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

on
PALEHUA TOWNHOUSES (PHASE I)
Panana Street and Makakilo Drive
Ewa Beach, Hawaii

REGISTRATION NO. 799

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 7, 1977
Expires: April 7, 1978

SPECIAL ATTENTION

A comprehensive reading of this report by prospective purchasers is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the purchaser and prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED AUGUST 1, 1975, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF MARCH 2, 1977. 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, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report of August 25, 1975, and the Commission's Supplementary Public Report on March 16, 1976, the Developer reports that changes have been made in the plan or setup of the project. The changes subsequently made are determined to be a material revision to the

information disclosed earlier.

This Final Public Report (white paper stock) amends the Palehua Townhouses, Phase I, Preliminary Public Report (yellow paper stock) and Supplementary Public Report (pink paper stock), becoming a part of this registration. The Developer is responsible for placing a true copy of this Final Public Report in the hands of all purchasers and prospective purchasers, along with a copy of the Preliminary Public Report and Supplementary Public Report. The buyer shall sign the required receipts signifying that he has had an opportunity to read all three reports.

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 Final Public Report.

3. The basic documents (Declaration of Horizontal Property Regime of Palehua Townhouses, Bylaws of Association of Apartment Owners of Palehua Townhouses, and a copy of the floor plans) have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

   The Declaration of Horizontal Property Regime of Palehua Townhouses, with Bylaws of the Association of Apartment Owners of Palehua Townhouses, dated January 20, 1977 were filed in said Office as Document No. 802144 and noted on Transfer Certificate of Title No. 188,293.

   The Assistant Registrar has designated Condominium Map No. 299 to the project.

4. Advertising and promotional matter has been submitted to 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 automatically expires thirteen (13) months after the date of issuance, March 7, 1977, unless a Supplementary Public Report issues 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 of August 25, 1975, as updated by the Supplementary Public Report of March 16, 1976 have not been disturbed except that there are two corrections under the topical heading DESCRIPTION

and there are further changes as more fully described in LOCATION, OWNERSHIP TO TITLE, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING and STATUS OF PROJECT.

LOCATION: The land, consisting of one (1) parcel containing 9.492 acres, is situate at Panana Street and Makakilo Drive, Ewa Beach, Hawaii being further described as Lot 2553 as shown on Map 261 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1069, being a portion of the land covered by Transfer Certificate of Title No. 188,293 issued to Finance Realty Company, Limited.

DESCRIPTION: The only changes from the information set forth under this topical heading in the Supplementary Public Report are minor modifications in the descriptions of the Type 2BF and Type 3BS. The Type 2BF apartment contains an enclosed storage area at the rear of the apartment only and does not contain a powder room on the first floor. In the Type 3BS apartment the "utility closet with powder room" has been redescribed as a "one half bathroom." Otherwise, the descriptions of the Type 2BF and 3BS apartments contained in the Supplementary Public Report remain unchanged.

OWNERSHIP TO TITLE: By Deed dated January 12, 1977, Finance Realty Company, Limited, acquired fee simple title to Lot 2553 from the Trustees under the Will and of the Estate of James Campbell, Deceased, and Transfer Certificate of Title No. 188,293 was issued to Finance Realty Company, Limited. The acquisition of fee simple title to the land by the Developer will enable the Developer to transfer fee simple title to each condominium apartment to the purchaser by way of a Condominium Apartment Deed.

ENCUMBRANCES AGAINST TITLE: A Preliminary Report dated January 28, 1977, prepared by Security Title Corporation, certifies that the land is presently subject to the following encumbrances:

1. Easement 789 for access and utility purposes, as shown on Map 259, as set forth by Land Court Order No. 41641, filed March 21, 1975.

2. Easements 790 (24 feet wide) and 791 (24 feet wide) for access and utility purposes, as shown on Map 259, as set forth by Land Court Order No. 41641, filed March 21, 1975.

3. Easements 802 to 807, inclusive, 813 and 814, as shown on Map 264, as set forth by Land Court Order No. 42816, filed September 15, 1975.

4. Grant of a non-exclusive easement to Hawaiian Electric Company, Inc. over Easements 789, 790 and 791, as shown on Map 259, for access and utility purposes, dated

August 20, 1975, filed in said Office as Document No. 732204.

5. The use by the general public for bus stop purposes and pedestrian access of that certain area outlined on the page entitled "Site Plan" of Condominium Map No. 299 and designated thereon as "Easement Area for Bus Stop and Pedestrian Access."

6. Declaration of Horizontal Property Regime of Palehua Townhouses dated January 20, 1977, filed in said Office as Document No. 802144, and the Bylaws, restrictive covenants and House Rules attached thereto; Condominium Map No. 299 filed in said Office on January 21, 1977.

7. Declaration of Covenants, Conditions and Restrictions of The Palehua Community, dated January 14, 1977 and filed in said Office as Document No. 801577.

8. Grant of Easement to Hawaiian Electric Company, Inc., dated January 27, 1977, filed in said Office as Document No. 802869 over and across "HECO Access Road" as shown on Condominium Map 299.

9. 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.

In addition to the foregoing encumbrances which affect the land, the following easements shall be appurtenant to the land and contain terms and conditions to be observed and performed by the Association of Apartment Owners and each individual owner:

a. Grant of Easement dated January 21, 1977, filed as Document No. 802317 for access through, over and across Easements 809 and 810, as shown on Map 264, over and across Lot 2549-B, as shown on Map 267 and described in Transfer Certificate of Title No. 176,263.

b. Grant of Easement dated January 21, 1977, filed as Document No. 802319 for landscaping and access purposes in Easement 808, as shown on Map 264, over and across Lot 2549-B, as shown on Map 267 and described in Transfer Certificate of Title No. 176,263.

c. Grant of Easement dated January 21, 1977, filed as Document No. 802332 for flowage purposes through, under and across Easements 811, as shown on Map 264, and Easement "A", both affecting Lot 2549-B, as shown on Map 267 and described in Transfer Certificate of Title No. 176,263.

d. Grant of Easement dated January 27, 1977, filed as Document No. 802869 for flowage purposes over and across Lot 89-A, as shown on Map 259 and described in Transfer Certificate of Title No. 177,328.

In addition to the foregoing encumbrances, the following also affect the land but will be released prior to the conveyance of an apartment:

a. Development Rights dated May 5, 1966, filed as Document No. 391241, in favor of Finance Realty Company, Limited, as amended by instrument dated January 12, 1977, filed as Document No. 801573.

b. Said Development Rights are subject to: (1) Mortgage dated July 13, 1972 in favor of Bank of Hawaii, filed as Document No. 589482; (2) Additional Charge Mortgage dated November 14, 1974, filed as Document No. 703186; (3) Additional Charge Mortgage dated May 13, 1976, filed as Document No. 766717; and (4) Undated Financing Statement in favor of Bank of Hawaii recorded on May 28, 1976 in the Bureau of Conveyances of the State of Hawaii in Book 11441, at Page 7.

NOTE: The Declaration contains the following provisions of which purchasers and prospective purchasers should take special note.

1. DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS. This project is part of a planned community development known as the Palehua Community which is being developed by Developer, and all interests in the project shall be held, sold, encumbered, leased, occupied, and improved subject to the covenants, conditions, restrictions, limitations, reservations and easements contained in and established by Declaration of Covenants, Conditions and Restrictions of the Palehua Community, dated January 14, 1977, and filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 801577, as the same may be amended from time to time as provided therein, which covenants, conditions, restrictions, limitations, reservations and easements shall run with the land and inure to the benefit of the Developer, the Palehua Community Association, each apartment owner in the project and each successor in interest of such owner. Pursuant to said Declaration periodic assessments may be made against apartment owners. In addition, as set forth in said Declaration each owner of an apartment in Palehua Townhouses automatically becomes a member of the Palehua Community Association, a nonprofit corporation incorporated under a Charter of Incorporation granted on December 29, 1976 by the Director of Regulatory Agencies of the State of Hawaii.

2. USE OF ADDITIONAL RECREATIONAL FACILITIES. All apartment owners in the project will have the right to use recreational facilities in the Palehua Community in the vicinity of the project at such time as such facilities are built and designated by the Developer, subject to the obligation on the part of all apartment owners to pay for the maintenance of such facilities in a fair and equitable manner with the other persons entitled to the use thereof and subject to reasonable rules and regulations.

PURCHASE MONEY HANDLING: With regard to the financing of purchases, in addition to the information supplied in the Supplementary Public Report, the Developer reports that financing of purchases of apartments may be through mortgages obtained through conventional financing, through mortgages guaranteed by the Veterans Administration or by way of an Agreement of Sale. Mortgages insured by the Department of Housing and Urban Development pursuant to Section 234 of Title II of the National Housing Act will not be available.

STATUS OF THE PROJECT: The Developer reports that construction of Phase I of the project has been completed as evidenced by the Notices of Completion filed February 10, 1976 in the First Circuit Court of the State of Hawaii, copies of which are on file with the Commission.

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 August 1, 1975, and additional information subsequently filed as of March 2, 1977.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 799 filed with the Commission on August 1, 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.

AH KAU YOUNG, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

Department of Taxation
Bureau of Conveyances
Planning Commission, City & County of Honolulu
Department of Housing and Urban Development
Escrow Agent

REGISTRATION NO. 799

March 7, 1977