

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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

**PRELIMINARY
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT**

on

MAILI COVE
87-561 Farrington Highway
Waianae, Oahu, Hawaii

REGISTRATION NO. 648

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 but may only take reservations therefore after

- (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 20, 1974
Expires: April 20, 1975

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. The attention of the purchaser or prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JANUARY 3, 1974, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF MARCH 14, 1974. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514, HAWAII REVISED STATUTES.

1. MAILI COVE is a proposed fee simple condominium project consisting of sixty-one (61) units and a manager's living quarters contained in one (1) building of three (3) stories with a separate building for laundry and common

storage. The Developer intends to sell the sixty-one (61) apartment units together with an undivided interest in the common elements of the project. There will be a total of seventy-nine (79) parking stalls (69 standard size and 10 compact size). Each apartment will have appurtenant to it one standard size parking stall, and the balance of the parking stalls will be for guest parking. One of these extra stalls may be assigned to the manager at the discretion of the Board of Directors.

2. The Developer of the project has submitted to the Commission for examination all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of the Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of the Floor Plans) have not been filed in the Office of the Recording Officer.
4. No advertising or promotional matter has been filed pursuant to the rules and regulations promulgated by the Commission.
5. The prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the rules and regulations promulgated thereunder which relate to Horizontal Property Regimes.
6. This Preliminary Public Report is made a part of the registration of the Maili Cove condominium project. The Developer has a responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers and securing a signed copy of the receipt for the Preliminary Public Report from each purchaser and prospective purchaser.
7. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, March 20, 1974, unless a Supplemental Public Report issues, or the Commission, upon review of registration, issues an order extending the effective period of this report.

NAME OF PROJECT: MAILI COVE

LOCATION: 87-561 Farrington Highway, Waianae, Oahu, Hawaii. The legal description of the project site comprises approximately 130,706 square feet. The project is located on the ocean front in Waianae. The registered title goes seaward beyond the vegetation line, and it may be that the State of Hawaii claims title seaward of the vegetation line. The exact location of the vegetation line may vary somewhat due to differences of opinion amongst surveyors, but Developer has estimated that about 96,000 square feet of the project site is mauka of the vegetation line.

TAX MAP KEY: FIRST DIVISION, 8-7-28-17, 18, 19, 20.

ZONING: APARTMENT (A-1) and RESIDENTIAL (R-6). No buildings will be constructed on the R-6 zoned property.

DEVELOPER: QUALITY PACIFIC HOMES CORP., a Hawaii corporation, whose address is 1105 Dillingham Boulevard, Honolulu, Hawaii. The officers of the corporation are:

THEODORE M. VALDEZ, Chairman of the Board.
DONALD E. BIXBY, JR., President.
GEORGE CATHCART, Vice President.
SABURO YAMASHITA, Secretary-Treasurer.

ATTORNEY REPRESENTING DEVELOPER: Damon, Shigekane, Key & Char (Attention: Charles W. Key) 810 Richards Street, Honolulu, Hawaii. Telephone No. 531-8031.

GENERAL DESCRIPTION OF THE PROJECT: The proposed Declaration of Horizontal Property Regime reflects that this is a fee simple condominium project. The plans submitted by the Developer indicate sixty-one (61) apartment units contained in one (1) building of three (3) stories constructed principally of reinforced concrete, hollow tile and wood.

1. There are three types of apartments which have been designated as Models A, B and C. There will be forty-nine (49) units of "A", six (6) units of "B", and six (6) units of "C". The following is a brief description of each model, including the living area and the number of rooms in each model:

- MODEL "A": A one-story apartment with a floor area of 744 square feet, more or less, consisting of one bedroom, one bath, kitchen, living-dining room and lanai.
- MODEL "B": A one-story apartment with a floor area of 1,040 square feet, more or less, consisting of one bedroom, 1-1/2 baths, kitchen, living-dining room and two (2) lanais.
- MODEL "C": A one-story apartment with a floor area of 933 square feet, more or less, consisting of one bedroom, 1-1/2 baths, kitchen, living-dining room and lanai.

2. Each apartment has been assigned an apartment number with the first number indicating the floor upon which the apartment is located. Apartments are numbered "101" through "109" inclusive, and "112" to "121" inclusive are located on the first floor. Apartments "201" through "221" inclusive are located on the second floor. Apartments "301" through "321" inclusive are located on the third floor.

3. All parking spaces are uncovered and are located outside on the ground level.

4. Each apartment on the first floor has immediate access to the walkways connecting to the street entrances and parking areas of the project.

5. Each apartment on the second and third floors has immediate access to the balconies abutting such apartments and to the walkways connecting to the street entrances and parking areas of the project.

6. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment which are utilized for or serve any other apartment, the same being deemed common elements. Each apartment shall be deemed to include all the walls and partitions which are not load-bearing within its perimeter walls, the inner decorated or finished surfaces of all walls, floors and ceilings, and all fixtures originally installed therein.

7. All apartments will be furnished with an electric range with hood and fan, disposal, water heater, trash compactor, dishwasher, refrigerator and some drapes and carpeted areas.

8. A separate building containing approximately 410 square feet is being constructed to provide common storage for tools and laundry facilities. The Developer will furnish three (3) washers and three (3) dryers.

COMMON ELEMENTS: The common elements will include the limited common elements herein described and all remaining portions of the project (except for the apartments), including specifically but not limited to: (i) The land hereinabove described in fee simple; (ii) All foundations, columns, girders, beams, supports, perimeter walls, load-bearing walls, roofs, walkways, halls, corridors, stairs, stairways, ducts, pumps, pipes, wires, conduits, and generally all equipment, apparatus, installations and personal property existing for common use in the building or located on the land hereinabove described; (iii) All driveways, roads, and other common ways, landscaping, yards, gardens, swimming pool and equipment, laundry and storage building, fences, walls, parking areas, and the Manager's living quarters designated by "110" on said Condominium Map"; (iv) Community facilities and all utility installations; and (v) All portions of the building not deemed to be included as an apartment space.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called the "limited common elements", are 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: (a) Each apartment shall have appurtenant thereto one standard parking space to be shown on the plot plan of the project; (b) the hallways or balconies on the second and third floors shall be limited common elements for and be appurtenant only to the apartments on said respective floors; and (c) Apartments 101 and 121 have a small lawn area adjoining said apartments which are limited common elements appurtenant to said apartments.

INTEREST TO BE CONVEYED TO PURCHASER: As specified and established in the proposed Declaration, 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 as follows:

<u>APTS. BY MODEL DESIGNATION</u>	<u>NO. OF APTS. BY MODEL DESIGNATION</u>	<u>PERCENTAGE INTEREST BY MODEL DESIGNATION</u>	<u>TOTAL UNDIVIDED PERCENTAGE INTEREST BY MODEL DESIGNATION</u>
A	49	1.535	75.215
B	6	2.122	12.732
C (except for Apartment 321)	5	2.009	10.045
C (Apartment 321)	<u>1</u>	2.008	<u>2.008</u>
TOTAL:	<u>61</u>		<u>100.00</u>

USE: The Declaration provides that the purpose for which the apartment spaces are intended and restricted as to use is residential; provided, that this shall not be construed to prohibit the renting or leasing of said apartment spaces for profit, individually or otherwise, so long as the ultimate tenant thereof uses the apartment space as a place in which to reside as distinguished from a place in which to carry on a trade or business; provided further, that no apartment space shall be rented by the owner or owners thereof for hotel purposes.

OWNERSHIP OF LAND: The Developer has filed with the Commission a Preliminary Report dated February 13, 1974, issued by Security Title Corporation, which reveals that the ownership of fee simple title is vested in QUALITY PACIFIC HOMES CORP., a Hawaii corporation, and the legal description is as follows:

ALL of those certain parcels of land situate at Lualualei, Waianae, District of Waianae, City and County of Honolulu, State of Hawaii, described as follows:

LOTS: 18, area 30,911.0 square feet;
19, area 32,089.0 square feet;
20, area 33,268.0 square feet; and
21, area 34,438.0 square feet, as shown on Map 3, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1827; saving and excepting that portion of the land hereinafter described, lying seaward of the line of vegetation.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report dated February 13, 1974, reveals that the fee simple title is subject to: (a) As to that portion of the land hereinabove described bordering on the Ocean: The effect of Sections 205-31 to 205-37, inclusive, Hawaii Revised Statutes, as now or hereafter amended; and (b) Mortgage dated September 14, 1973, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 653290, made by QUALITY PACIFIC HOMES CORP., a Hawaii corporation, as Mortgagor, to INTERNATIONAL AIR SERVICE COMPANY, LTD., a California corporation, as Mortgagee, to secure the repayment of the sum of \$684,236.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to; by instrument dated November 2, 1973, filed in said Office of the Assistant Registrar as Document No. 656974, INTERNATIONAL

AIR SERVICE COMPANY, LTD., a California corporation, assigned the foregoing mortgage to JAPAN AIR LINES COMPANY, LTD., a Japan corporation, as security for the repayment of the sum of \$1,600,000.00.

Real Property taxes for the first installment fiscal year 1973-1974 have been paid.

The Commission has been informed that Developer intends to borrow money from an interim lender for the development of the project and said mortgagee will have a lien securing the note evidencing the indebtedness incurred for the development of the project. The mortgage and note secured thereby, and any renewals or extensions of said mortgage and note, shall be and remain at all times a lien or charge upon the project and superior to any and all liens or charges on the project arising from purchase agreements for apartments.

NOTE: The provisions of Chapter 514, Hawaii Revised Statutes, require Developer to obtain partial releases of the above two mortgages as and when individual apartments are conveyed to purchasers.

PURCHASE MONEY HANDLING: An executed Escrow Agreement dated December 11, 1973, identifies BANK OF HAWAII as the Escrow. Upon examination of the Escrow Agreement, it is found to be in consonance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-35, through Section 514-40.

Among other provisions, the executed Escrow Agreement provides that a purchaser shall be entitled to a refund of his funds without interest when any of the following has occurred:

(a) Seller has requested Escrow in writing to return to Purchaser the funds of Purchaser then being held hereunder by Escrow; or

(b) Purchaser's funds were obtained prior to the issuance of a final public report and there is a change in the condominium building plans subsequent to the execution of Purchaser's sales contract requiring the approval of a County officer having jurisdiction over the issuance of permits for construction of buildings (unless Purchaser has given written approval or acceptance of the specific changes); or

(c) The final public report differs in any material respect from the preliminary public report unless the Purchaser approves of same in writing; or

(d) If the final public report is not issued within twelve months from the date of issuance of the preliminary public report.

Upon refund of said funds to Purchaser as aforesaid, Escrow shall return to Seller the sales contract and any conveyancing documents theretofore delivered to Escrow, and thereupon Purchaser shall no longer be obligated thereunder, and said documents shall be deemed no longer held hereunder.

It is incumbent upon the purchaser and prospective purchaser to read and understand the Escrow Agreement before executing the sales agreement, since the Escrow Agreement prescribes the procedure for receiving and disbursing purchasers' funds and the sales agreement specifically provides that funds may be disbursed for certain costs of the project prior to completion of construction.

The specimen Sales Agreement states that in the event less than forty-nine (49) apartments are sold prior to one (1) year from the date of the Sales Agreement, Seller may at its option cancel the contract upon written notice to the Buyer.

MANAGEMENT OF PROJECT: The proposed By-Laws, which are incorporated in the proposed Declaration, provides that the operation of the project shall be conducted for the Association of Owners under the direction of the Board of Directors and the Board of Directors may appoint a responsible managing agent. The proposed Declaration does not identify the initial managing agent.

STATUS OF THE PROJECT: The Developer advises that it intends to commence construction by April 12, 1974, and construction is estimated to be completed by December 31, 1974. Construction will be financed by purchasers' money from escrow as well as construction loan money to be obtained by Developer.

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 on January 2, 1974, and additional information subsequently filed as of March 14, 1974.

THIS PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 648, filed with the Commission on January 2, 1974.

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


(for) DOUGLAS R. SODEVANI, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

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

Registration No. 648

March 20, 1974