

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

PUU HELEAKALA CONDOMINIUM
Helelua Street
Nanakuli, Oahu, Hawaii

REGISTRATION NO. 684

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: 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 May 10, 1974, AND INFORMATION SUBSEQUENTLY FILED AS OF JULY 8, 1974. THE DEVELOPER, 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. The PUU HELEAKALA CONDOMINIUM is a proposed leasehold condominium project consisting of one hundred and fifty-six (156) apartment units contained in nine (9) buildings of three (3) stories constructed principally of Wheeling Steel, aluminum siding and stucco, and 234 parking stalls including 24 tandem stalls and 32 compact

stalls. All of the apartments and parking stalls will be offered for sale. All parking stalls will be appurtenant to the various apartments.

2. Buyers will receive, through the issuance of an apartment lease, a 55-year leasehold interest (with the right to extend for an additional 20-year period) directly from the owner of the fee.
3. 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.
4. 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.
5. The Developer has not submitted its program of financing the project, and has not provided the Commission with a statement of the estimated costs involved in completing the project. The Commission has been advised that the Developer has secured a loan from Bank of Hawaii for the construction of the improvements. The Commission has further been advised that the Developer has secured a commitment from Bank of Hawaii to provide long-term mortgage loans to qualified individual purchasers of the apartment units.
6. No advertising or promotional matter has been filed pursuant to the rules and regulations promulgated by the Commission.
7. 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.
8. This Preliminary Public Report is made a part of the registration of the Puu Heleakala 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.
9. The Developer has arranged for the financing of apartments in his project by way of mortgages insured by the Department of Housing and Urban Development pursuant to Section 234 of Title II of the National Housing Act. As a condition of its providing such insurance, the Department of Housing and Urban Development requires that the Association of Apartment Owners of Puu Heleakala Condominium enter into with the Department and record a Regulatory Agreement whereby the Association may be regulated and restricted by the Department. The Regulatory Agreement is proposed to be executed by the Developer for and on behalf of the Association and recorded with the Declaration. Purchasers of apartments in the project should, therefore, familiarize themselves with the provisions of the Regulatory Agreement.

10. If the Final Public Report is not issued within one (1) year from the date of the Preliminary Public Report, purchasers shall be entitled to a refund of all money without further obligation.

This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, July 9, 1974 unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: PUU HELEAKALA CONDOMINIUM

LOCATION: Helelua Street, Nanakuli, Oahu, Hawaii. The site comprised of three (3) lots totalling five (5) acres.

TAX MAP KEYS: 8-7-08-10, 70, 71

ZONING: PDH, District No. R-12A, R-12B and R-12C, rezoned by the City and County of Honolulu in Ordinance No. 3883.

DEVELOPER: FERGUSON LAND COMPANY, a joint venture comprised of:

1. Ferguson Development Corporation, Financial Plaza of the Pacific, Suite 1106, Honolulu, Hawaii 96813
2. Kaiser Pacific Properties Corporation, 745 Fort Street, Suite 1402, Honolulu, Hawaii 96813

ATTORNEY REPRESENTING DEVELOPER: Damon, Shigekane, Key & Char. (Attention: Charles W. Key), 10th Floor, City Bank Building, 810 Richards Street, Honolulu, Hawaii 96813. Telephone No. 531-8031

GENERAL DESCRIPTION OF THE PROJECT: The proposed Declaration of Horizontal Property Regime reflects that this is a leasehold condominium project. The project is situated on five (5) acres of land. The plans submitted by the Developer indicate one hundred and fifty-six (156) apartment units contained in nine (9) buildings of three (3) stories each constructed principally of Wheeling Steel, aluminum siding and stucco and designated as Buildings A through H and Building J, inclusive.

1. There is one type of apartment which will be built. All one hundred and fifty-six units will be of this same type.
 - a. Each apartment will be a one story apartment with an area of 666 square feet, more or less, containing two bedrooms, one bath, living-dining room and a kitchen.

The apartment number of each apartment, and the building and floor on which the apartments are located, are as follows, and all even numbered apartments have a reverse plan.

BUILDING	FLOOR NO.	APARTMENT NO.
A	1	A101-A106
	2	A201-A206
	3	A301-A306
B	1	B101-B106
	2	B201-B206
	3	B301-B306
C	1	C101-C106
	2	C201-C206
	3	C301-C306
D	1	D101-D108
	2	D201-D208
	3	D301-D308
E	1	E101-E104
	2	E201-E204
	3	E301-E304
F	1	F101-F104
	2	F201-F204
	3	F301-F304
G	1	G101-G108
	2	G201-G208
	3	G301-G308
H	1	H101-H104
	2	H201-H204
	3	H301-H304
J	1	J101-J106
	2	J201-J206
	3	J301-J306

2. Each apartment has been assigned an apartment letter and number. Each building within which the apartments are located has a separate street address. The apartment letter and number and its location are shown on the floor plan of the project submitted by the Developer.

3. All 234 parking spaces are uncovered and are located outside on the ground level.

4. Each apartment has immediate access to the stairwells and walkways connecting the buildings to the parking areas and street entrances of the project. There are no corridors; each entrance is shared by six apartments, i.e., Units A101 and A102; A201 and A202; and A301 and A302 would all share one entrance and stairwell.

5. 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 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.

6. All apartments will be furnished with an electric range, disposal, central gas water heater and carpet.

7. All apartment owners shall become members of the Puu Heleakala Recreation Association along with 236 townhouse owners in the adjacent Puu Heleakala Increments I, II, III, IV and V projects. As Recreation Association members, apartment owners shall enjoy full use of a 2-1/4 acre park including a recreation community center on Lots 109 and 256 of Land Court Application 646. Until the municipal sewer system is available to the project, sewer services will be provided by a private system that shall be owned, operated and maintained by the Recreation Association, and costs involved in the operation and maintenance of the private system shall be included in the Recreation Association maintenance assessment.

COMMON ELEMENTS: The common elements will include the limited common elements herein described and all remaining portions of the project including specifically but not limited to:

- (a) Said land in fee simple;
- (b) All foundations, columns, girders, beams, supports, perimeter walls, load-bearing walls, roofs, walkways, boardwalks, ducts, pumps, pipes, wires, conduits, and generally all equipment, apparatus, installations and personal property existing for common use in the buildings or located on the land hereinabove described;
- (c) All driveways, roads, and other common ways, landscaping, yards, playground areas and equipment, garden, fenced garden areas, fences, retaining walls, refuse collection areas, laundry buildings, mail box areas, accessory equipment and parking areas situate on the land hereinabove described.
- (d) The improvements within and upon Lot 46-A as shown on Map 8 of Land Court Application 646 that is subject to lease from MICHIO YAMAGUCHI and TOMOE YAMAGUCHI, husband and wife, to PUU HELEAKALA RECREATION ASSOCIATION, dated March 29, 1974, and filed in the Office of the Assistant Registrar of the Land Court as Document No. 682392, shall become a common element at such time as said lease to PUU HELEAKALA RECREATION ASSOCIATION shall terminate.

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 common elements as follows: (a) each apartment shall have appurtenant thereto one or more parking spaces to be shown on the plot plan of the project; and (b) the entryways and stairwells giving access to the apartments on the second and third floors shall be limited common elements for and be appurtenant only to the apartments within each building for which such entryways and stairwells are required for access.

INTEREST TO BE CONVEYED TO PURCHASERS AND MEMBERSHIP IN PUU HELEAKALA RECREATION ASSOCIATION: 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:

BUILDING	FLOOR NO.	APT. NO.	PERCENTAGE COMMON INTEREST (PER APARTMENT)	TOTAL
A	1	A101-A106	.641	3.846
	2	A201-A206	.641	3.846
	3	A301-A306	.641	3.846
B	1	B101-B106	.641	3.846
	2	B201-B206	.641	3.846
	3	B301-B306	.641	3.846
C	1	C101-C106	.641	3.846
	2	C201-C206	.641	3.846
	3	C301-C306	.641	3.846
D	1	D101-D108	.641	5.128
	2	D201-D208	.641	5.128
	3	D301-D308	.641	5.128
E	1	E101-E104	.642	2.568
	2	E201-E204	.641	2.564
	3	E301-E304	.641	2.564
F	1	F101-F104	.641	2.564
	2	F201-F204	.641	2.564
	3	F301-F304	.641	2.564
G	1	G101-G108	.641	5.128
	2	G201-G208	.641	5.128
	3	G301-G308	.641	5.128
H	1	H101-H104	.641	2.564
	2	H201-H204	.641	2.564
	3	H301-H304	.641	2.564
J	1	J101-J106	.641	3.846
	2	J201-J206	.641	3.846
	3	J301-J306	.641	3.846
				100.00

In addition, each apartment, along with each Puu Heleakala townhouse unit, will have one appurtenant membership in the Puu Heleakala Recreation Association. Copies of the Declaration of Covenants, Conditions and Restrictions, Charter of Incorporation and By-Laws of Puu Heleakala have been submitted to the Commission.

USE: The Declaration provides that the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests and for no other purposes.

The apartments shall not be rented for transient or hotel purposes, which are defined as (a) rental for any period less than thirty (30) days, or (b) any rental in which the occupants of the apartment are provided customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service. Except for such transient or hotel purposes, the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the proposed Declaration, and subject to the FHA owner-occupant affidavit, if apartment units are purchased by means of FHA insured loan.

OWNERSHIP OF LAND AND ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated April 19, 1974, prepared by Title Guaranty of Hawaii Incorporated, reveals the following:

1. Ownership of fee simple title is vested in Michio Yamaguchi and Tomoe Yamaguchi, husband and wife, as tenants in common.
2. As to Lot 46-A only: Designation of Easement 4, 107 square feet, for storm drain purposes, over the easterly corner of Lot 46-A, as shown on Map 8, as set forth by Land Court Order No. 37642, filed June 12, 1973.
3. As to Lot 110 only: Designation of Easement 3, 191 square feet, for storm drain purposes, over the southeasterly corner of Lot 110, as shown on said Map 8, as set forth by said Land Court Order No. 37642, filed June 12, 1973.
4. A grant of easement in favor of the United States of America, dated October 4, 1950 and filed as Land Court Document No. 122546, for the purpose of laying etc. underground telephone cable under and across the within premises, besides other land, including the right of ingress and egress, reserving complete use of the surface of the ground above.
5. That certain Lease, dated October 13, 1972, unrecorded, made by and between Michio Yamaguchi and Tomoe Yamaguchi, husband and wife, as "Lessors", and Ferguson Development Corporation, a Hawaii corporation, and Kaiser Pacific Properties Corporation, a California corporation, authorized to do business in the State of Hawaii, as "Lessees", of which a short form was filed as Land Court Document No. 605864. (Said Lease demising the lands under search, besides other land) Term thereto being to and including February 10, 2028, together with option to extend the demised term for an additional period expiring on February 10, 2048.

By subordination of Dower dated October 13, 1972 and filed as Land Court Document No. 606300, Tomoe Yamaguchi subordinates her right or possibility of dower in her husband's one-half (1/2) undivided interest in the lands under search, besides other land, to the rights of Ferguson Development Corporation and Kaiser Pacific Properties Corporation, their successors and assigns, under said Lease for and during the demised term of said Lease as the same may be extended from time to time and under all subsequent leases contemplated under the terms and conditions of said Lease and for and during the demised terms of such subsequent leases.

6. That certain agency agreement dated October 13, 1972 and filed as Land Court Document No. 605866, made by and between Michio Yamaguchi and Tomoe Yamaguchi, husband and wife, and Bishop Trust Company, Limited, a Hawaii corporation, re Lessees under Lease Document No. 605864 intend to develop lands under search, besides other land, for residential purposes and contemplate issuance of direct leases for individual units from Lessors, therefore Lessors appoint Bishop Trust Company, Limited, as

Agent for and during effect of said Lease Document No. 605864 and all leases contemplated under terms and conditions of said Lease, the sole and exclusive agent and attorney-in-fact for all purposes.

7. That certain Mortgage made in favor of Bank of Hawaii, a Hawaii corporation, as Mortgagee, and Ferguson Development Corporation, a Hawaii corporation, and Kaiser Pacific Properties Corporation, a California corporation, joint ventures doing business as Ferguson Land Company, a Hawaii general partnership, as Mortgagor, dated April 18, 1973, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 626797.
8. Subject, further, to that certain Additional Charge Mortgage dated January 11, 1974 in favor of Bank of Hawaii, a Hawaii corporation, filed in said Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 665362.
9. That certain Declaration of Covenants, Conditions and Restrictions for the Puu Heleakala Recreation Association, dated July 16, 1973 and filed as Land Court Document No. 659684, made by and between Michio Yamaguchi and Tomoe Yamaguchi, husband and wife, and Ferguson Land Company, a joint venture composed of Ferguson Development Corporation, a Hawaii corporation, and Kaiser Pacific Properties Corporation, a California corporation, to which reference is hereby made.
10. Taxes that may be due and owing are a lien on the land.

The Developer has advised the Commission that the Mortgages referred to herein will be released from each of the apartments at the time of issuance of the respective apartment lease. The Developer has also advised the Commission that the improvements within and upon Lot 46-A as shown on Map 8 of Land Court Application 646, which are to be utilized in connection with the sewer system owned and operated by the Puu Heleakala Recreation Association, are subject to a lease from MICHIO YAMAGUCHI and TOMOE YAMAGUCHI, husband and wife, to PUU HELEAKALA RECREATION ASSOCIATION, dated March 29, 1974, and filed in the office of the Assistant Registrar of the Land Court as Document No. 682392.

PURCHASE MONEY HANDLING: An executed Escrow Agreement dated July 5, 1974 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 if the purchaser shall in writing request refund of his funds and any of the following shall have occurred:

- (a) Developer 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 change); or
- (c) The final public report differs in any material respect from the preliminary public report; or
- (d) If the final public report is not issued within twelve (12) months from the date of issuance of the preliminary public report; or
- (e) Purchaser is entitled to a refund pursuant to the provisions contained in the subscription and purchase agreement.

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 purchaser's funds, and the Escrow Agreement specifically provides that the funds may be disbursed for certain costs of the project prior to the completion of construction and under the Sales Agreement a purchaser authorizes Escrow to make such disbursements.

The specimen Subscription and Purchase Agreement states that in the event less than Eighty percent (80%) of the apartments are sold prior to two (2) years from the date of execution of the Subscription and Purchase Agreement, the Seller may at its option cancel the contract upon written notice to the Buyer.

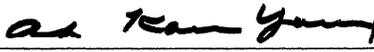
MANAGEMENT OF PROJECT: The proposed By-Laws, which are incorporated in the proposed Declaration, provide that the operation of the project shall be conducted for the Association of Owners under the direction of the Board of Directors. A responsible corporate Managing Agent shall be appointed by the Association in accordance with the by-laws. The initial Managing Agent shall be Ferguson Management Corporation.

STATUS OF THE PROJECT: The Developer advises that it proposes to commence construction within the next thirty (30) days. The Developer has estimated that construction will take approximately nine (9) months from the date construction commences. Construction will be financed by construction loan money obtained by the 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 May 10, 1974, and additional information subsequently filed as of July 8, 1974.

This is a Preliminary Horizontal Property Regimes (Condominium) Public Report which is made a part of Registration No. 684, filed with the Commission on May 10, 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

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

REGISTRATION NO. 684
JULY 9, 1974