura (1973) 55 H. 176, 517 P. 2d 57.
3. Declaration of Restrictions, Covenants and Conditions dated March 1, 1971, recorded March 12, 1971 in the Bureau of Conveyances of the State of Hawaii in Book 7444 Page 93, to which reference is hereby made.
 - a) By instrument dated July 6, 1971, recorded in said Bureau of Conveyances in Book 7663 Page 264, the foregoing Declaration was amended.
 - b) By instrument dated September 13, 1972, recorded in said Bureau of Conveyances in Book 8582 Page 366, the foregoing Declaration was further amended.
 - c) By instrument dated September 19, 1972, recorded in said Bureau of Conveyances in Book 8599 Page 6, the foregoing Declaration was further amended.
 - d) By instrument dated December 6, 1972, recorded in said Bureau of Conveyances in Book 8786 Page 121, the foregoing Declaration was further amended.
 - e) By instrument dated September 28, 1973, recorded in said Bureau of Conveyances in Book 9520 Page 503, the foregoing Declaration was further amended.

- f) By instrument dated September 28, 1973, recorded in said Bureau of Conveyances in Book 9546 Page 324, the foregoing Declaration was further amended.
- g) By instrument dated October 26, 1973, recorded in said Bureau of Conveyances in Book 9569 Page 113, the foregoing Declaration was further amended.
- h) By instrument dated January 8, 1974, recorded in said Bureau of Conveyances in Book 9686 Page 123, the foregoing Declaration was further amended.
- i) By instrument dated January 14, 1974, recorded on January 17, 1974 in said Bureau of Conveyances in Book 9694 Page 548, the foregoing Declaration was further amended.
- j) By instrument dated February 18, 1975, recorded in said Bureau of Conveyances in Book 10464 Page 166, the foregoing Declaration was further amended.
4. The terms and provisions of that certain instrument entitled "WATER AND SANITATION ASSESSMENT AND LIEN", dated April 7, 1971, recorded on April 12, 1971 in said Bureau of Conveyances in Book 7486 Page 292, to which reference is hereby made. Confirmation thereto recorded in Book 8192 Page 257.
- Said "WATER AND SANITATION ASSESSMENT AND LIEN" is subject to the following:
- a) By instrument dated March 16, 1972, recorded on March 16, 1972 in said Bureau of Conveyances in Book 8192 Page 276, the foregoing "WATER AND SANITATION ASSESSMENT AND LIEN" was assigned to FIRST HAWAIIAN BANK, an Hawaiian banking corporation, as Trustee.
- b) SUPPLEMENT TO WATER AND SANITATION ASSESSMENT AND LIEN dated March 27, 1972, recorded on April 3, 1972, in said Bureau of Conveyances in Book 8222 Page 388, to which reference is hereby made.
- c) By instrument dated November 13, 1972, recorded on November 20, 1972 in said Bureau of Conveyances in Book 8743 Page 1, the foregoing "WATER AND SANITATION ASSESSMENT AND LIEN" was amended.
- d) By instrument dated October 9, 1973, recorded on November 7, 1973 in said Bureau of Conveyances in Book 9583 Page 521, the foregoing "WATER AND SANITATION
- e) By instrument dated December 16, 1974, recorded on April 22, 1975 in said Bureau of Conveyances in Book 10584 Page 326, the foregoing "WATER AND SANITATION ASSESSMENT AND LIEN" was further amended.
5. Easement "D-3" for drainage purposes affecting Lot 4-A, as set forth in that certain DECLARATION OF HORIZONTAL

PROPERTY REGIME ALII KAI AT HANAIEI dated June 10, 1974, recorded on July 16, 1974 in said Bureau of Conveyances in Book 10034 Page 302.

6. Easement "P-C-2" (formerly known as Easement P-2) for pedestrian use affecting Lot 4-A as set forth in that certain DECLARATION OF HORIZONTAL PROPERTY REGIME ALII KAI AT HANAIEI dated June 10, 1974, recorded on July 16, 1974 in said Bureau of Conveyances in Book 10034 Page 302.
7. Easement "S-2" (formerly known as Easement S-1) for sanitary sewer purposes affecting Lot 4-A as set forth in that certain DECLARATION OF HORIZONTAL PROPERTY REGIME ALII KAI AT HANAIEI dated June 10, 1974, recorded on July 16, 1974 in said Bureau of Conveyances in Book 10034 Page 302.
8. Easement "W-1", for water meter purposes affecting Lot 4-A as set forth in that certain DECLARATION OF HORIZONTAL PROPERTY REGIME ALII KAI AT HANAIEI dated June 10, 1974, recorded on July 16, 1974 in said Bureau of Conveyances in Book 10034 Page 302.
9. Roadway Easement "R-2" across a portion of Lot 4-A, as set forth in that certain DECLARATION OF HORIZONTAL PROPERTY REGIME ALII KAI AT HANAIEI dated June 10, 1974, recorded on July 16, 1974 in said Bureau of Conveyances in Book 10034 Page 302.
10. Reservation in favor of Princeville Corporation, its successors and assigns, of the following easements:
 - a) Portion of drainage easement D-3 for drainage purposes affecting Lot 4;
 - b) Easement W-1 for water meter purposes affecting said Lot 4; and
 - c) The right to grant roadway easements over and across any and all roadway lots shown on File Plan Nos. 1179 and 1360, and said Roads A, C and D, to the purchaser, purchasers, lessee, lessees, owner or owners of each of the lots within Princeville at Hanalei and to any purchaser, purchasers, lessee, lessees, owner or owners of lots hereinafter created with Princeville at Hanalei; as reserved in that certain Deed dated January 23, 1974, recorded on January 23, 1974 in said Bureau of Conveyances in Book 9701 Page 334.
11. "Princeville Corporation and Alii Kai Development Company, as the case may be, reserved the right to grant, extinguish, create, exchange, relocate, extend, shorten, consolidate and otherwise treat and deal with all easements heretofore and hereafter created which affects any of the foregoing parcels of land.", as reserved in that certain DECLARATION OF HORIZONTAL PROPERTY REGIME ALII KAI AT HANAIEI dated June 10, 1974, recorded on July 16, 1974 in said Bureau of Conveyances, in Book 10034 Page 302 (as to Easements P-2-C, S-2, R-2 and R-3).

12. Grant of Easements dated December 1, 1975, recorded on June 8, 1976 in said Bureau of Conveyances, in Book 11455 Page 278, in favor of KAUAI COUNTY PUBLIC IMPROVEMENT CORPORATION, a Hawaii nonprofit corporation, granting forever, easement to construct, etc., an underground pipe line or pipe lines, etc., as part of a sewer system, through, under and across Easement S-2, 10 feet wide, affecting a portion of the land herein described. Consents thereto recorded in Book 11455 Page 281.

PURCHASE MONEY HANDLING: A new Escrow Agreement dated October 7, 1977, identifies Security Title Corporation as "Escrow". On examination the specimen Condominium Reservation Agreement, Deposit Receipt and Sales Contract and executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes.

It is incumbent upon the purchaser and prospective purchaser that he reads, with care the Condominium Reservation Agreement, Deposit Receipt and Sales Contract and the Escrow Agreement. The Escrow Agreement established how the proceeds from the apartment units and all sums received from any source are placed in trust as well as retention and disbursement of said trust fund.

The apartments are separately taxed and for any taxes due and owing reference is hereby made to the Office of the Tax Assessor, Fourth Division.

STATUS OF PROJECT: The Developer's Successor has advised the Commission that Notice of Completion of the project has been filed with the Fifth Circuit Court on March 6, 1975. Therefore, the Developer's Successor makes no warranties with respect to the apartments sold.

The purchaser or prospective purchaser should be cognizant of the fact that this report represents information disclosed by the Developer in the required Notice of Intention submitted July 6, 1973 and information subsequently filed as of December 8, 1977 by the Developer's Successor.

This Supplementary Horizontal Property Regime (Condominium) Public Report is made a part of Registration No. 588 filed with the Commission on July 6, 1973.

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



AH KAU YOUNG, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, COUNTY OF KAUAI
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

REGISTRATION NO. 588

January 23, 1978