

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

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

on  
KEAUHOU, AKAHI  
KEAUHOU, NORTH KONA  
ISLAND, COUNTY & STATE OF HAWAII

REGISTRATION NO. 655

**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: May 6, 1974  
Expires: June 6, 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 29, 1974 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF MAY 1, 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. KEAUHOU AKAHI is a leasehold condominium project consisting of four 3-story buildings having a total of forty-eight (48) apartment units. There will be a total of seventy-three (73) assigned open parking spaces of which twenty-five (25) are guest parking spaces. There shall be at least one parking space appurtenant to each apartment.

2. This Final Public Report is made a part of the registration on the KEAUKOU AKAHI project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers. 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.

3. 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 has complied with Sec. 514-15, Hawaii Revised Statutes, and has fulfilled the requirements for the issuance of this Final Public Report prior to completion of construction of the project.

4. The Developer reports that the basic documents have been filed in the Office of the recording officer. The Declaration of Horizontal Property Regime with By-Laws of the Association of Apartment Owners attached, was recorded on March 27, 1974 in the Bureau of Conveyances of the State of Hawaii in Liber 9796, Page 57. Condominium Map No. 344 showing the layout, location, apartment numbers, etc., was also recorded in the Bureau of Conveyances on March 27, 1974.

5. No advertising and 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 Rules and Regulations promulgated thereunder which relate to the Horizontal Property Act.

7. This Final Public Report automatically expires thirteen (13) months from date of issuance on May 6, 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.

NAME OF PROJECT: KEAUKOU AKAHI

LOCATION: The approximately 3.205 acres of land to be committed to the regime is situated at Area 17, Keauhou 2, North Kona, being a portion of the Bishop Estate Development.

TAX KEY: Third Division 7-8-10-47.

ZONING: M-2 Apartment

DEVELOPER: James P. Finan, whose residence and post office address is 1521 Punahou Street, Honolulu, Hawaii. Telephone: 949-2697.

ATTORNEY REPRESENTING DEVELOPER: Axel Ornelles, 745 Fort Street, Honolulu, Hawaii. Telephone: 538-1991.

DESCRIPTION: This will be a leasehold condominium complex consisting of four 3-story concrete block buildings containing 48 two bedroom, two bath apartment units. There will be a swimming pool and 73 parking spaces on the ground level. Each unit will be numbered as shown on the floor plans filed with the Declaration in the office of the recording officer and will be in accordance with said plans.

(a) Twelve (12) apartments are located in each of the four 3-story buildings making up the project. There are two stairways serving each of the four buildings and providing access to each apartment. Each apartment consists of two bedrooms, two baths, a kitchen and a living-dining room for an enclosed area of approximately 914 sq. ft. plus a lanai of approximately 160 sq. ft., and are located as follows:

BUILDING NO. 1

<u>FLOOR NO.</u>	<u>APARTMENT NO.</u>	<u>APARTMENT TYPE</u>
1	101	B (reverse)
1	102	A (reverse)
1	103	B (reverse)
1	104	A (reverse)
2	105	B (reverse)
2	106	A (reverse)
2	107	B (reverse)
2	108	A (reverse)
3	109	B (reverse)
3	110	A (reverse)
3	111	B (reverse)
3	112	A (reverse)

BUILDING NO. 2

<u>FLOOR NO.</u>	<u>APARTMENT NO.</u>	<u>APARTMENT TYPE</u>
1	201	A
1	202	B
1	203	B (reverse)
1	204	A (reverse)
2	205	A
2	206	B
2	207	B (reverse)
2	208	A (reverse)
3	209	A
3	210	B
3	211	B (reverse)
3	212	A (reverse)

BUILDING NO. 3

<u>FLOOR NO.</u>	<u>APARTMENT NO.</u>	<u>APARTMENT TYPE</u>
1	301	A
1	302	B
1	303	B (reverse)
1	304	A (reverse)
2	305	A
2	306	B
2	307	B (reverse)
2	308	A (reverse)
3	309	A
3	310	B
3	311	B (reverse)
3	312	A (reverse)

BUILDING NO. 4

<u>FLOOR NO.</u>	<u>APARTMENT NO.</u>	<u>APARTMENT TYPE</u>
1	401	A
1	402	B
1	403	B (reverse)
1	404	A (reverse)
2	405	A
2	406	B
2	407	B (reverse)
2	408	A (reverse)
3	409	A
3	410	B
3	411	B (reverse)
3	412	A (reverse)

The immediate common element to which each apartment has access are by two stairways that service each building and by the walkways and driveways connecting each building to the project.

(b) 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 more than one apartment, the same being deemed common elements as hereinafter provided. 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.

(c) Each kitchen contains a range with oven, dishwasher, garbage disposal, and water heater.

COMMON ELEMENTS: The Declaration states that the common elements of the project include the following:

- a. Said land in fee simple.

b. All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter and load-bearing walls and roofs.

c. All yards, grounds, landscaping, planters, fences, mail boxes, refuse facilities, swimming pool, open patio and like facilities.

d. All ducts, sewer lines, electrical equipment, pipes, wiring and other central and appurtenant transmission facilities, installations which serve more than one apartment for services such as power, light, water, gas, refuse, telephone and radio and television signal distribution.

e. The two entrance stairs to each building.

f. All driveways, parking areas and walkways.

g. Any and all other apparatus and installations of common use and all other parts of the Project necessary or convenient to its existence, maintenance or safety, and normally in common use.

h. Parking stalls nos. 1, 2, 3, 10, 29, 30, 31, 32, 33, 34, 35, 36, 37, 49, 50, 51, 52, 54, 55, 68, 69, 70, 71, 72 and 73 for guests of KEAUHOU AKAHI.

LIMITED COMMON ELEMENTS: The limited common elements, according to the Declaration, shall consist of one parking space for the exclusive use of each unit and designated on the floor plans to be placed on record by a number corresponding to the number of such unit.

INTEREST TO BE CONVEYED PURCHASER: Each apartment unit shall have appurtenant thereto an equal undivided 2.0833 percentage (1/48) interest in the common elements as specified and established in the Declaration for such, and known as the "common interest." The aggregate of the common interests of all the owners shall be the basis for determination of assessments and allocations of common expenses, division and distribution of common profits, for voting in the Association of KEAUHOU AKAHI Condominium Apartment Owners, and for all other related purposes.

PURPOSE OF THE BUILDING AND RESTRICTIONS AS TO USE: The apartments shall be occupied and used only for residential purposes and no apartment shall be used as a tenement or rooming house or for or in connection with the carrying on of any business, trade, or profession whatsoever. The foregoing notwithstanding, the Owners of the respective apartments shall have the absolute right to lease such apartments for residential or resort rental purposes on a daily or longer term subject to all provisions of the Declaration, and in accordance with the By-Laws of the Association of Keauhou Akahi Condominium Apartment Owners, and the House Rules, as they exist or as they may be amended from time to time, and each Owner shall also observe, comply with, and perform all applicable laws, ordinances and rules and regulations of all governmental agencies.

OWNERSHIP TO TITLE: A Preliminary Report dated April 3, 1974 prepared by Title Guaranty of Hawaii shows that title to the parcel of land committed to the regime is vested in the Trustees of the Estate of Bernice Pauahi Bishop.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report shows the following encumbrances against the parcel of land submitted to the regime:

(a) Declaration of Horizontal Property Regime of Keauhou Akahi and the By-Laws attached thereto dated March 18, 1974 and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9796, Page 57. The required floor plans are filed as Condominium Map No. 344.

(b) Lease dated December 13, 1973 between Trustees of the Estate of Bernice Pauahi Bishop as Lessor and James P. Finan as Lessee, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9653, Page 235.

(c) Mortgage dated December 19, 1973 for \$1,550,000 between James P. Finan as Mortgagor and First Hawaiian Bank as Mortgagee, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9653, Page 359.

(d) The reservation in favor of the State of Hawaii of all mineral and metallic mines.

(e) Covenants, conditions and restrictions and other provisions set forth in Declaration of Horizontal Property Regime dated March 18, 1974 recorded in the Bureau of Conveyances in Liber 9796 at page 57 and by the By-Laws attached thereto as the same are or may hereafter be amended in accordance with law, said Declaration or By-Laws. (Project covered by Condominium Map No. 344)

(f) Real property taxes for the second half of the year 1973-74. Reference is made to the Tax Office on the island of Hawaii for any further taxes which may be due and owing and a lien on said premises.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement, executed January 28, 1974 between Landmark Escrow Ltd. as Escrow and James P. Finan as Developer, has been submitted to the Commission as part of this registration. The specimen Contract of Sale and the executed Escrow Agreement have been examined. The documentation provides that the sale contract will not become effective until the Commission issues its Final Public Report on the project and the purchaser has given his receipt for a copy of same. Trust funds will be returned at purchaser's written requests if there is any change in the condominium building plans subsequent to execution of the Contract of Sale requiring approval of a County or City and County Officer having jurisdiction over issuance of permits for construction of buildings, unless purchasers agree in writing to such change. Among other provisions, the specimen Contract of Sale provides that if less than 75% of the apartments have been sold by July 1, 1975, Seller may, at its option, cancel this agreement, refund to Purchaser all monies paid as provided in the Escrow Agreement, and be relieved and released of all further liability thereunder. It is incumbent upon the purchaser and

prospective purchaser that he reads, with care, the Contract of Sale and the executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of units and all sums from any source are placed in trust, as well as the retention, disbursement and refund of said trust funds.

MANAGEMENT AND OPERATION: The Declaration of Horizontal Property Regime states that the administration of the project shall be vested in the Association of Keauhou Akahi Condominium Owners, whose members include all of the owners of apartment units, in accordance with the By-Laws of the Association. The By-Laws vest the Board of Directors with the authority to employ and at all times maintain a responsible managing agent. The specimen Contract of Sale represents that the Developer will employ First Hawaiian Bank, 161 South King Street, Honolulu, Hawaii as the first Managing Agent.

FINANCING OF PROJECT: The Developer has complied with the provisions of Section 514-15 of the Hawaii Revised Statutes by filing with the Commission the following:

1. Developer's notarized statement showing all costs involved in completing the project.
2. Developer's notarized estimate of the time of completion of construction of August 19, 1974.
3. Developer's notarized statement that the total project cost will be covered with funds from a construction loan made by First Hawaiian Bank.
4. Copy of executed Construction Contract dated October 29, 1973.
5. Copy of Promissory Note dated December 19, 1973 signed by James P. Finan in favor of First Hawaiian Bank in the sum of \$1,550,000.00.

STATUS OF PROJECT: A building contract was executed on October 29, 1973 between James P. Finan as "Owner" and Kona Industries Inc. as Contractor. The Developer has advised the commission that construction began on December 19, 1973 and that the building will be completed and ready for occupancy by August 19, 1974.

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The Purchaser or prospective purchaser should be cognizant of the fact that the published report represents information disclosed by the Developer in the Required Notice of Intention submitted January 29, 1974 and information subsequently filed on May 1, 1974.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 655 filed with the Commission on January 29, 1974.

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

  
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(for) Douglas R. Sodeani, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

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

Registration No. 655  
May 6, 1974.