

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

HALE KEKOA
1260 Richard Lane, Kaliwa, Kalihi
Honolulu, Hawaii
REGISTRATION NO. 916

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: June 28, 1977
Expires: July 28, 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 3, 1977 AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF JUNE 23, 1977. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514, HAWAII REVISED STATUTES.

1. HALE KEKOA is a proposed fee simple condominium project which will consist of two buildings having a total of 164 apartments, and parking facilities of 167 stalls.
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. The basic documents (Declaration of Horizontal Property Regime, Bylaws of Association of Apartment Owners, and a copy of the approved floor plans) have been filed in the Office of the Recording Officer.

Declaration of Horizontal Property Regime dated June 21, 1977, together with Bylaws were recorded in the Bureau of Conveyances of the State of Hawaii in Liber 12282 Page 26. The Assistant Registrar has designated Condominium Map No. 504 to the Project.

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, Condominium Rules and Regulations which relate to the Horizontal Property Regime.
6. This Final Public Report automatically expires thirteen (13) months after the date of issuance, June 28, 1977, unless 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 of HALE KEKOA 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 such purchaser.

NAME OF PROJECT: HALE KEKOA

LOCATION: Kalihi, Honolulu, Hawaii at the northeasterly end of Richard Lane and on the northwesterly side of Kalihi Stream at Kaliawa. The land area is approximately 2 acres.

TAX KEY: First Division 1-3-39-2

ZONING: A-2

DEVELOPER: HK-GC Partnership, a joint venture registered as a Hawaii general partnership, composed of General Construction Company, a Washington corporation, and Hale Kekoa Joint Venture, a joint venture registered as a general Hawaii partnership, composed of Ernest C. Hickson and California-Hawaii Development, Inc., as general partner of and for the use and benefit of

Waikahe Partners, Ltd., California-Hawaii 72-5, and California-Hawaii 72-4, all California limited partnerships. The address of HK-GC Partnership is Suite 2400, Pacific Trade Center, Honolulu, Hawaii.

ATTORNEY REPRESENTING DEVELOPER: Paul, Warner & Johnson, Pacific Trade Center, Suite 1300, P.O. Box 4438, Honolulu, Hawaii 96813 (Attention: Robert E. Warner). Phone: 524-1212

DESCRIPTION OF THE PROJECT: The buildings and improvements of the Project are divided into 164 separate freehold condominium apartment estates. These are divided into four types of apartments: 138 Type A two-bedroom apartments, 10 Type B two-bedroom apartments, 10 Type C two-bedroom apartments and 6 Type D three-bedroom apartments.

Type A Apartments. Each of these 138 two-bedroom apartments has the same approximate gross area of 703 square feet, which includes the one lanai, and has the same 5 room configuration (kitchen, living/dining room, one full [meaning lavatory, commode and bath with shower] bathroom, and two bedrooms), except that some Type A apartments are reverse or mirror images of other Type A apartments. The bedrooms and lanai face to a building exterior, while the kitchen and living/dining room face to interior building corridors, and the bathroom is located between the kitchen and one bedroom. Each bedroom contains a clothes closet; the kitchen has a broom closet; and off the bathroom is another closet.

Type B Apartments. Each of these 10 two-bedroom apartments has substantially the same configuration as the Type A apartments, but are larger than the Type A apartments. Each Type B apartment has the same approximate gross area of 754 square feet, which includes the one lanai, and the same 5 room configuration, except that some Type B apartments are the reverse or mirror images of other Type B apartments.

Type C Apartments. Each of these 10 two-bedroom apartments has the same approximate gross area of 746 square feet, which includes the one lanai, and has the same 5 room configuration (kitchen, living/dining room, one full bathroom, and two bedrooms) as the Type A apartments. However, each of these apartments is a corner unit, so that the lanai and one bedroom face to one building exterior while the second bedroom faces to another building exterior. From the interior building corridor is a hallway immediately off of which is the kitchen, and at the end of which is the living/dining room. The bathroom is located between the two bedrooms. Each bedroom has one closet; and there is a linen closet in the hallway off the bathroom, and open shelves in the living/dining room.

Type D Apartments. Each of these 6 three-bedroom apartments has the same configuration as the Type A two-bedroom apartments, except that off the living/dining room is a third bedroom, which also faces to a building exterior and contains one closet. Each Type D apartment has the same approximate gross area of 886 square feet, which includes the one lanai, and has the same 6 room configuration.

Each apartment is equipped with a freestanding range and oven and hood, refrigerator, dishwasher, sink and disposal and hot water heater. A washer/dryer is optional.

For purposes of measurement, the perimeter of each of the apartments into which the Project is so divided is established by the center line of all perimeter walls which are also party walls (whether or not load-bearing); the exterior face of the perimeter walls which are not party walls (whether or not load-bearing); the exterior face of any glass windows, doors, panels or railings along the perimeter; and the inner decorated or finished surfaces of the perimeter floors and ceilings. Each of the apartments includes all walls, partitions, floors, ceilings and other improvements within said perimeter; any adjacent lanai shown on the Condominium Map; all built-in appliances and fixtures and all furnishings and appliances described herein; and all air space encompassed within said perimeter; excluding therefrom, however, all elements herein by express statement described as common elements. Except for the inner decorated surface of any perimeter wall, which is included as part of each apartment, each wall or part thereof along said perimeter (whether load-bearing or not) is a common element.

The 164 apartments are located in 2 separate buildings, "Makai Building" and "Mauka Building", which are described as follows:

Makai Building. The Makai Building is located on the west side of the Property and has five floors of apartments, 10 apartments per floor. Each floor has the same floor plan of 6 Type A two-bedroom apartments, 2 Type B two-bedroom apartments, and 2 Type C two-bedroom apartments. There are no Type D three-bedroom apartments in the Makai Building. Each floor has an "L" shaped interior corridor providing access to 2 stairways and the one elevator located at the junction of the stem and the base of the "L". Also, off each corridor there is a room containing a chute for trash disposal. The 6 Type A two-bedroom apartments are off the stem of the "L" corridor, three apartments to each side, the 2 Type C two-bedroom apartments are off the base of the "L" corridor, one at each corner, and the two Type B apartments are located between the Type C apartments.

Each apartment in the Makai Building is identified by the letter "A", followed by a three digit number. The first digit corresponds to the number of the floor on which the apartment is located (i.e., one of the numbers in the sequence "1" through "5"), and the last two digits indicate the location of the apartment on that floor, as follows: beginning at the base of the "L" and counting from east to west, are located apartments designated by the numbers "01" through "04", inclusive, so that a Type C apartment is designated, with respect to the last two digits, by the numbers "01" or "04", and a Type B apartment is designated, with respect to the last two digits, by the numbers "02" or "03"; beginning at the junction at the base and the stem of the "L" and counting towards the top of the stem, off the left side of the

corridor are apartments designated, with respect to the last two digits, by the numbers "05", "07" and "09", and off the right side of the corridor are apartments designated, with respect to the last two digits, by the numbers "06", "08" and "10", so that each Type A apartment in the Makai Building is designated, with respect to the last two digits, by one of the numbers in the sequence "05" through "10".

The south side of the Makai Building is one complete floor above the ground level, where parking areas are provided. The Makai Building main elevator lobby, which also contains mail boxes, is located on this ground level.

Mauka Building. The Mauka Building is located on the east side of the Property and has 6 floors of apartments, 20 per floor, except the 1st floor contains only 14 apartments. The 1st floor is on the same level as one of the two parking levels adjoining the Mauka Building and contains the main elevator lobby, with mail boxes for this Building. The second parking level is a complete level below the 1st floor, and two stairways lead from the lower parking level to the 1st floor. Running the length of the 1st floor is a corridor which in the west half only is fully enclosed by 4 Type A apartments on each side; there are 1 Type D apartment and 5 Type A apartments off the remainder of the 1st floor corridor on the south side only, with parking facilities off the other (north) side.

Floors 2 through 6 have the same floor plan of 20 apartments, 10 Type A apartments off the north side of the interior building corridor, and 9 Type A apartments and 1 Type D apartment off the south side. Each corridor has access to 2 stairways and the 1 elevator. Also, there is a trash chute in a room opposite the elevator lobby approximately in the middle of each corridor. There are no Type B or Type C apartments in the Mauka Building.

Each apartment in the Mauka Building is identified by the letter "B", followed by a 3 digit number. The first digit corresponds to the number of the floor on which the apartment is located (i.e., one of the numbers in the sequence "1" through "6"), and the last two digits indicate the location of the apartment on that floor, as follows: beginning at the west end of each corridor and counting to the east, on the 1st floor, the first 4 Type A apartments off the south side of the corridor are designated, with respect to the last two digits, by the numbers "01", "03", "05" and "07", while the 4 Type A apartments opposite are designated, with respect to the last two digits, by the numbers "02", "04", "06" and "08"; and the remainder of the apartments on the south side of the corridor, also counting west to east, are designated, with respect to the last two digits, by the numbers "09" through "14", so that the Type D apartment on the 1st floor is designated, with respect to the last two digits, by the number "09", and the rest of the apartments on the 1st floor are Type A apartments; on floors 2 through 6, beginning at the west end of each corridor and counting to the east, the 10 Type A apartments off the south side of the corridor are designated, with respect to the last two digits, by the odd

numbers in the sequence "01" through "19"; and the apartments off the north side of the corridor are designated, with respect to the last two digits, by the even numbers in the sequence "02" through "20", so that the Type D apartment on each of the 2nd through 6th floors is designated, with respect to the last two digits, by the numbers "09", and all of the other apartments on these floors are Type A apartments.

Parking and Other Facilities. There are 167 parking stalls of which 38 are compact stalls, located on the ground levels surrounding both Buildings (164 are appurtenant to apartments, two are guest stalls and one is a loading stall) and 3 loading zones between the Buildings. A public pedestrian overpass bisects the Property between the Makai Building and the Mauka Building. Northwest of the Makai Building is additional ground which is designated as a recreation area on the Condominium Map, which contains hibachi cooking facilities; and above the recreation area is an area designated on the Condominium Map as a gardening area, which contains eighty (80) separate garden plots. The By-Laws state that each of the garden plots may be assigned by the Developer to be used exclusively by apartment owners on a first come, first served basis, subject to such other reasonable rules, including rules as to the duration of exclusive use, as may be promulgated by the Board of Directors. Each Building also contains various electrical and mechanical rooms, and is constructed of reinforced concrete, steel, glass, aluminum and allied building materials.

COMMON ELEMENTS: The Declaration reflects that the common elements will include the land in fee simple, the limited common elements described below, and all other portions of the Project other than the apartments, including specifically, but not limited to, the common elements mentioned in Chapter 514, Hawaii Revised Statutes, which are actually constructed, and all other portions of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use, and which are not included in any apartment.

LIMITED COMMON ELEMENTS: The Declaration indicates the following limited common elements: (a) the corridor on each floor of each building is appurtenant to and for the exclusive use of the apartments on such floor, excepting entrances and exits to elevator(s) and stairway(s) on the first floor of each building; (b) all other common elements of each building not listed above are appurtenant to and for the exclusive use of those apartments in such building, excepting installations, if any, for the central furnishing to both buildings of hot and cold water and other utilities; (c) one or more parking stall(s) (but at least one) shall be appurtenant to and for the exclusive use of each apartment at all times; (d) the area of the grounds as shown on the Condominium Map, immediately adjacent to each of Apartments A-105 through A-110, inclusive, shall be appurtenant to and for the exclusive use of each such apartment; and (e) a storage cabinet, of which there are eighty-three (83) located on the ground floor (parking level) of the Mauka Building and numbered 1 through 83, may, upon the initial conveyance of each apartment from the Developer, be assigned

by the Developer to an apartment on a first come, first served basis, and thereupon shall be a limited common element appurtenant to and for the exclusive use of such apartment provided Developer shall concurrently amend the Declaration to make such storage cabinet appurtenant as a limited common element to such apartment. The Declaration provides that an apartment owner may transfer his storage cabinet to another apartment owner.

PARKING: The Developer may change the initial assignment of parking stall to each apartment by amendment to the Declaration. Developer will convey one parking stall as a limited common element to each apartment upon the original conveyance. The Declaration provides that apartment owners may transfer parking stalls among each other provided that there is at all times immediately after such transfer at least one parking stall appurtenant to each apartment. The Declaration also provides that three parking stalls not assigned to any particular apartment shall be common elements set aside for use as guest parking (or for loading in the case of stall #155) subject to rules and regulations promulgated by the Board of Directors of the Association of Apartment Owners.

PERCENTAGE INTEREST TO BE CONVEYED TO PURCHASER: Each apartment will have the undivided percentage or fractional interest in the common elements, including the land in fee, and in the common profits and expenses and for all other purposes including voting, as follows:

Each Type A Apartment600%
(i.e., Apartments designated	
A-105 through A-110, inclusive,	
A-205 through A-210, inclusive,	
A-305 through A-310, inclusive,	
A-405 through A-410, inclusive,	
A-505 through A-510, inclusive, and	
B-101 through B-108, inclusive,	
B-110 through B-114, inclusive,	
B-201 through B-208, inclusive,	
B-210 through B-220, inclusive,	
B-301 through B-308, inclusive,	
B-310 through B-320, inclusive,	
B-401 through B-408, inclusive,	
B-410 through B-420, inclusive,	
B-501 through B-508, inclusive,	
B-510 through B-520, inclusive,	
B-601 through B-608, inclusive,	
B-610 through B-620, inclusive.)	
Each Type B Apartment640%
(i.e., Apartments designated	
A-102, A-103, A-202, A-203,	
A-302, A-303, A-402, A-403,	
A-502 and A-503.)	

Each Type C Apartment639%
(i.e., Apartments designated
A-101, A-104, A-201, A-204,
A-301, A-304, A-401, A-404,
A-501 and A-504.)

Each Type D Apartment735%
(i.e., Apartments designated
B-109, B-209, B-309, B-409,
B-509 and B-609.)

(Note: Percentage allocated to all Type A Apartments=.6x138=82.8
Percentage allocated to all Type B Apartments=.64x10= 6.4
Percentage allocated to all Type C Apartments=.639x10=6.39
Percentage allocated to all Type D Apartments=.735x6= 4.41
Total = 100%)

PURPOSES FOR WHICH EACH APARTMENT MAY BE USED: The Declaration reflects that the apartments may be occupied and used only as a single family residence, but the owner of each apartment shall have the right to rent his apartment subject to the restrictions, limitations, covenants and conditions contained in the Declaration and the Bylaws, and without limiting the generality of the foregoing, subject to the following: No apartment owner shall be permitted to lease or rent his apartment for transient or hotel purposes, which are defined as (1) rental for any period less than 30 days, or (2) any rental in which occupants are provided customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service. No apartment owner may lease or rent less than the entire apartment. A lease or rental agreement shall be required to provide that the terms of the lease or rental agreement shall be subject in all respects to the provisions of the Declaration and Bylaws and House Rules and that any failure by the lessee or renter to comply with the terms of such documents shall be a default under the lease or rental agreement. All leases or rental agreements shall be required to be in writing. The Declaration also reflects that the common elements and limited common elements shall be restricted to those purposes and use in keeping with their respective functions. The Declaration also provides that each apartment owner shall not use his apartment for any purpose which will injure the reputation of the Project, or suffer anything to be done or kept in his apartment or elsewhere in the Project which will (a) jeopardize the soundness of any building or of the premises, (b) interfere with or unreasonably disturb the rights of others, (c) obstruct the roadways, hallways, or common driveways in the Project, (d) increase the rate of fire insurance on any building or the contents thereof, or (e) reduce the value of the premises. The use of each apartment is subject also to the Bylaws attached to the Declaration and to the House Rules, all of which are filed with the Commission.

OWNERSHIP TO TITLE: The Notice of Intention reflects that title to the land is vested in the Developer. A preliminary title report dated April 27, 1977, by Security Title Corporation, verifies the foregoing.

ENCUMBRANCES AGAINST TITLE: Said preliminary title report of April 27, 1977 reflects that the property is subject to (a) the reservation in favor of the State of Hawaii of all mineral and metallic mines of every description, (b) the reservation in favor of the United States of America of certain mineral rights as reserved in Deed dated December 17, 1951, and recorded in Liber 2572, Page 72, (c) a license dated May 17, 1972, recorded in Liber 4297, Page 449, in favor of the City and County of Honolulu for underground sewer pipe lines, (d) an easement (6.00 feet wide) for pedestrian overpass purposes as set forth in a Final Order of Condemnation (superseding Final Order of Condemnation filed May 16, 1975, as amended) dated November 10, 1976, and recorded in Liber 11902, Page 452, (e) real property mortgage and financing statement dated November 19, 1976, from the Developer to First Hawaiian Bank, recorded in Liber 11811, Page 450, and financing statement dated November 19, 1976, to First Hawaiian Bank recorded in Liber 11811, Page 487, (f) mortgage and security agreement dated November 19, 1976, from the Developer to Washington Mortgage Co., Inc., recorded in Liber 11811, Page 494, and undated financing statement from the Developer to Washington Mortgage Co., Inc., recorded in Liber 11811, Page 526, (g) Agreement and Power of Attorney dated November 19, 1976, between General Construction Company and First Hawaiian Bank recorded in Liber 11811, Page 547, and (h) Licensing Agreements from HK-GC Partnership to Elpidio P. Bilan and Maria Bilan and Mike A. Ancheta and Esperanza Ancheta, which Licensing Agreements are dated October 6, 1976, and October 2, 1976, and are recorded in Liber 11811, Page 439 and Liber 11811, Page 428, respectively. For real property taxes that may be due and owing, a check should be made with the Tax Assessor, 1st Division.

The developer states that said mortgages and financing statements (items e and f) are to be partially released at the time the Developer conveys each apartment to the initial purchaser. The Developer also advises that the Contractor for the Project has agreed in the Construction Contract, to defer 10% of the contract sum, if necessary, and to release its rights to mechanic's liens in exchange for a mortgage and financing statement on the Project. The Contractor has, by item (g), made similar agreement with the construction mortgage lender, First Hawaiian Bank. If such a mortgage and financing statement in favor of the Contractor is granted, the Developer states that said mortgage and financing statement is also to be partially released at the time the Developer conveys each apartment to the initial purchaser.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement, dated October 1, 1976, between Security Title Corporation, as Escrow, and the Developer, has been filed with the Commission. On examination, the specimen sales contract, also filed with the Commission, and the executed escrow agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Section 514-15.

It is incumbent upon the purchaser and the prospective purchaser that he reads with care the sales contract and the executed

escrow agreement. The former provides, among other things, that the purchaser subordinates his rights under the sale contract to the construction mortgage. The latter (escrow agreement) establishes how the proceeds from the sale of apartments are placed in trust, as well as the retention and disbursement of said trust fund. Also, the Developer advises that by Escrow letter dated November 3, 1976, the escrowholder has agreed to deposit said trust fund with First Hawaiian Bank, the construction lender for the project, to be used only for those purposes set forth in the Escrow Agreement and permitted by law. These documents also provide that all interest on Purchaser's fund in escrows shall belong to the Developer.

MANAGEMENT OF THE PROJECT: The proposed Bylaws of the Association of Apartment Owners vest in the Board of Directors the power and duties necessary for the administration of the overall affairs of the Project, and that the Board of Directors has the responsibility for employing, at all times, a Hawaii corporation as a managing agent to manage and control the property. The Specimen Sales Contract provides that the Developer acting on the behalf of the Association has the authority to appoint an initial managing agent for a term not exceeding one (1) year, commencing with the date of completion as that term is defined in Section 507-43 of the Hawaii Revised Statutes, as amended. The Developer has named Aaron M. Chaney, Inc., whose business address is 841 Bishop Street, Honolulu, Hawaii, as the initial Managing Agent, pursuant to Management Agreement dated November 3, 1976, a copy of which is on file with the Commissioner.

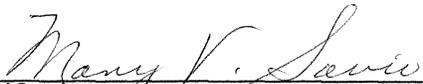
STATUS OF PROJECT: The Developer in its Notice of Intention to sell states that the contractor is Cawdrey-Mars-General, that the construction of the buildings commenced on November 15, 1976, and that by the terms of the construction contract, the project is to be completed on or before January 15, 1978, subject to extensions for causes beyond the control of the contractor.

The Developer has submitted to the Commission a Statement on Sources of Funds to complete the Project and advises that State Savings & Loan Association has agreed to provide permanent loans to individual apartment purchasers upon terms and conditions established by this lender. The Developer disclaims any responsibility and liability for any dealings between purchasers and prospective purchasers and State Savings & Loan Association, which is an independent lending institution.

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 3, 1977, and information subsequently filed as of June 23, 1977.

THIS FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 916 filed with the Commission on June 3, 1977.

The 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 KAU YOUNG, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

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REGISTRATION NO. 916

June 28, 1977