

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

KUIKAHI GARDENS
3170 Kalihi Street
Honolulu, Hawaii

REGISTRATION NO. 922

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: July 19, 1977
Expires: August 19, 1978

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 JUNE 13, 1977 AND INFORMATION SUBSEQUENTLY FILED AS OF JULY 13, 1977. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. KUIKAHI GARDENS is a fee simple condominium project consisting of nine (9) buildings and one hundred two (102) apartments and one hundred twenty-eight (128) parking stalls, of which six (6) are compact stalls.

2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this proposed condominium project and the issuance of this Preliminary Public Report.

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a copy of the approved Floor Plans) have not yet been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii or recorded in the Bureau of Conveyances of the State of Hawaii.

4. No advertising and promotional matter has been filed 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 the Horizontal Property Act, Chapter 514 of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regime.

6. This Preliminary Public Report automatically expires thirteen (13) months after the date of issuance, July 19, 1977, unless a Final or Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the period of this report.

7. This Preliminary Public Report is made a part of registration on KUIKAHI GARDENS condominium project. The Developer has the responsibility of placing a true copy of the Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers. Securing a signed copy of the Receipt for the Preliminary Horizontal Property Regime Public Report from each such person is also the responsibility of the Developer.

NAME OF PROJECT: KUIKAHI GARDENS

LOCATION: The approximately 4.318 acres of land to be committed to the regime is situated at 3170 Kalihi Street, Honolulu, Hawaii.

TAX MAP KEY: FIRST DIVISION: 1-4-13-7 & 50.

ZONING: R-5.

DEVELOPER: MIDPAC DEVELOPMENT, LTD., a Hawaii corporation, 1001 Ahua Street, Honolulu, Hawaii, Phone 847-8111, whose officers are: Wallace J. D. Lai, President; Richard T. G. Choy, Vice President/Treasurer; Charles W. McKeon, Vice President; Hatsue S. Kinoshita, Secretary/Asst. Vice President; and Tadayoshi Kimura, Asst. Secretary/Asst. Treasurer.

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

DESCRIPTION: The proposed Declaration of Horizontal Property Regime and plans submitted by the Developer indicate a fee simple condominium project consisting of one hundred two (102) apartments contained in nine (9) buildings, constructed principally of wood.

The layout, location and description of the various apartments of the project are as follows:

A. Five (5) buildings, being Buildings 1, 2, 3, 4 and 8, each consist of three (3) stories, no basement and twelve (12) apartments:

1. Apartment Nos. 101, 102, 103 and 104 as located on the first floor of Building 1.
2. Apartment Nos. 201, 202, 203 and 204 as located on the second floor of Building 1.
3. Apartment Nos. 301, 302, 303 and 304 as located on the third floor of Building 1.
4. Apartment Nos. 105, 106, 107 and 108 are located on the first floor of Building 2.
5. Apartment Nos. 205, 206, 207 and 208 are located on the second floor of Building 2.
6. Apartment Nos. 305, 306, 307 and 308 are located on the third floor of Building 2.
7. Apartment Nos. 109, 110, 111 and 112 are located on the first floor of Building 3.
8. Apartment Nos. 209, 210, 211 and 212 are located on the second floor of Building 3.
9. Apartment Nos. 309, 310, 311 and 312 are located on the third floor of Building 3.
10. Apartment Nos. 113, 114, 115 and 116 are located on the first floor of Building 4.
11. Apartment Nos. 213, 214, 215 and 216 are located on the second floor of Building 4.
12. Apartment Nos. 313, 314, 315 and 316 are located on the third floor of Building 4.
13. Apartment Nos. 129, 130, 131 and 132 are located on the first floor of Building 8.

14. Apartment Nos. 229, 230, 231 and 232 are located on the second floor of Building 8.

15. Apartment Nos. 329, 330, 331 and 332 are located on the third floor of Building 8.

B. Two (2) buildings, being Buildings 5 and 6, each consist of two (2) stories, eight (8) apartments, and a basement containing thirteen (13) parking stalls:

1. Apartment Nos. 117, 118, 119 and 120 are located on the first floor of Building 5.

2. Apartment Nos. 217, 218, 219 and 220 are located on the second floor of Building 5.

3. Apartment Nos. 121, 122, 123 and 124 are located on the first floor of Building 6.

4. Apartment Nos. 221, 222, 223 and 224 are located on the second floor of Building 6.

C. Building 7 consists of two (2) stories, eight (8) apartments, and a basement containing eight (8) parking stalls:

1. Apartment Nos. 125, 126, 127 and 128 are located on the first floor of Building 7.

2. Apartment Nos. 225, 226, 227 and 228 are located on the second floor of Building 7.

D. Building 9 consists of three (3) stories, no basement and eighteen (18) apartments:

1. Apartment Nos. 133, 134, 135, 136, 137 and 138 are located on the first floor of Building 9.

2. Apartment Nos. 233, 234, 235, 236, 237 and 238 are located on the second floor of Building 9.

3. Apartment Nos. 333, 334, 335, 336, 337 and 338 are located on the third floor of Building 9.

D. There are four (4) different types of apartments in the project, as follows:

UNIT "A": Forty-three (43) apartments, being Nos. 102, 104, 106, 108, 110, 112, 114, 116, 125, 127, 130, 132, 134, 136, 138, 202, 204, 206, 208, 210, 212, 214, 216, 225, 227, 230, 232, 234, 236, 238, 302, 304, 306, 308, 310, 312, 314, 316, 330, 332, 334, 336 and 338, are built according to this floor plan, each consisting of five (5) rooms, including two (2) bedrooms, a bathroom, a kitchen and a living-dining room; each of these apartments contains a floor area of approximately 714 square feet.

UNIT "Ar": Forty-three (43) apartments, being Nos. 101, 103, 105, 107, 109, 111, 113, 115, 126, 128, 129, 131, 133, 135, 137, 201, 203, 205, 207, 209, 211, 213, 215, 226, 228, 229, 231, 233, 235, 237, 301, 303, 305, 307, 309, 311, 313, 315, 329, 331, 333, 335 and 337, are built according to this floor plan, which is the mirror image of the Unit "A" floor plan.

UNIT "B": Eight (8) apartments, being Nos. 117, 119, 121, 123, 217, 219, 221 and 223, are built according to this floor plan, each consisting of six (6) rooms, including three (3) bedrooms, a bathroom, a kitchen and a living-dining room; each of these apartments contains a floor area of approximately 927 square feet.

UNIT "Br": Four (4) apartments, being Nos. 120, 124, 220 and 224, are built according to this floor plan, which is the mirror image of the Unit "B" floor plan.

UNIT "B1": Four (4) apartments, being Nos. 118, 122, 218 and 222, are built according to this floor plan, each consisting of six (6) rooms, including three (3) bedrooms, a bathroom, a kitchen and a living-room; each of these apartments contains a floor area of approximately 927 square feet.

NOTE: IN ACCORDANCE WITH LOCAL PRACTICE, THE APPROXIMATE GROSS FLOOR AREA OF EACH APARTMENT AS SET FORTH ABOVE INCLUDES ALL OF THE WALLS AND PARTITIONS WITHIN ITS PERIMETER WALLS, THE ENTIRETY OF ITS PERIMETER NON-PARTY WALLS AND THE INTERIOR HALF OF ITS PERIMETER PARTY WALLS, WHETHER LOAD-BEARING OR NON-LOAD BEARING.

The apartments have immediate access to a corridor which leads either to the grounds of the project or to a stairway which leads to the grounds of the project.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter or party walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment 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 which are not load-bearing within its perimeter or party walls, doors and door frames, windows and window frames, the inner decorated or finished surfaces of all walls, floors and ceilings, and all fixtures originally installed therein as shown on the Condominium Map and Condominium File Plan.

COMMON ELEMENTS: One (1) freehold estate is designated in all remaining portions of the project, herein called the "common elements", including specifically but not limited to:

1. The land in fee simple;
2. All foundations, floor slabs, columns, girders, beams, supports, unfinished perimeter, party and load-bearing walls, roofs, entries, stairways, walkways, entrances and exits of said buildings;
3. All yards, grounds and landscaping;
4. All parking areas, including without limitation, the twenty-six (26) stalls for guest parking designated on said Condominium Map and said Condominium File Plan by the letter "G";
5. 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;
6. Tot lot;
7. Bus stop shelter; and
8. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

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 having appurtenant thereto easements for the use of such limited common elements as follows:

1. One (1) parking space, as designated on said Condominium Map and Condominium File Plan by the same number as each of the respective apartments shall be appurtenant to and for the exclusive use of each such apartment.
2. The corridors and stairways leading from the apartments to the grounds of the project shall be appurtenant to and for the exclusive use of the respective apartments served by them.

INTEREST TO BE CONVEYED TO PURCHASERS: Documents filed with the Real Estate Commission indicate that the purchaser will secure an Apartment Deed, conveying an apartment and an undivided interest in all common elements of the project and the same proportionate share of all common profits and expenses of the project and for all other purposes including voting, as follows:

Forty-three (43) apartments, type "A": each of these units shall have an appurtenant common interest of .93660%;

Forty-three (43) apartments, type "Ar": each of these units shall have an appurtenant common interest of .93660%;

Eight (8) apartments, type "B": each of these units shall have an appurtenant common interest of 1.21578%;

Four (4) apartments, type "Br": each of these units shall have an appurtenant common interest of 1.21577%; and

Four (4) apartments, type "B₁": each of these units shall have an appurtenant common interest of 1.21577%.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that, except when a mortgagee has entered into possession of an apartment following (i) a default under a first mortgage, (ii) a foreclosure proceeding, or (iii) a conveyance in lieu of foreclosure, the apartments shall be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose. The apartments shall not be rented for transient or hotel purposes, which are defined as (a) rental for any period less than 30 days, or (b) any rental in which the occupants of the apartments are provided customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service. Except for such transient or hotel purposes the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration and the By-Laws attached thereto; provided, however, that no apartment owner may lease less than the entire apartment.

OWNERSHIP OF TITLE: A preliminary title report dated April 26, 1977, issued by Hawaii Escrow & Title, Inc., indicates that the Developer is the fee simple owner of the property to be committed to the regime.

ENCUMBRANCES AGAINST TITLE: Said preliminary title report dated April 26, 1977 and Supplemental Report of June 9, 1977, issued by Hawaii Escrow & Title, Inc., provide 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, City and County of Honolulu, Hawaii.

2. That certain lease of right-of-way in favor of Hawaiian Electric Company, Inc. dated December 24, 1938, filed as aforesaid as Document No. 46390.

3. Restriction of vehicle access rights, as shown on Map No. 109, as set forth by Land Court Order No. 39258, filed February 25, 1974, as amended by exchange deed dated September 21, 1973, filed as aforesaid as Document No. 692914.

4. Title to all minerals and metallic mines reserved to the State of Hawaii.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated May 27, 1977, between Hawaii Escrow & Title, Inc., as Escrow, and Developer has been filed with the Commission. On examination, the executed Escrow Agreement filed with the Commission is found to be in compliance with Chapter 514, Hawaii Revised Statutes, and particularly Sections 514-36 through 514-40 thereof.

Among other provisions, the executed Escrow Agreement states 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 cancellation fee, if purchaser shall in writing request refund of his funds and any one of the following shall have occurred: (a) Escrow receives a written request from Seller to return to purchaser the funds of such purchaser then held by Escrow; (b) if purchaser's funds were obtained prior to the issuance of a Final Public Report and if there is any change in the building plans, subsequent to the execution of purchaser's contract, requiring the approval of the county officer having jurisdiction over the issuance of permits for construction, unless the purchaser has given written approval or acceptance of the change; (c) if the purchaser's funds were obtained prior to the issuance of a Final Public Report and the 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 (d) if the Final Public Report is not issued within one (1) year from the date of issuance of the Preliminary Public Report.

The specimen Sales Contract filed with the Commission contains, among others, the following provisions:

1. "It is expressly understood and agreed by and between Seller and Buyer that Buyer's apartment described in paragraph "A" hereof will be conveyed to Buyer "AS IS" and that THERE ARE NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS OF THE APARTMENT FOR A PARTICULAR PURPOSE, involved in this sale."

2. "In the event less than seventy-one (71) apartments are sold prior to May 1, 1978, Seller may at its option cancel this Agreement, in which event Seller will cause Escrow to refund all monies paid by Buyer, without interest, and less Escrow's cancellation fee and Seller shall be relieved and released of all further liability hereunder."

3. "The parties understand and agree that the estimated completion date of the project, December 31, 1978, is an approximate date given to the best of the Seller's information and belief and that Buyer recognizes that such date may vary either by having the completion date extended or by completing construction prior to the estimated completion date. If the project is not completed and ready for occupancy on or before twelve (12) months after the estimated completion date, the obligations of both Buyer and Seller hereunder, at the sole option of Seller, shall terminate and all sums paid by Buyer hereunder shall be refunded without interest, and Seller shall be relieved and released of all further liability hereunder."

4. "Buyer hereby agrees for the sole benefit of Seller that until Seller has closed out the sale of all the apartments in the condominium project or until December 31, 1979, whichever shall first occur, that Buyer will not enter into any "rental pool" or similar agreement with any purchaser, lessee or owner of another apartment in the condominium project and/or any third party under which Buyer agrees to share expenses and/or rentals of apartments in the condominium project."

NOTE: Prospective purchasers should be aware that the Seller's mortgage loans (interim, renewals and extensions) for the project shall be and remain at all times a superior lien on the project, and purchasers intentionally waive and subordinate the priority of lien under the sales contract in favor of the mortgage loans.

NOTE: DEVELOPER ADVISES THAT NO REPRESENTATION 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. RENTAL OF THE APARTMENTS AND THE PROVISIONS OF MANAGEMENT SERVICES IN CONNECTION THEREWITH IS AND SHALL BE THE SOLE RESPONSIBILITY OF THE PURCHASER.

It is incumbent upon the purchaser and the prospective purchaser that he read with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of residential apartments are placed in trusts, as well as the retention and disbursement of said trust funds. The specimen Sales Agreement specifically provides that the purchaser approves said Escrow Agreement and assumes the benefits and obligations therein provided.

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 advises that it intends to appoint as initial managing agent for the project: Aaron M. Chaney, Inc., 841 Bishop Street, 4th floor, Honolulu, Hawaii 96813.

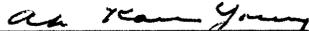
STATUS OF PROJECT: The Developer advises that it estimates that construction of the project will begin on or about September 1, 1977 and that it estimates that construction of the project will be completed on or about December 31, 1978.

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 13, 1977 and information submitted as of July 13, 1977.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 922 filed with the Commission June 13, 1977. This 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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ESCROW AGENT



AH KAU YOUNG, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

REGISTRATION NO. 922

July 19, 1977