

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
THE WINDWARD PASSAGE
322 Aoloo Street
Kailua, Oahu, Hawaii

REGISTRATION NO. 863

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: July 8, 1977

Expires: August 8, 1978

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 JUNE 25, 1976 AND INFORMATION SUBSEQUENTLY FILED AS OF JULY 7, 1977. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on September 22, 1976, on THE WINDWARD PASSAGE, Registration No. 863, the Developer reports that certain changes have been made in the project. This Final Public Report (white paper stock) amends the Preliminary Public Report (yellow paper stock), becoming a part of THE WINDWARD PASSAGE registration.

2. The developer of the project has submitted to the Commission for examination all documents deemed necessary for the issuance of this Final Public Report.
3. Advertising and promotional materials have been submitted pursuant to the rules and regulations promulgated by the Commission.
4. The Developer advises that the Declaration of Horizontal Property Regime and attached Bylaws dated July 1, 1977, have been recorded in the Bureau of Conveyances of the State of Hawaii in Liber 12312, Page 253. The Condominium Map has been filed in said Bureau as Condominium Map No. 505.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514 of the 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, July 8, 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.
7. This Final Public Report is made a part of the registration on THE WINDWARD PASSAGE CONDOMINIUM project. The Developer is responsible for placing a true copy of this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers along with a copy of the Preliminary Public Report (yellow paper stock). Securing a signed copy of the receipt for this Final Public Report and the Preliminary Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer.

The information in the Preliminary Public Report of September 22, 1976, under the topical headings: TAX MAP KEY, DESCRIPTION, OWNERSHIP TO TITLE, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING, and STATUS OF PROJECT has been changed. The Developer reports that the other information in the Preliminary Public Report has not been changed. The changes are as follows:

TAX MAP KEY: First Division 4-2-01:46.

DESCRIPTION: Each purchaser of a condominium unit in the Project will receive a lease of such condominium unit

together with an undivided interest in the common elements of the Project (inclusive of the land).

The precast concrete railings on the lanais and window mullions in the living rooms of the apartments will be changed to dark bronze anodized aluminum.

OWNERSHIP TO TITLE: Since the issuance of the Preliminary Public Report, the Developer has filed with the Commission an updated title report from Title Guaranty of Hawaii dated May 17, 1977 reflecting no change in ownership. However, the Developer has advised that subsequently the Master Tract Leases were amended per document dated July 1, 1977 and filed at the Bureau of Conveyances of the State of Hawaii, in Liber 12312, Page 157, and that a Master Tract Sublease from Lewers & Cooke, Inc. to Developer, dated July 1, 1977, was recorded in said Bureau in Liber 12312, at Page 176. A copy of both documents has been filed with the Commission.

NOTE: The Developer has reserved the right to amend the Master Tract Sublease, with the joinder of Lewers & Cooke, Inc. and the approval of the Fee Owners, to clarify the bonding requirements, expand certain condemnation language, modify certain premium payment obligations, and to make certain other amendments, all of which will not, in Developer's opinion, materially impair the purchaser's prospective use and enjoyment of his apartment, alter the arrangement of the rooms or materially reduce the usable space within the apartment, render unenforceable the purchaser's mortgage loan commitment, increase the purchaser's share of common expenses, increase the purchaser's rental obligation, or increase the purchase prices as stated on the purchaser's completed and executed sales contracts. Since the Developer's submission of the initial draft of said Sublease, certain changes were made which are reflected in the recorded Sublease. The Tract Leases were amended to make them consistent with changes to the Sublease.

ENCUMBRANCES AGAINST TITLE: Said title report of May 17, 1977 reflects no additional encumbrances. However, the Developer has also filed with the Commission a copy of a Declaration of Restrictive Covenant dated July 1, 1977, and recorded in said Bureau in Liber 12312, at Page 239, whereby no building, garage, house or other structure or improvement which is higher than 40 feet above ground level can be built, maintained or placed on the Project or on certain adjoining land, thereby creating reciprocal view planes for the benefit of the Project and the adjoining

land. These restrictions are binding upon and inure to the benefit of the owners, lessees and occupants of the Project and of said adjoining land.

Other than the Declaration, Bylaws and Condominium Map referred to on page 2 of this report and the three documents referred to under the two preceding captions, the Developer represents that no other documents were recorded subsequent to said May 17, 1977 title report and the issuance of this Public Report.

PURCHASE MONEY HANDLING: As mentioned in paragraph 11 of the Preliminary Public Report under the above topical heading, the Developer is considering installing and equipping the Project with a solar energy system which will be utilized to supplement the central hot water system and is exploring the practical aspects of leasing on behalf of the Association of Apartment Owners, such a system from certain competitive sources. It has not yet been determined that leasing or other methods will be economically feasible. The Developer is also exploring the following alternatives:

(a) Purchasing the equipment on behalf of the Association, as a capital improvement, with the installment payments to be a part of the common expenses of the Project, payable by each apartment owner as provided in the By-Laws, or

(b) If the leasing sources in the community are not found to be competitive, the Developer may decide to lease the equipment to the Association with the lease payments a part of the common expenses of the Project, payable by each apartment owner as provided in the By-Laws.

In either case, the payments, whether lease payments or capital improvement installment payments, will be limited by the amount of the cost of energy savings and will not exceed \$3,300.00 per month for ten (10) years. The Developer has assured the Commission that whatever the method of financing the solar energy system, whether through a leasing program from an outside source or from the Developer or a capital improvement installment purchase, the Developer will only seek to recoup its costs, expenses and overhead related to the acquisition and installation of and conversion to the solar energy system and interest and principal payments and processing expenses in connection with any loan obtained to finance this system and will not seek to make any profit from the solar energy system.

STATUS OF PROJECT: The Developer has filed with the Commission copies of a construction contract with Harvis Construction,

Inc. and a Building Permit issued on June 27, 1977. Commencement of construction is imminent and the completion date is estimated to be August 1, 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 25, 1976 and information subsequently filed as of July 7, 1977.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 863 filed with the Commission on June 25, 1976.

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) AH KAI YOUNG, 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. 863

July 8, 1977