

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

MAKIKI HEIGHTS
2667 Tantalus Drive
Honolulu, Hawaii

REGISTRATION NO. 752

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: March 6, 1975
Expires: April 6, 1976

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 FILED FEBRUARY 7, 1975. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. MAKIKI HEIGHTS is a fee simple condominium project consisting of five (5) apartments, contained in one (1) three-story building and four (4) two-story buildings, without basements.

2. Materials. The principal materials used in the construction of the buildings will be wood, metal, plaster and concrete.

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 reports that the basic documents (Declaration of Horizontal Property Regime, with By-Laws of the Association of Apartment Owners attached, and a copy of the approved Floor Plans) have been recorded in the Bureau of Conveyances of the State of Hawaii.

The Declaration of Horizontal Property Regime, executed January 10, 1975, with By-Laws attached, was recorded in the Bureau of Conveyances of the State of Hawaii in Liber 10396, Page 186.

The approved Floor Plans showing the layout, location, apartment numbers, etc., have been designated Condominium File Plan No. 399.

4. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.

5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

6. This Final Public Report expires thirteen (13) months from the date of issuance, March 6, 1975, unless a supplementary report is published or the Commission upon review of the registration, issues an order extending the effective period of this report.

7. This Final Public Report is made a part of registration on MAKIKI HEIGHTS 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. Securing a signed copy of the Receipt for the Final Horizontal Property Regime Public Report from each purchaser is also the responsibility of the Developer.

NAME OF PROJECT: MAKIKI HEIGHTS

LOCATION: The 60,566 square feet of the project is located at 2667 Tantalus Drive, Makiki Heights, Honolulu, Hawaii.

TAX MAP KEY: FIRST DIVISION: 2-5-09-19

ZONING: R-3

DEVELOPER: The McCormack Corporation, a Hawaii corporation, 20th Floor, Davies Pacific Center, Honolulu, Hawaii 96813; Telephone: 524-2600; Officers: Michael T. McCormack - President; Rex W. Sorensen - Vice President/ Treasurer/ Secretary; Duncan MacNaughton - Vice President.

ATTORNEY REPRESENTING DEVELOPER: Conroy, Hamilton, Gibson, Nickelsen & Rush (Attention: Dwight M. Rush and Walter Beh, II), 20th Floor Hawaii Building, 745 Fort Street, Honolulu, Hawaii 96813, Phone: 521-2611.

DESCRIPTION: The said Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a fee simple project consisting of five (5) apartments, contained in one (1) three-story building and four (4) two-story buildings, without basements.

Apartment No. 1 is located on Lot No. 1.

Apartment No. 2 is located on Lot No. 2.

Apartment No. 3 is located on Lot No. 3.

Apartment No. 4 is located on Lot No. 4.

Apartment No. 5 is located on Lot No. 5.

Each apartment contains the number of rooms and the approximate floor area according to the Declaration and Condominium File Plan submitted by the Developer as follows:

APARTMENT NO. 1 consists of nine (9) rooms, including a living room, a dining room, a master bedroom, a combined kitchen-breakfast room, a combined bath-dressing room, a garage, an enclosed lanai, a terrace, a covered entry and two (2) gardens located on the lower floor, and two (2) bedrooms, and a bathroom located on the upper floor. This apartment contains a covered floor area of approximately 2,860 square feet, which includes a garage of approximately 510 square feet and a covered entry of approximately 50 square feet; the two (2) gardens consist of approximately 192 and 568 square feet, and the terrace consists of approximately 208 square feet.

APARTMENT NO. 2 consists of twelve (12) rooms, including a bedroom, a combined bath-dressing room, a kitchen, a dining room, a family room, a combined study-living room, a utility room, a storage room, a garage, a terrace, an enclosed lanai and two (2) gardens located on the lower floor, and two (2) bedrooms and a bath located on the upper floor. This apartment contains a covered floor area of approximately 3,260 square feet, including a garage of approximately 480 square feet and covered walks of approximately 180 square feet; the two (2) gardens consist of approximately 390 and 190 square feet.

APARTMENT NO. 3 consists of seventeen (17) rooms, including three (3) bedrooms and two (2) bathrooms on the lower floor, and a bedroom, a study, a wardrobe, a bathroom, a living room, a dining room, a pantry, a kitchen, a bar, a family room, a garage, two (2) gardens, a balcony, a terrace, and a lanai located on the upper floor, and an attic and a loft located on the attic floor. This apartment contains a covered floor area of approximately 4,690 square feet, which includes the lanai of approximately 330 square feet, the garage of approximately 620 square feet, covered walks of

approximately 340 square feet, and the balcony of approximately 160 square feet; the two (2) gardens consist of approximately 1,700 and 356 square feet; and the terrace consists of approximately 352 square feet.

APARTMENT NO. 4 consists of seventeen (17) rooms, including two (2) bedrooms, two (2) bathrooms, a dark room, two (2) storage rooms, and a games room located on the lower level, and a bedroom, a bathroom, a powder room, a living room, a dining room, a study, a kitchen, a pantry, a bar, a garage, a court yard, a motor court, and a balcony and a deck located on the upper level. This apartment contains a covered floor area of approximately 5,540 square feet, including the garage of approximately 600 square feet, the balcony of approximately 70 square feet, a covered walk of approximately 170 square feet and the deck of approximately 120 square feet; the court yard consists of approximately 900 square feet and the motor court consists of approximately 1,070 square feet.

APARTMENT NO. 5 consists of twelve (12) rooms, including three (3) bedrooms and two (2) bathrooms located on the lower floor, and a bedroom, a bathroom, a dressing room, a living room, a dining room, a kitchen, a breakfast room, a garage, a lanai, a covered entry, and four (4) balconies located on the upper floor. This apartment contains a covered floor area of approximately 3,290 square feet, including the lanai of approximately 264 square feet, the balconies of approximately 100 square feet, 30 square feet, 48 square feet and 30 square feet, the garage of approximately 510 square feet and the covered entry of approximately 50 square feet.

Each apartment has immediate access to the grounds of the project.

The respective apartments shall not be deemed to include any pipes, wires, conduits, or other utility or service lines running through such apartments 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 within its perimeter walls, all walls, floors, ceilings and roofs, doors and door frames, windows and window frames, the appurtenant lanai(s) (if applicable), the appurtenant terrace(s) (if applicable), the appurtenant entry (if applicable), the appurtenant deck(s) (if applicable), the appurtenant balcony or balconies (if applicable), the appurtenant court yard(s) (if applicable), the appurtenant motor court (if applicable), the appurtenant garden(s) (if applicable) and all fixtures originally installed therein.

NOTE: The said Declaration provides that the owner of any apartment shall have the right to alter, at any time and from time to time, as hereinafter set forth, the plans of his apartment solely by an amendment to the Declaration, such amendment to be executed solely by the apartment owner of such apartment and two officers of the Association who shall

execute said amendment upon approval of such altered plans by the Board as hereinafter set forth, provided that such amendment shall be effective only upon the recording of the same in the Bureau of Conveyances of the State of Hawaii. Such amendment shall set forth the number of the apartment involved, the description thereof as so altered in accordance with Section 514-11(3) of the Hawaii Revised Statutes, and shall include a complete set of floor plans of such apartment as so altered certified as built by a registered architect or professional engineer. Such amendment shall also include the consent thereto of the holder of any recorded mortgage of the apartment involved. Such alteration of the plans of an apartment shall be subject to the prior approval thereof by the Board and by the appropriate agencies of the State of Hawaii and the City and County of Honolulu; provided, however, such consent by the Board shall not be withheld if the plans therefor have been approved by Hogan, Chapman, Cobeen & Associates, Inc., Suite 115, 1210 Auahi Street, Honolulu, Hawaii 96814, as maintaining the contemporary Hawaiian atmosphere of the project. Such alteration of the plans of an apartment may decrease or increase the size of such apartment, provided that the same shall not extend or place the apartment outside of the limits of the Lot upon which the apartment is built as designated on said condominium file plan; and provided, further, that no such alteration of the plans of an apartment shall be allowed hereunder without the unanimous consent of the Board if the same increases the height of such apartment by more than three feet. Before commencing or permitting construction on any such alteration of an apartment, the apartment owner thereof shall obtain and deposit with the Secretary a bond or certificate thereof, naming all apartment owners as dual obligees, in a penal sum of not less than one hundred percent (100%) of the cost of such construction as the same may change from time to time and with a corporate surety authorized to do business in Hawaii, guaranteeing performance of such construction free and clear of all mechanics' and materialmen's liens arising under Section 514-9 of the Hawaii Revised Statutes.

COMMON ELEMENTS: One freehold estate is designated in all of the remaining portions of the project, herein called "common elements", including specifically but not limited to:

1. The land in fee simple;
2. All yards, grounds and landscaping;
3. All roads, driveways and parking areas;
4. All pipes, cables, conduits, ducts, electrical equipment, wiring and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, gas, water, sewer, telephone and television signal distribution, if any.

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:

The Lot upon which the respective apartment is built shall be appurtenant to and for the exclusive use of such apartment, being designated on said condominium file plan as follows:

Apartment No. 1 - Lot No. 1

Apartment No. 2 - Lot No. 2

Apartment No. 3 - Lot No. 3

Apartment No. 4 - Lot No. 4

Apartment No. 5 - Lot No. 5

INTEREST TO BE CONVEYED TO PURCHASERS: The Declaration indicates that the purchasers securing an apartment deed will obtain an apartment together with an undivided twenty percent (20%) interest in the common elements of the project. This same percentage interest for each apartment shall be used in determining each purchaser's proportionate share of all common profits and expenses of the project and shall be used for all other purposes including determining the proportionate representation for voting purposes in the Association of Apartment Owners of the project.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO 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 personal guests. The apartments may not be used for any other purpose unless consent of the Board of Directors is secured. The owners of the respective apartments shall have the absolute right to lease the same subject to the limitations, restrictions, covenants and conditions of the Declaration.

OWNERSHIP OF TITLE: The Preliminary Report issued by Title Guaranty of Hawaii Incorporated, dated January 9, 1975, represents that the Developer is the Owner of the fee simple title to the property committed to the project, said property having been conveyed to the Developer by Deed dated February 28, 1974, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 9788, Page 343.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated January 9, 1975, also provides that the following are encumbrances against title to the property:

1. For any taxes that may be due and owing and a lien on the land, reference is hereby made to the Office of the Tax Assessor of the First Division, State of Hawaii.

2. Mortgage dated March 19, 1974, recorded as aforesaid in Liber 9788, Page 348, in favor of BANK OF HAWAII, to secure the repayment of the sum of \$340,000.00.

3. Mortgage dated March 13, 1974, recorded as aforesaid in Liber 9788, Page 368, in favor of GARTON EVANS WALL, husband of Ellabelle S. Wall, to secure the repayment of the sum of \$160,000.00.

NOTE: The said Declaration contains the following right of first refusal:

"Prior to the death of GARTON EVANS WALL, husband of Ellabelle S. Wall, hereinafter called "Wall", no apartment owner, other than Fee Simple Owner, shall sell his apartment without first having offered to sell such apartment to Wall, as hereinafter set forth. In the event an apartment owner shall have the opportunity to sell his apartment, such apartment owner shall give Wall written notice of such proposed sale and the terms thereof, and Wall shall have the first right to purchase such apartment within thirty (30) days after the giving of such notice at the same price and upon the same terms as are contained in such proposal. In the event that Wall shall not exercise said right as aforesaid, such apartment owner may thereupon proceed to sell such apartment for the price and upon the terms contained in the proposal; provided, however, that in the event that said disposition of such apartment is not made pursuant to such proposal within ninety (90) days following the end of said thirty (30) day period, such apartment owner shall again be bound to offer such apartment to Wall pursuant to the terms and provisions of this paragraph. All notices under this paragraph shall be in writing and shall be sent by registered or certified mail, return receipt requested, postage prepaid, addressed to the party to receive such notice. Any party may by notice given as aforesaid, change his address for all subsequent notices. All notices shall be deemed given when mailed in the manner aforesaid. Notices under this paragraph to Wall shall be mailed to 55-487-D Kamehameha Highway, Laie, Hawaii 96762. The provisions of this paragraph shall not apply to: (1) the passing of title of an apartment by devise or through the laws of descent; (2) a mortgage of an apartment; or (3) a holder of a mortgage of record of an apartment who comes into possession of the apartment pursuant to the remedies provided for in the mortgage, foreclosure of the mortgage or conveyance in lieu of foreclosure of the mortgage. The provisions of this paragraph and the right of first refusal in favor of Wall hereunder shall only be in effect for and during the period beginning upon the date of the conveyance of an apartment to Wall and ending upon the date of the conveyance of such apartment from Wall to any other person or entity."

NOTE: The Developer advises that it plans to grant an easement for utility purposes, in favor of HAWAIIAN ELECTRIC COMPANY, INC. and HAWAIIAN TELEPHONE COMPANY, that will encumber the lands of the project.

PURCHASE MONEY HANDLING: A copy of each of the five executed Escrow Agreements one each covering one of the apartments in the project, all dated January 31, 1975, between Developer and ESCROW HAWAII, LTD., as Escrow, have been filed with the Commission. On examination, the executed Escrow Agreements filed with the Commission are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Sections 514-36 through 514-40, H.R.S. Among other provisions, the executed Escrow Agreements state that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay said funds to said purchaser, without interest, and less Escrow's \$25.00 cancellation fee, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred:

1. Escrow receives a written request from Developer to return to purchaser the funds of such purchaser then held under the Escrow Agreement by Escrow; or
2. If a purchaser's funds were obtained prior to the issuance of this Final Public Report and if there is any change in the condominium 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 the purchaser has given written approval or acceptance of the specific change; or
3. If a purchaser's funds were obtained prior to the issuance of this Final Public Report and the request is prior to the time this Final Public Report is issued; or
4. If this Final Public Report differs in any material respect from the Preliminary Public Report, unless the purchaser has given written approval or acceptance of the difference; or
5. If this Final Public Report is not issued within one (1) year of the date of issuance of the Preliminary Public Report.

It is incumbent of the purchaser and prospective purchaser to read and understand the Escrow Agreement before signing the Sales Agreement since the Escrow Agreement prescribes the procedure for receiving and disbursing the purchaser's funds. The specimen sales agreement specifically provides that the purchaser approve said Escrow Agreement and assume the benefits and obligations therein provided. Purchasers and prospective purchasers are advised to read with care the provisions of the sales agreement.

NOTE: The specimen sales agreement includes a provision under which the purchaser agrees that until the Developer has closed

out the sale of all of the apartments in the project, or until December 31, 1977, whichever shall first occur, the purchaser will not enter into an agreement with any owner, purchaser or lessee of another apartment in the project and/or any third party under which the purchaser agrees to share expenses and/or rentals of apartments in the project, and that this agreement of the purchaser shall survive the issuance to the purchaser of the apartment deed conveying the premises and shall bind the purchaser's heirs, executors, administrators, successors and assigns during the term thereof.

NOTE: The specimen sales agreement also includes the following provision:

"Buyer hereby agrees to begin construction of the Apartment described in paragraph "A" hereof within six (6) months from the Date of Closing and to fully and completely construct the Apartment within one (1) year from the Date of Closing, in accordance with the Condominium File Plan for the project and the plans and specifications described in the Construction Contract, or in accordance with such plans and specifications as shall be approved by the appropriate agencies of the City and County of Honolulu and State of Hawaii, and approved by the Board of Directors of the Association of Apartment Owners, all as more fully set forth in the Declaration."

MANAGEMENT OF THE PROJECT: The By-Laws which are incorporated in the Declaration provide that the operation of the project shall be conducted for the Association of Apartment Owners under the direction of the Board of Directors by a responsible managing agent. The Developer has selected as initial managing agent: THE McCORMACK MANAGEMENT GROUP, LTD., Suite 2000, Davies Pacific Center, Honolulu, Hawaii 96813.

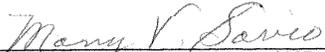
NOTE: Developer advises that no representations or references will be made to either purchasers or prospective purchasers concerning rental of the apartment, income from the apartment or any other economic benefit to be derived from the rental of the apartment, including but not limited to, any reference or representation to the effect that Developer or the Managing Agent of the project will provide, directly or indirectly, any services relating to the rental or sale of the apartment, or as to possible advantages from the rental of an apartment under federal or state tax laws. Rental of the apartments and the provision of management services in connection therewith is and shall be the sole responsibility of the purchaser.

STATUS OF PROJECT: The Developer advises it estimates that construction of Apartment No. 4 of the project will be completed on February 11, 1975, and that construction of the other four (4) apartments of the project has not yet begun.

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 February 6, 1975.

This is a FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT which is made a part of REGISTRATION NO. 752 filed with the Commission February 7, 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:

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

REGISTRATION NO. 752

March 6, 1975