

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

KEAUHOU PALENA
NEW KAMEHAMEHA III ROAD
KEAUHOU, NORTH KONA
ISLAND, COUNTY AND STATE OF HAWAII

Registration No. 696

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: June 21, 1977
Expires: July 21, 1978

SPECIAL ATTENTION

A comprehensive reading of the 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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED JUNE 14, 1974 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF JUNE 14, 1977. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514 HAWAII REVISED STATUTES.

1. KEAUHOU PALENA is a leasehold condominium project consisting of fourteen 2-story buildings having a total of fifty-six (56) units with eighty-six (86) open parking spaces. There shall be one parking space appurtenant to each apartment.

2. This Final Public Report is made a part of the registration on the KEAUHOU PALENA project. The Developer is responsible for placing this Final Public Report (white paper stock) and the Preliminary Public Report (yellow paper

stock) issued on June 28, 1974 in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for Horizontal Property Regime Public Report for both reports 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 April 15, 1977 in the Bureau of Conveyances of the State of Hawaii in Liber 12130, Page 472. Condominium Map No. 496 showing the layout, location, apartment numbers, etc., was also recorded in the Bureau of Conveyances on April 15, 1977.

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 June 21, 1977 unless a supplementary report is published or the Commission upon review of the registration issues an order extending the effective period of this report.

The information in the topical headings of the Preliminary Public Report with the exception of DESCRIPTION, COMMON ELEMENTS, LIMITED COMMON ELEMENTS, OWNERSHIP OF TITLE, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING and STATUS OF PROJECT has not been disturbed. The topical heading of FINANCING OF PROJECT has been added.

DESCRIPTION: There will be a total of eighty-six (86) open parking spaces located on the ground level of which twenty-eight (28) are guest parking spaces and two (2) are reserved for use by the resident manager.

With the exception of the above, all other information under this heading in the Preliminary Public Report remains unchanged.

COMMON ELEMENTS: The information under "h" and "i" has been amended as follows:

- h. Parking spaces Nos. 5, 6, 7, 8, 15, 16, 17, 18, 19, 24, 38, 39, 40, 41, 42, 43, 60, 61, 62, 63, 64, 65, 78, 79, 80, 81, 82 and 86 for guests of KEAUKOU PALENA.

- i. The Manager's apartment together with parking spaces number 31 and 85 reserved for use by the resident manager of the project.

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. Each apartment shall always have at least one parking space appurtenant to it but otherwise any automobile parking space easement may be transferred from apartment to apartment in the project in accordance with the provisions of paragraph P of said Declaration.

OWNERSHIP TO TITLE: A Preliminary Report dated April 15, 1977 prepared by Title Guaranty of Hawaii shows that title to the parcel of land committed to the regime is vested in the Kamehameha Development Corporation.

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 Keaouhou Palena and By-Laws attached thereto dated February 17, 1977 and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 12130, Page 472. The required floor plans are filed as Condominium Map No. 496.

(b) Lease dated February 17, 1977 between Kamehameha Development Corporation as Lessor and Finan Overseas, Inc. as Lessee, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 12124, Page 115.

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

(d) For any taxes that may be due and owing, reference is made to the office of the tax assessor, Third Division.

(e) An easement for sanitary sewer purposes over and across a portion of the land as shown on map prepared by R. M. Towill Corporation dated October 16, 1967.

PURCHASE MONEY HANDLING: The escrow's cancellation fee for a purchaser entitled to a refund of his funds as provided in the Preliminary Public Report shall be \$25.00.

The revised Sales Contract, a copy of which has been filed with the Commission, provides: (1) If on July 28, 1977 less than twenty-one (21) of the apartments have been sold, Developer may at its option, cancel the contract and refund to Purchaser all monies paid as provided in the Escrow Agreement and be relieved and released of all further liability; (2) Purchaser agrees that all of the rights of Purchaser are and shall be subject and subordinate to the lien of any mortgage made to finance the cost of construction and other costs during construction and to any and all sums which may become a lien pursuant to the terms of such mortgage or any related agreement.

Except for the foregoing, all other information remains unchanged.

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 and showing an estimated completion of construction of May 8, 1978.
2. Copy of executed Construction Contracts dated February 22, 1977 and June 3, 1977.
3. Developer's notarized statement that the total project costs will be covered with funds from a construction loan made by First Hawaiian Bank.
4. Copy of Promissory Note from First Hawaiian Bank in the sum of \$2,220,000.00.

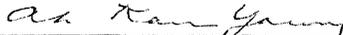
STATUS OF PROJECT: A construction contract was executed on June 3, 1977 between Finan Overseas, Inc. as Owner and C. M. Poulton as Contractor who will construct the first 28 units in the project plus the manager's apartment and swimming pool. Another construction contract was executed February 22, 1977 between Finan Overseas, Inc. as Owner and Seakon Corporation as Contractor for construction of the remaining 28 units in the project.

The Developer has advised the Commission that construction began on June 14, 1977 and that the buildings will be completed and ready for occupancy by May 8, 1978.

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 14, 1974 and additional information filed with the Commission as of June 14, 1977.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 696 filed with the Commission on June 14, 1974.

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



Ah Kau Young, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

Registration No. 696

June 21, 1977.