

**REAL ESTATE COMMISSION**

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII  
1010 RICHARDS STREET  
P. O. BOX 3469  
HONOLULU, HAWAII 96801

**SUPPLEMENTARY  
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)  
PUBLIC REPORT**

on

PUUALII, PHASE I, INCREMENT 5  
Heeia, Koolaupoko, City and County of Honolulu  
State of Hawaii

REGISTRATION NO. 1004

**This Report Is Not an Approval or Disapproval of This Condominium Project**

It was prepared as a supplement to an earlier Report dated June 19, 1978 issued by the Real Estate Commission on the above 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, 1979  
Expires: January 18, 1980

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 MAY 11, 1978 AND INFORMATION SUBSEQUENTLY FILED AS OF JUNE 26, 1979. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION AND DATA ON MATERIAL CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Report dated June 19, 1978, the Developer reports that changes have been made in the information which was presented in the Preliminary Public Report.

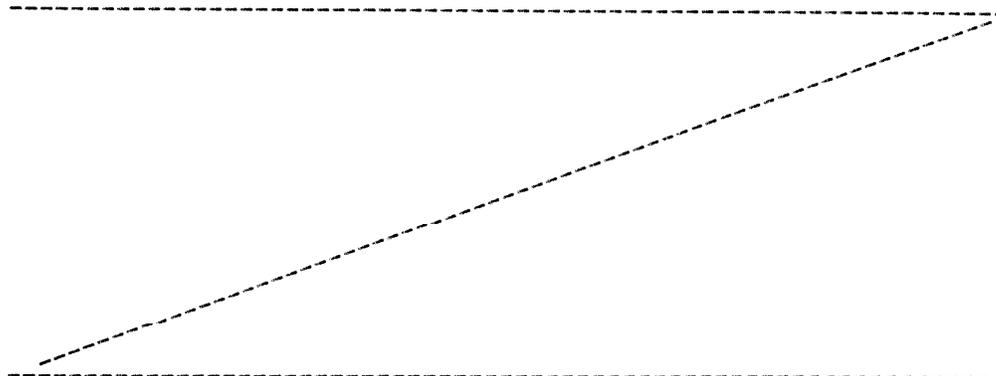
The changes subsequently made are determined to be a material revision to the information disclosed earlier.

2. This Supplementary Public Report (pink stock paper) amends the Preliminary Public Report (yellow stock paper), becoming a part of the PUUALII, PHASE I, INCREMENT 5 registration. The Developer is responsible for placing a true copy of the Supplementary Public Report in the hands of all purchasers and prospective purchasers, along with a copy of the Preliminary Public Report. It is also the responsibility of the Developer to obtain the required receipts signifying that the purchaser has had an opportunity to read the two reports.
3. The Developer has submitted to the Commission for examination all documents deemed necessary for the registration and updating of the information disclosed therein.
4. Promotional and advertising materials have been submitted pursuant to the rules and regulations promulgated by the Commission.
5. The purchaser and prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, and the Commission rules and regulations promulgated thereunder which relate to horizontal property regime.
6. This Supplementary Public Report amends the expiration date of the Preliminary Public Report to cause both reports to expire on January 18, 1980.

Except for the topical headings which follow, the information in the topical headings of the Preliminary Report dated June 19, 1978, has not been disturbed.

LOCATION: The area of the Project, which was described in the Preliminary Public Report of June 19, 1978 as containing 3.076 acres, instead will be 2.982 acres.

DESCRIPTION: The area of each garage, which was described in the Preliminary Public Report of June 19, 1978 as containing 200 square feet, instead will contain 183 square feet, as more particularly set forth in the table below. In connection therewith, the approximate total area of each apartment and its appurtenant lanai and garage will be reduced by 17 square feet, as more particularly set forth in said table below. This change is with respect to a limited common element only and does not affect the percent of common interest of each apartment in the common elements. Except as aforesaid, the table contained in this heading describing the apartments remains unchanged. The revised table incorporating the said change reads as follows:



<u>Apt** No.</u>	<u>Parking Space Nos.</u>	<u>Unit Type</u>	<u>No. of Rms.</u>	<u>No. of Flrs.</u>	<u>Sq. Ft. Living Area</u>	<u>Sq. Ft. Garage</u>	<u>Sq. Ft. Lanai</u>	<u>Total Square Feet</u>	<u>% of Common Interest</u>
221	1 & 2*	H4E	7	1	981	183	84	1,248	2.9587
222	7 & 8*	H4	7	1	964	183	84	1,231	2.9078
223	9 & 10*	H4	7	1	964	183	84	1,231	2.9078
224	15 & 16*	H4E	7	1	981	183	84	1,248	2.9587
211	3 & 4*	H1E	6	2	983	183	84	1,250	2.9650
212	5 & 6*	H1	6	2	974	183	84	1,241	2.9378
213	11 & 12*	H1	6	2	974	183	84	1,241	2.9378
214	13 & 14*	H1E	6	2	983	183	84	1,250	2.9650
321	17 & 18*	H4E	7	1	981	183	84	1,248	2.9587
322	23 & 24*	H4	7	1	964	183	84	1,231	2.9078
323	25 & 26*	H4	7	1	964	183	84	1,231	2.9078
324	31 & 32*	H4	7	1	964	183	84	1,231	2.9078
325	33 & 34*	H4E	7	1	981	183	84	1,248	2.9587
311	19 & 20*	H1E	6	2	983	183	84	1,250	2.9650
312	21 & 22*	H1	6	2	974	183	84	1,241	2.9378
313	27 & 28*	H1	6	2	974	183	84	1,241	2.9378
314	29 & 30*	H1	6	2	974	183	84	1,241	2.9378
315	35 & 36*	H1E	6	2	983	183	84	1,250	2.9650
421	46 & 47*	H4E	7	1	981	183	84	1,248	2.9587
422	52 & 53*	H4	7	1	964	183	84	1,231	2.9078
423	54 & 55*	H4	7	1	964	183	84	1,231	2.9078
424	60 & 61*	H4E	7	1	981	183	84	1,248	2.9587
411	48 & 49*	H1E	6	2	983	183	84	1,250	2.9650
412	50 & 51*	H1	6	2	974	183	84	1,241	2.9378
413	56 & 57*	H1	6	2	974	183	84	1,241	2.9378
414	58 & 59*	H1E	6	2	983	183	84	1,250	2.9650
521	62 & 63*	H4E	7	1	981	183	84	1,248	2.9587
522	68 & 69*	H4	7	1	964	183	84	1,231	2.9078
523	70 & 71*	H4	7	1	964	183	84	1,231	2.9078
524	76 & 77*	H4E	7	1	981	183	84	1,248	2.9587
511	64 & 65*	H1E	6	2	983	183	84	1,250	2.9650
512	66 & 67*	H1	6	2	974	183	84	1,241	2.9378
513	72 & 73*	H1	6	2	974	183	84	1,241	2.9378
514	74 & 75*	H1E	6	2	983	183	84	1,250	2.9650

NOTE: \* represents open parking stall.

\*\* Apartment Nos. 221 through 224 inclusive and 211 through 214 inclusive are located at 46-010 Aliikane Place.

Apartment Nos. 321 through 325 inclusive and 311 through 315 inclusive are located at 46-020 Aliikane Place.

Apartment Nos. 421 through 424 inclusive and 411 through 414 inclusive are located at 46-026 Aliikane Place.

Apartment Nos. 521 through 524 inclusive and 511 through 514 inclusive are located at 46-036 Aliikane Place.

ENCUMBRANCE: The Preliminary Report dated March 20, 1978 and the Supplemental Report dated May 11, 1979 issued by Security Title Corporation identify that the title to the land is encumbered as follows:

1. The terms and provisions of that certain Bishop Estate Lease No. 24,620 dated June 7, 1976, filed in said Office of the Assistant Registrar as Document No. 768125, and also recorded

in said Bureau of Conveyances in Book 11460, Page 547, made by and between TRUSTEES OF THE ESTATE OF BERNICE PAUAHI BISHOP, as Lessors, and THOMAS FRANCIS McCORMACK, husband of Hilda Frances McCormack, as Lessee, for a term commencing from the first day of January, 1976; as amended by instrument dated June 3, 1977, filed in said Office of the Assistant Registrar as Document No. 838309, and also recorded on October 4, 1977 in said Bureau of Conveyances in Book 12471, Page 444; and as further amended by instrument dated March 6, 1978, filed in said Office of the Assistant Registrar as Document No. 872979, and also recorded in said Bureau of Conveyances in Liber 12868, Page 431.

2. The terms and provisions of that certain Bishop Estate Sublease No. 24,620-A dated June 7, 1976, filed in said Office of the Assistant Registrar as Document No. 768126, and also recorded on June 9, 1976 in said Bureau of Conveyances in Book 11461, Page 1, made by and between TRUSTEES OF THE ESTATE OF BERNICE PAUAHI BISHOP, "Owners", and THOMAS FRANCIS McCORMACK, husband of Hilda Frances McCormack, "Tenant", holder of the Master Lease dated June 7, 1976, filed in said Office of the Assistant Registrar as Document No. 768125, and also recorded in said Bureau of Conveyances in Book 11460, Page 547, as Lessors, and SWIRE-McCORMACK LTD., a Hawaii corporation, as Lessee, for a term of 61 years commencing from the first day of January, 1976; as amended by instrument dated June 6, 1977, filed in said Office of the Assistant Registrar as Document No. 838310, and also recorded on October 4, 1977 in said Bureau of Conveyances in Book 12471, Page 451; and as further amended by instrument dated March 6, 1978, filed in said Office of the Assistant Registrar as Document No. 872980, and also recorded in said Bureau of Conveyances in Liber 12868, Page 440.

Said Sublease is subject to the following:

- a) Mortgage dated January 13, 1978, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 861372, and also recorded on February 22, 1978 in said Bureau of Conveyances in Book 12732 Page 163, made by SWIRE-McCORMACK LTD., a Hawaii corporation, as Mortgagor(s), to BANK OF HAWAII, a Hawaii banking corporation, as Mortgagee(s), to secure the repayment of the sum of \$2,000,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor(s) therein referred to.
- b) Mortgage dated June 9, 1976, filed in said Office of the Assistant Registrar as Document No. 768534, and also recorded on June 14, 1976 in said Bureau of Conveyances in Book 11465 Page 261, made by SWIRE-McCORMACK LTD., as Mortgagor, to SWIRE PROPERTIES (Netherlands) B. V., as Mortgagee, to secure the repayment of the sum of \$1,000,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to.

By instrument dated January 24, 1978, filed in said Office of the Assistant Registrar as Document No.

861373, and also recorded on February 22, 1978 in said Bureau of Conveyances in Book 12732 Page 205, the foregoing mortgage was subordinated to the lien of that certain mortgage referred to as Encumbrance No. 2a hereof.

- c) Mortgage dated December 2, 1976, filed in said Office of the Assistant Registrar as Document No. 793973, and also recorded on December 14, 1976 in Said Bureau of Conveyances in Book 11880 Page 42, made by SWIRE-McCORMACK LTD., as Mortgagor, to SWIRE PROPERTIES (Netherlands) B. V., as Mortgagee, to secure the repayment of the sum of \$2,400,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor therein referred to.

By instrument dated January 24, 1978, filed in said Office of the Assistant Registrar as Document No. 861373, and also recorded on February 22, 1978 in said Bureau of Conveyances in Book 12732 Page 205, the foregoing mortgage was subordinated to the lien of that certain mortgage referred to as Encumbrance No. 2a hereof.

3. Declaration as to Merger of Increments in a Condominium Project dated May 12, 1977, filed in said Office of the Assistant Registrar as Document No. 838311, and also recorded on October 4, 1977 in said Bureau of Conveyances in Book 12471 Page 458, made by the Trustees of the Estate of Bernice Pauahi Bishop, Deceased, Thomas Francis McCormack, husband of Hilda Frances McCormack and Swire-McCormack Ltd., a Hawaii corporation, "Developer".
4. Declaration of Covenants, Conditions and Restrictions for PuuAlii dated May 12, 1977, filed in said Office of the Assistant Registrar as Document No. 838312, and also recorded on October 4, 1977 in said Bureau of Conveyances in Book 12471 Page 469.
5. Grant dated September 30, 1977, filed in said Office of the Assistant Registrar as Document No. 839449, made by the Trustees of the Estate of Bernice Pauahi Bishop, as Grantors, and the City and County of Honolulu, a municipal corporation of the State of Hawaii, as Grantee, and the Board of Water Supply, City and County of Honolulu, as Board, granting forever, the right, in the nature of an easement, to be exercised and enjoyed by the Board, to construct, etc., an underground water pipeline or pipelines, etc., as the Board shall deem necessary to properly measure and control water conveyed to consumers through the pipeline or pipelines, or to provide a proper water fixture for fire fighting purposes, over, under, across and through Lot 1640. Consents thereto filed as Document Nos. 839450, 839451 and 839452.
6. Easement 581 over and across Lot 1640, as shown on Map 173, as set forth by Land Court Order No. 46715, filed March 3, 1977.
7. Designation of Easement 590 affecting Lot 1640, as shown on Map 184, as set forth by Land Court Order No. 49233, filed

January 20, 1978.

8. Grant dated March 9, 1978, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 870766, and also recorded on April 20, 1978 in the Bureau of Conveyances of the State of Hawaii in Book 12843 Page 484, made by TRUSTEES OF THE ESTATE OF BERNICE PAUAHI BISHOP, as Grantors, and HAWAIIAN ELECTRIC COMPANY, INC., a Hawaii corporation, as Grantee. Consents thereto filed as Document Nos. 870767 and 870768, and also recorded in Book 12843 Pages 487 and 493, respectively.
9. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent No. 1559.
10. For any taxes that may be due and owing, reference is made to the Office of the Tax Assessor, First Division.

NOTE: The Developer has advised the Commission that at the time the first apartment lease is entered into between the Trustees of the Estate of Bernice Pauahi Bishop and Thomas Francis McCormack, as Lessors, and an apartment purchaser, as Lessee, every mortgage and other lien affecting both such apartment and any other apartment shall be paid and satisfied of record, or the apartment being leased shall be released therefrom by partial release duly recorded.

The Developer has advised the Commission that appropriate easements will be granted to public utilities and others for the construction, installation, operation, maintenance, repair and replacement of lines and other transmission facilities and appurtenances for electricity, gas, telephone, radio and television signal distribution and other services and utilities which may be necessary in order to serve the property.

PURCHASE MONEY HANDLING: The Developer has advised the Commission that the Specimen Receipt and Sales Contract has been revised such that the Developer no longer has the option to terminate the Sales Contract if it fails to sell at least 50% of the apartments in the Project by a certain date. For that reason, the last paragraph contained in this topical heading of the Preliminary Public Report of June 19, 1978 is hereby amended in its entirety as follows:

"Among other provisions, the Specimen Receipt and Sales Contract states that (1) Seller agrees that it will erect the building containing said apartment within the period of two (2) years from the date hereof; provided, however, that such 2-year period shall be extended for any period of time during which Seller is actually and necessarily delayed in beginning or completing construction if said delay is caused by fire, earthquake, acts of God, the elements, war or civil disturbances, strikes or other labor disturbances, or economic controls making it impossible to obtain the necessary labor or material, or other matters or conditions beyond the

control of Seller. If pursuant to the foregoing sentence such 2-year period is extended for more than 9 months, either the Seller or purchaser may, upon fifteen (15) days' written notice to the other, terminate said Contract and all sums paid by the Buyer hereunder shall be refunded without interest less the cost of any credit reports and other costs including escrow charges incurred by Seller; and (2) Buyer acknowledges that construction activity will continue after Buyer has occupied the apartment and that this activity may result in noise, dust or other annoyance and inconvenience and waives any and all rights, claims or actions for damages arising therefrom except (a) damages attributable to sole negligence of Seller or (b) damage to person or tangible property."

MANAGEMENT AND OPERATIONS: The Developer has advised that it has entered into an Agency and Property Management Agreement with Certified Management, a division of A R Corporation, a Hawaii corporation, whose principal place of business and post office address is 98-1238 Kaahumanu Street, Suite 404, P. O. Box 547, Pearl City, Hawaii 96782.

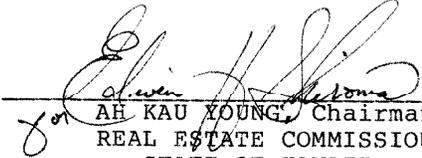
STATUS OF PROJECT: The Developer has advised the Commission that as of April 30, 1979, approximately 37% of the Project has been completed and the estimated time of substantial completion of construction of the total project is on or about September 1, 1979.

PROGRAM OF FINANCING: The Developer has received loan commitments from SWIRE PROPERTIES (NETHERLANDS) B.V. and from Bank of Hawaii. The documents for the aforesaid loan and the Developer's Statement of Financing for the completion of the Project have been forwarded to the Commission and may be reviewed.

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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 on May 11, 1978, and information subsequently filed as of June 26, 1979.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1004 filed with the Commission on June 19, 1978.

The report, when reproduced, shall be a true copy of the Commission's Public Report. In making facsimiles the paper stock shall be pink in color.

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

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REGISTRATION NO. 1004

June 28, 1979.