

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

KAHALUU GARDENS
420 Hui Iwa Place
Kaneohe, Oahu, Hawaii

REGISTRATION NO. 746

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: January 23, 1975

Expires: February 23, 1976

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 15, 1975. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514, HAWAII REVISED STATUTES.

1. KAHALUU GARDENS is a proposed fee-simple condominium project consisting of forty-five (45) two bedroom, one bath, units contained in two (2) buildings of three (3) stories each.

The Developer intends to sell the forty-five (45) apartment units together with an undivided interest in the common elements of the project. There will be a total of fifty-six (56) parking stalls (47 standard size and 9 compact size). Each apartment will have appurtenant to it one (1) standard or one (1) compact parking stall. Eleven (11) apartments will have appurtenant an additional standard or compact parking stall.

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 Final 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 been filed in the Office of the Recording Officer. The Declaration of Horizontal Property Regime, together with the By-Laws of the Association of Apartment Owners attached thereto was filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii on December 5, 1974 as Land Court Document Number 704122 and the recording officer has designated Condominium Map No. 236 to the project.
4. No advertising of 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 Final Public Report is made a part of the registration of the Kahaluu Gardens condominium project. The Developer has the responsibility of placing a true copy of the Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers and securing a signed copy of the receipt for the Final Public Report from each purchaser and prospective purchaser.
7. This Final Public Report automatically expires thirteen (13) months after the date of issuance, January 23, 1975, 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: KAHALUU GARDENS

LOCATION: The project is located at 420 Hui Iwa Place, Kaneohe, Oahu, Hawaii, containing an area of approximately 1.06 acres.

TAX MAP KEY: FIRST DIVISION, 4-7-4-33

ZONING: APARTMENT (A-1)

DEVELOPER: J. V. DEVELOPMENT CORPORATION, a Hawaii corporation, whose address is 10th Floor, Financial Plaza of the Pacific, 130 Merchant Street, Honolulu, Hawaii. The officers of the corporation are:

JAMES G. LEE, President
VERNON B. LUKE, Vice President
MICHAEL Y. ICHIKAWA, Secretary
CLAYTON K. M. TOM, Treasurer

ATTORNEY REPRESENTING DEVELOPER: DAMON, SHIGEKANE, KEY & CHAR (Attention: William J. Shannon), 810 Richards Street, Honolulu, Hawaii. Telephone No. 531-8031.

DESCRIPTION OF THE PROJECT: The Declaration of Horizontal Property Regime reflects that this is a fee-simple condominium project. The Plans submitted by the Developer indicate forty-five (45) apartment units contained in two (2) buildings of three (3) stories constructed principally of reinforced concrete and hollow tile masonry.

1. There are two (2) types of apartments which have been designated as Models S and T. There will be thirty-three (33) S units and twelve (12) T units. The following is a brief description of each model including the living area and the number of rooms in each model:

MODEL "S": A one-story apartment with a floor area of 653 square feet, more or less, consisting of two (2) bedrooms, one (1) bath, kitchen and living-dining room.

MODEL "T": A one-story apartment with a floor area of 711 square feet, more or less, consisting of two (2) bedrooms, one(1) bath, kitchen and living-dining room.

2. Each apartment has been assigned an apartment number with a letter and number prefix which reflects the building and floor upon which the apartment is located.

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, disposal, water heater, dishwasher and refrigerator.

COMMON ELEMENTS: The common elements consists of all parts of the property other than the apartment space, including, without limitation, the following: (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 buildings or located on the land hereinabove described; (iii) all driveways, roads and other common ways, landscaping, yards, gardens, fences, walls and parking areas; (iv) community facilities and all utility installations; (v) all portions of the building not deemed to be included as an apartment space.

LIMITED COMMON ELEMENTS: Portions of the common elements are hereby set aside and designated as limited common elements: (i) Each apartment shall have appurtenant thereto one or more parking space(s) as shown on said Condominium Map; (ii) The hallways on the second and third floors shall be limited common elements for and shall be appurtenant to the apartments of the buildings on said respective floors.

INTEREST TO BE CONVEYED TO PURCHASER: As specified and established in the Declaration, each apartment shall have appurtenant thereto an undivided percentage interest in all common profits and expenses of the project and for all other purposes including voting as follows:

BUILDING	FLOOR NO.	APARTMENT NO.	PERCENTAGE COMMON INTEREST
A	1	A101	2.2875
		A102	2.2100
		A103	2.2100
		A104	2.2100
		A105	2.2100
		A106	2.2875
	2	A201	2.2400
		A202	2.2100
		A203	2.2100
		A204	2.2100
		A205	2.2100
		A206	2.2400
	3	A301	2.2400
		A302	2.2100
		A303	2.2100
		A304	2.2100
		A305	2.2100
		A306	2.2400
B	1	B101	2.2875
		B102	2.2100
		B103	2.2100
		B104	2.2100
		B105	2.2100
		B106	2.2100
		B107	2.2100
		B108	2.2100
		B109	2.2875
	2	B201	2.2400
		B202	2.2100
		B203	2.2100
		B204	2.2100
		B205	2.2100
		B206	2.2100
		B207	2.2100
		B208	2.2100
		B209	2.2400
	3	B301	2.2400
		B302	2.2100
		B303	2.2100
		B304	2.2100
		B305	2.2100
		B306	2.2100
		B307	2.2100
		B308	2.2100
		B309	2.2400
	TOTAL		100.00

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 December 5, 1974, issued by Hawaii Escrow & Title, Inc., which reveals that the ownership of the fee-simple interest to the property is vested in J. V. DEVELOPMENT CORPORATION, a Hawaii corporation.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Report dated December 5, 1974, reveals that the fee-simple title is subject to the following:

1. RESERVING unto the Hawaiian Government all mineral and metallic mines of every description, as reserved in Royal Patent Nos. 1423, 1554, 1555, 1664, 2011 and 6489.
2. RESTRICTION OF ACCESS RIGHTS, affecting Lot 71, as shown on Maps 11 and 25, as set forth by Land Court Order No. 21323, filed June 5, 1963.
3. DESIGNATION OF EASEMENT "28" for waterline purposes affecting Lot 71 and the revisions of the restriction of access rights, affecting Lot 71 as shown on Map 30, as set forth by Land Court Order No. 31331, filed February 13, 1970.
4. GRANT in favor of the City and County of Honolulu, a municipal corporation of the State of Hawaii, dated February 1, 1973 and filed April 26, 1973 as Land Court Document No. 627492, granting easement "28" for waterline purposes.
5. MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT executed by J. V. DEVELOPMENT CORPORATION, a Hawaii corporation, in favor of KASSLER & CO., a Colorado corporation, in the amount of \$1,600,000.00, dated May 10, 1974 and filed May 14, 1974 as Land Court Document No. 681151.
6. LOAN AGREEMENT by and between KASSLER & CO., a Colorado corporation, as "Lender" and J. V. DEVELOPMENT CORPORATION, a Hawaii

corporation, as "Borrower", by Instrument dated May 10, 1974 and filed May 14, 1974 as Land Court Document No. 681152. Reference is hereby made to the Document for full particulars.

7. TERMS, PROVISIONS, AGREEMENTS, COVENANTS AND CONDITIONS contained in DECLARATION OF HORIZONTAL PROPERTY REGIME dated December 3, 1974 and filed December 5, 1974 as Land Court Document No. 704122. (Project covered by Condominium Map No. 236)
8. Taxes that may be due and owing are a lien on the land.

The Developer has advised the Commission that the Mortgage referred to herein will be released from each apartment at the time of conveyance of the respective apartment by deed.

PURCHASE MONEY HANDLING: An executed copy of the Escrow Agreement dated January 3, 1975 by and between KING ESCROW SERVICES CORPORATION and the Developer has been submitted to the Real Estate Commission as part of this registration. On examination, the Escrow Agreement and Sales Contract, also submitted to the Commission as part of this registration, are 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) The Final Public Report is not issued by said Commission within one (1) year from the date of issuance of the Preliminary Public Report; or

(b) Subsequent to the execution of the sales contract and prior to the issuance of said Final Public Report, there is any change in the condominium building plans, requiring the approval of a county officer having jurisdiction over the issuance of permits for construction of buildings, unless Purchaser's written approval or acceptance of said change is obtained; or

(c) The Final Public Report differs in any material respect from the Preliminary Public Report, unless Purchaser's written approval or acceptance of the difference is obtained.

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 purchaser's funds and the sales agreement specifically provides that funds may be disbursed for certain costs of the project prior to completion of construction.

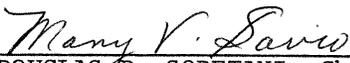
MANAGEMENT OF PROJECT: The By-Laws, which are incorporated in the Declaration, provides that the operation of the project shall be conducted for the Association of Owners under the direction of the Board of Directors and the Board of Directors may appoint a responsible managing agent. The Declaration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

STATUS OF THE PROJECT: The Developer advises that it commenced construction on November 1, 1974, and construction is estimated to be completed by August 15, 1975. Construction will be financed by purchaser's money from Escrow as well as construction loan money obtained by Developer. The Developer has advised the Commission that about twenty per cent (20%) of the construction has been completed, and the Developer has submitted copies of the executed Construction Contract between Developer and Dynamic Industries Corporation, the General Contractor, together with copies of the Performance Bond and Labor and Material Payment Bond for the Construction Contract.

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 15, 1975.

THIS FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made part of Registration No. 746, filed with the Commission on January 15, 1975.

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


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

Distribution:
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BUREAU OF CONVEYANCES
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ESCROW AGENT

Registration No. 746
January 23, 1975