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
KAPIOLANI GARDENS
2439 Kapiolani Boulevard
Honolulu, Hawaii

REGISTRATION NO. 969

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 10, 1978
Expires: August 10, 1979

SPECIAL ATTENTION

A comprehensive reading of this report 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 TO ESTABLISH A HORIZONTAL PROPERTY REGIME SUBMITTED ON JANUARY 23, 1978, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF JULY 5, 1978. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF THE INTENTION TO SELL AND REPORTING CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on KAPIOLANI GARDENS on March 23, 1978, Registration No. 969, the Developer has forwarded additional information to the Commission that is deemed material to purchasers.

2. The Developer has submitted to the Commission all documents deemed necessary for registration of the condominium project and the issuance of this Final 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 been filed in the office of the Real Estate Commission. The Declaration of Horizontal Property Regime, together with the By-Laws of the Association of Apartment Owners, have been filed at the Office of the Assistant Registrar of the Land Court of the State of Hawaii and noted on Transfer Certificate of Title No. 86,137 as Document No. 879645. The Assistant Registrar has designated the map for the project as Condominium Map No. 327.

4. Advertising material 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 514A 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 date of issuance, July 10, 1978, 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 KAPIOLANI GARDENS condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers, together with the Preliminary Public Report (yellow paper stock). Securing a signed copy of the Receipt for both Horizontal Property Regimes Public Reports from each purchaser and prospective purchaser is also the responsibility of the Developer.

With the exception of the following topical headings, the information provided in the Preliminary Public Report has not been revised:

DESCRIPTION OF APARTMENTS:

1. The "first apartment floor" contains (a) an apartment unit, (b) a tenant storage room, (c) a Recreation Room with Kitchen Facilities and 2 Restrooms (one for men and the other for women), (d) a Terrace Area, and (e) a Pool Terrace, which includes a 12'x17'x3' Splash Pool with a Jacuzzi.

2. There are two types of apartments in the project, designated as Type "A" and Type "B" apartments. Type "A" apartments include all apartments with "1" or "4" as the last digit of the apartment number. Type "B" apartments include all apartments with "2" or "3" as the last digit of the apartment number.

The gross floor area, the lanai area and the net living area of each apartment type on each apartment floor are as follows:

Apartment Type	Apartment Floor	Gross Apartment Area	Lanai Area	Net Living Area
A	1st - 17th	755 sq. ft.	158 sq. ft.	597 sq. ft.
A	18th - 20th	757 " "	99 " "	658 " "
B	1st - 17th	738 " "	151 " "	587 " "
B	18th - 20th	740 " "	94 " "	646 " "

3. All apartments in the project will consist of a living-dining room, 1 bedroom, a den, 1 bath, a kitchen and a lanai.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report prepared by LONG & MELONE, LTD., dated June 8, 1978, shows that the property is subject to the following encumbrances:

1. Mortgage in favor of FINANCE FACTORS, LIMITED, a Hawaii corporation, dated December 21, 1972 and filed as Land Court Document No. 611654.

2. Mortgage in favor of said FINANCE FACTORS, LIMITED, dated November 27, 1973 and filed as Land Court Document No. 661888.

3. Unrecorded Lease between ROSITA CHANG YEE, wife of Mung Yee, as Lessor, and GAF CORPORATION, a Hawaii corporation, as Lessee, dated May 29, 1975 (a short form of which is dated February 2, 1976 and filed as Land Court Document No. 756770), as amended by instrument dated December 31, 1976 and filed as Land Court Document No. 803751.

4. The aforesaid Declaration of Horizontal Property Regime and the By-Laws attached thereto.

5. The aforesaid Condominium Map.

6. For any taxes that are due and owing, reference is made to the office of the Tax Assessor of the State of Hawaii, First Division.

MANAGEMENT AND OPERATIONS: A Management Agreement, dated February 13, 1978, submitted to the Commission, shows, inter alia, that the ASSOCIATION OF APARTMENT OWNERS OF KAPIOLANI GARDENS has appointed TOWN MANAGEMENT, INC., its management agent for a term of three (3) years, expiring on February 12, 1981.

STATUS OF PROJECT:

Financing: Developer has submitted to the Commission a statement showing its estimated cost involved in completing the project and its program for financing the project.

1. The Developer intends to pay the cost of the project with (a) funds available to it from down payments made by apartment purchasers, (b) from its own funds, and (c) from an interim construction loan to be obtained from AMFAC FINANCIAL CORP., which loan will be secured by a mortgage on the leasehold interest of GAF CORPORATION in the real property submitted to the Horizontal Property Regime.

2. The Developer, by letter dated June 14, 1978, has advised the Commission that (a) a firm commitment for the interim construction financing for this project was obtained from AMFAC FINANCIAL CORP., a Hawaii corporation, on April 7, 1978, and (b) a firm commitment for the permanent financing for this project was obtained from FIDELITY SAVINGS AND LOAN ASSOCIATION, a California corporation, on April 4, 1978. Said commitment provides that certain conditions must be met by the Developer before FIDELITY SAVINGS AND LOAN ASSOCIATION is obligated to make any loans. The purchaser or prospective purchaser is advised to familiarize himself with the terms and conditions contained in the permanent financing commitment of FIDELITY SAVINGS AND LOAN ASSOCIATION.

Construction: The Developer has submitted to the Commission (1) a copy of the Construction Contract between the Developer and HARVIS CONSTRUCTION, INC., dated March 20, 1978, (2) a copy of Performance Bond No. 850915, issued by SEABOARD SURETY COMPANY, dated April 26, 1978, in the principal amount of $2,208,000.00 (Said Bond names HARVIS CONSTRUCTION, INC., as "Contractor-Principal", the Developer, as "Owner-Obligee", and SEABOARD SURETY COMPANY, as "Surety".), and (3) copy of Building Permit Nos. 81768 and 101402, issued by the City and County of Honolulu for the project. The Developer advised the Commission that its estimated date for completing the project is July 15, 1979.

The purchaser or prospective purchaser should be cognizant of the fact that this Final Public Report represents information disclosed by the Developer in the required Notice of Intention submitted January 23, 1978, and additional information subsequently filed as of July 5, 1978.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 969 filed with the Commission on January 23, 1978.

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 in color.

(for) AH KAU YOUNG, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

DISTRIBUTION:
DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

REGISTRATION NO. 969
JULY 10, 1978