

# 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  
THE FAIRWAYS AT PRINCEVILLE-PHASE I  
Liholiho Road  
Hanalei, Halelea, Kauai, Hawaii

REGISTRATION NO. 767

### 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: May 6, 1975  
Expires: June 6, 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 the prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED APRIL 23, 1975, AND INFORMATION SUBSEQUENTLY FILED AS OF MAY 2, 1975. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, HAWAII REVISED STATUTES, CHAPTER 514, AS AMENDED.

1. THE FAIRWAYS AT PRINCEVILLE-PHASE I is a proposed fee simple condominium project containing fifty-two (52) apartments located in ten separate one and two story buildings consisting of two bedroom apartments of which forty (40) are first floor apartments and

twelve (12) are second floor apartments. There will be a total of ninety-three (93) parking stalls. No parking stalls will be allocated to specific apartments. In addition to parking areas, driveways and landscaping, there will be two tennis courts and a swimming pool, plus a recreation building with rest-rooms, an office and meeting hall.

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and the issuance of this Preliminary Public Report.
3. The Developer reports that the Declaration of Horizontal Property Regime, the Bylaws and the Condominium Map will be filed in the Bureau of Conveyances of the State of Hawaii immediately prior to the application for a Final Public Report.
4. As of this date, no advertising and promotional matters have been submitted to the Commission pursuant to its rules and regulations.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Hawaii Revised Statutes, Chapter 514, as amended, and the Rules and Regulations of the Hawaii Real Estate Commission which relate to Horizontal Property Regimes.
6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance May 6, 1975, unless the Final Public Report or a Supplementary Public Report issues, or the Commission, upon review of registration, issues an order extending the effective date of this report.
7. This Preliminary Public Report is made a part of the registration on The Fairways at Princeville-Phase I Condominium Project. The Developer has the responsibility of placing a true copy of this Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers and securing a signed copy of the receipt for the Preliminary Public Report from each purchaser.

NAME OF PROJECT: THE FAIRWAYS AT PRINCEVILLE-PHASE I

LOCATION: The project is located on Liholiho Road at Hanalei, Halelealea, Kauai, Hawaii and consists of approximately 295,134 square feet of land.

TAX KEY: Fourth Division 5-4-06:4

ZONING: The property is zoned Residential District R-10 and is subject to project development use permit U-41-74, a copy of which has been filed at the Real Estate Commission.

DEVELOPER: E. W. Westgate Co., Inc., a California corporation, is the Developer of the project and has its principal place of business at 620 Contra Costa Boulevard, Suite 200, Pleasant Hill, California 94523 and its principal office in the State of Hawaii c/o Donnelly & Associates, Inc., Suite 2020, Davies Pacific Center, 841 Bishop Street, Honolulu, Hawaii 96813.

Officers:

President	:	Edward W. Westgate
Vice President	:	Wade H. Dozier, Jr.
Secretary/Treasurer	:	Adeline R. Gini

The Hawaii representative of Developer is Donnelly & Associates, Inc., Attention: Mr. Howard C. Donnelly.

ATTORNEY REPRESENTING DEVELOPER: Cades Schutte Fleming & Wright, (Attention: Mrs. Bernice Littman), 16th Floor, First Hawaiian Bank Building, P. O. Box 939, Honolulu, Hawaii 96808; telephone: 531-7232.

DESCRIPTION OF PROJECT: The project will contain ten (10) apartment buildings including four (4) combination one and two-story buildings (Buildings A, C, D and E) one two-story (Building B) and five (5) one-story buildings (Buildings F, G, H, I and J) containing a total of fifty-two (52) two bedroom apartments, forty (40) of which are on the first floor and twelve (12) on the second floor. Each apartment will contain a living/dining room, kitchen and two bedrooms with dressing rooms and bathrooms. Each apartment on the first floor has an interior floor area measured to the inside surfaces of perimeter walls of 1,010 square feet plus a lanai off the living/dining room of 100 square feet and a lanai off one bedroom of 80 square feet for a total apartment area of 1,190 square feet. Each apartment on the second floor has an interior apartment area measured to the inside surfaces of perimeter walls of 1,010 square feet plus a lanai off the living/dining room of 80 square feet and a lanai off one bedroom of 80 square feet, for a total apartment area of 1,170 square feet.

The designation of apartments is as follows: in each designation, the letter indicates the building in which the apartment is located and the first digit of the number indicates its floor; each second floor apartment has the same letter and last two digits as the apartment above which it is located: for example, apartment A-202 is located above apartment A-102:

A-101, A-102, A-103, A-104, A-202, A-203

B-101, B-102, B-103, B-104, B-201, B-202, B-203, B-204

C-101, C-102, C-103, C-104, C-202, C-203

D-101, D-102, D-103, D-104, D-202, D-203

E-101, E-102, E-103, E-104, E-202, E-203

F-101, F-102, F-103, F-104

G-101, G-102, G-103, G-104

H-101, H-102, H-103, H-104

I-101, I-102, I-103, I-104

J-101, J-102, J-103, J-104

Each pair of adjacent second floor apartments has access to a shared covered stairway leading to the common elements at ground level. Each first floor apartment has direct access to the common elements at ground level.

The project also contains driveways and parking areas containing 93 parking stalls, walkways, landscaping and a recreation area with two tennis courts, a swimming pool and a recreation equipment building containing on the first floor, an office, snack bar area and restrooms and on the second floor a meeting room.

Buildings will be primarily of wood construction with shake roofs and reinforced concrete foundations. Each apartment will be fully carpeted except for the kitchens and bathrooms which will have vinyl asbestos tile. Each apartment will have a solid fuel fire place and the following appliances: refrigerator, range-hood, dishwasher, disposal and water heater. At or prior to the issuance of the Final Public Report, a washer/dryer will be offered as an optional item.

COMMON ELEMENTS: The common elements will include all portions of the land and improvements other than the apartment including apartment buildings, the land on which all apartment buildings are located and all common elements mentioned in the Horizontal Property Act which are actually constructed on the land described herein and specifically shall include but shall not be limited to:

- a) said land in fee;
- b) all foundations, supports, bearing walls and exterior stairs, landings and entrance ways of said buildings;
- c) all roofs;
- d) all ducts, electrical equipment, coolers, wiring and other central and appurtenant installations for services including power, light, cold and hot water, refuse and telephone;
- e) all parking stalls;
- f) the swimming pool, tennis courts and other recreational facilities; and
- g) all other devices or installations upon the land existing for or rationally of common use to all the owners of apartments within the project.

NOTE: The private sewage collection, treatment plant and disposal is not operated or maintained by the County.

The term common elements shall include the limited common elements described below.

LIMITED COMMON ELEMENTS: The stairways are limited common elements reserved for the use of the apartments which they serve. The passage ways between certain apartments are limited common elements reserved for the apartments which they serve.

PERCENTAGE OF UNDIVIDED OWNERSHIP TO BE CONVEYED: The percentage of undivided interest in all of the common elements appertaining to each apartment shall be 1.923-4/52% Voting rights of apartment owners as well as their share of the common expenses shall be in proportion to their common interest.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The apartments shall at all times be used as permanent or temporary residences or as hotel rooms and for no other purpose. Provided, however, that Developer may use any of the apartments for sales or display purposes prior to the sale thereof by Developer.

OWNERSHIP OF TITLE: Fee simple title to the land is held by Developer as shown by Preliminary Title Report dated April 8, 1975, issued by National Escrow & Title Corporation.

ENCUMBRANCES: The title report above referred to shows title to the property to be subject to the following encumbrances:

1. Declaration of Restrictions, Covenants and Conditions dated March 1, 1971, recorded in Book 7444, Page 93.
2. Easements D-1, D-2, S-2 and S-3, File Plan 1179.
3. Water and sewer easement dated March 16, 1972, recorded in Book 8192, Page 284.
4. Mortgage to Princeville Corporation for \$978,000 dated December 10, 1974, recorded in Book 10295, Page 359.
5. Mortgage to Bank of Hawaii for \$1,550,000.00, dated November 25, 1974, recorded in Book 10295, Page 367.
6. Undated financing statement recorded on December 10, 1974, in Bureau of Conveyances, Book 10295, Page 377.
7. Real property taxes for fiscal year 1974-1975, second installment.

NOTE: Prior to issuance of Final Public Report for this project, Developer will place on record a Declaration as to Merger of Increments in a condominium project, a copy of which has been filed with and which is available for public inspection at the Office of the Real Estate Commission, which will affect

the project and approximately 317,443 square feet of additional property. This Declaration as to Merger permits Developer to merge up to three additional condominium projects collectively shown on the Condominium Map as "Future Development" with this project for purposes of administration and use. The Declaration as to Merger provides that after merger, the project will have a single Board of Directors and Association of Owners and that common expenses will be divided between the project on the basis of relative aggregate floor areas of apartments in the project. Developer advises the Commission that in the later phases, Developer may create commercial apartments in addition to residential apartments. Developer does not represent that additional phases will be developed or that if developed, they will be merged.

Purchasers should note that the Declaration as to Merger and Apartment Deed place restrictions on apartment owners in any of the phases of the project entering into rental pool or other rental sharing arrangements with other such apartment owners until after the phases are fully developed and sold. No rental services are proposed to be offered with the apartments and Developer makes no representations as to potential rental income or any other economic benefit to be derived from the apartments.

Purchasers should note that this project is subject to the Declaration of Restrictions, Covenants and Conditions which govern the Princeville at Hanalei area. All apartment owners in the project will be members of the Princeville Association and will be obliged to pay assessments levied by the Association. The Declaration of Restrictions, Covenants and Conditions also provides for the establishment of a design committee which shall have the authority to approve or disapprove any construction or alteration of property which is subject to the Declaration of Restrictions, Covenants and Conditions. Purchasers should familiarize themselves with the Declaration of Restrictions, Covenants and Conditions, the Declaration as to Merger, the Declaration of Horizontal Property Regime and Bylaws and other constituent documents of the project.

PURCHASE MONEY HANDLING: The copy of the specimen Sales Contract and the Escrow Agreement have been submitted as part of the registration. The Escrow Agreement dated April 14, 1975, identifies National Escrow & Title Corporation as the "escrowee" and provides that purchasers' funds may not be released from escrow until after completion of construction of the project, except that in certain circumstances it may be returned to Buyer upon cancellation of the Sales Contract.

Upon examination, the specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes and particularly with Section 514-35 and Section 514-36 through 514-40, Hawaii Revised Statutes.

The specimen Sales Contract provides that if Developer has not entered into contracts for the sale of at least 30 of the apartments on or before May 1, 1976, or if Seller has entered

into said contracts by said date but the buyers have not submitted the request evidence of ability to pay, Developer may cancel the Sales Contracts and refund all monies paid by the buyers without interest.

The specimen Sales Contract further provides that the purchaser should be aware that the Seller's mortgage loan (interim, renewals and extensions) used for the construction of the project shall be and remain at all times a superior lien on the project and the purchaser intentionally waives subordinate the priority of any lien under the Sales Contract or reservation agreement in favor of the mortgage loan.

A prospective purchaser should carefully examine the form of Sales Contract and Escrow Agreement to determine the time for and amount of the installment payments on the purchase price and the sharing of the closing costs.

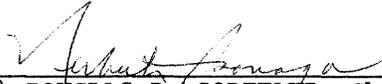
MANAGEMENT AND OPERATION: Article III, Section 3 of the Bylaws states that the Board of Directors shall at all times employ a responsible managing agent to manage and control the property subject at all times to direction by the Board of Directors. The Sales Contract permits the Developer to appoint the initial managing agent and further provides that at closing, Buyer will pay a start-up maintenance fee of \$250.00 for the maintenance reserve account of the Association.

STATUS OF PROJECT: A land development loan has been obtained for site preparation. Final plans and specifications for the project are being prepared and construction financing arrangements are being made. Developer is in the process of negotiating the construction contract and expects to commence construction approximately summer, 1975 and to complete construction approximately fall, 1976. Subdivision of the property is anticipated to be completed by mid-May, 1975.

The purchaser or prospective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted April 23, 1975, and information subsequently filed as of May 2, 1975.

This Preliminary Horizontal Property Regime (Condominium) Public Report is made a part of registration no. 767, filed with the Commission on April 23, 1975.

The report when reproduced shall be a true copy of the Commission's public report. The paper stock used in making facsimiles must be yellow.

  
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(For) DOUGLAS R. SODEHANI, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:  
Department of Taxation  
Bureau of Conveyances  
Planning Department, County of Kauai  
Federal Housing Administration  
Escrow Agent  
Registration No. 767  
May 6, 1975