

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
WAHIAWA GARDENS
251-A WALKER AVENUE
WAHIAWA, OAHU, HAWAII
REGISTRATION NO. 1029

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 16, 1979

EXPIRES: August 16, 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 8, 1979,
AND INFORMATION SUBSEQUENTLY FILED AS OF JULY 11, 1979.
DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION
TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF CHAPTER
514A, HAWAII REVISED STATUTES

1. WAHIAWA GARDENS is a proposed leasehold condominium project consisting of twenty-eight (28) apartments, all to be built in accordance with floor plans filed with the Real Estate Commission. The project will contain not less than twenty-nine (29) regular and seven (7) compact parking spaces.
2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the issuance of this Preliminary Public Report. The Developer shall be responsible for placing this Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers. Securing a signed copy of the receipt therefor from each purchaser and prospective purchaser is also the responsibility of the Developer.
3. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
4. The basic documents (Master Lease, Declaration of Horizontal Property Regime, Bylaws of the Association of Apartment Owners, and a copy of the approved floor plans) have not been recorded in the office of the recording officer.
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 Preliminary Public Report automatically expires thirteen (13) months after date of issuance, July 16, 1979, unless a Supplementary or Final Public Report is issued or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: WAHIAWA GARDENS

LOCATION: The land submitted to the Regime, approximately 16,650 square feet, is located in Wahiawa, Oahu, Hawaii.

TAX MAP KEY: TMK 7-4-1-24

ZONING: A-3 (Apartment District)

DEVELOPER: Wahiawa Gardens, Inc., a Hawaii corporation, whose principal place of business and post office address is 251-A Walker Avenue, Wahiawa, Oahu, Hawaii 96786, telephone number 621-6191. The officers of the corporation are:

John Y. Kihara	President
Gaylord M. Kihara	Vice President
Akiko B. Kihara	Secretary and Treasurer

ATTORNEY REPRESENTING DEVELOPER: WOO, KESSNER & DUCA,
Suite 300, 828 Fort Street Mall, Honolulu, Hawaii 96813
(Attention: Vernon Y. T. Woo) Telephone number 524-0955.

DESCRIPTION: The proposed Declaration of Horizontal Property Regime provides that the land will be improved according to the Developer's plans and intention to sell, by constructing thereon one three-story residential building, without basement, containing twenty-eight (28) apartments and not less than thirty-five (35) parking spaces located on the ground floor. Each apartment unit will include standard appliances.

The building will be constructed principally of hollow-tile and reinforced concrete.

The net floor area (excluding the lanai) number of bedrooms and undivided percentage interest in the common elements of each unit are as follows:

<u>Residential Unit No.</u>	<u>Net Floor Area</u>	<u>Number of Bedrooms</u>	<u>Percentage Interest</u>
201, 214, 301 & 314	590 sq. ft.	2-bedroom	3.5025%
202, 203, 204 205, 210, 211, 212, 213, 302, 303, 304, 305, 310, 311, 312, & 313	575 sq. ft.	2-bedroom	3.4131%
206 & 306	579.03 sq. ft.	2-bedroom	3.435%
207 & 307	858.49 sq. ft.	2-bedroom	5.095%
208 & 308	620.78 sq. ft.	1-bedroom	3.685%
209 & 309	585.14 sq. ft.	2-bedroom	3.475%

The floor areas were arrived at by taking the measurements from the center line of common walls to the exterior surface of exterior walls, without exclusions for ducts, columns, stairs, elevators, walls, or other interior construction or equipment within such areas.

COMMON ELEMENTS: The common elements will include the limited common elements described in the next topical heading, LIMITED COMMON ELEMENTS, and all other portions of the project other than the apartments, and all common elements mentioned in the Horizontal Property Act which are actually included in the project including specifically but not limited to:

- (a) The land in fee simple.
- (b) The foundation, exterior walls, floors, columns, beams, supports, load-bearing walls, roof and stairways connecting the first and second floor in the buildings.

- (c) The yards, grounds, landscaping, refuse facilities, walkways, lobby, parking areas, and driveways.
- (d) All pipes, wires, conduits, and other utility or service lines which are utilized for or serve another unit or more than one unit.
- (e) Seven (7) unassigned parking stalls.
- (f) All parking stalls other than those which are limited common elements.
- (g) One automatic electric elevator with elevator housing and appurtenant equipments.
- (h) All other parts of the project existing for the common use or necessary to the existence, maintenance and safety of the project.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, called "Limited Common Elements", are set aside and reserved for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements. The limited common elements are the twenty-eight (28) parking stalls set aside and reserved, one for the exclusive use of each apartment, the stalls being designated and assigned with the same number as the apartment as shown on the Condominium File Plan. In addition, the stairways located in the building that connect the second and third floors and the third floor corridor shall be a limited common element for the apartments on the third floor of the building. The second floor corridor shall be a limited common element for the apartments on the second floor of the building. Boundary walls and load-bearing walls are limited common elements of the apartments that they bound or are enclosed by.

(a) Limits of Apartments. The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of either the perimeter walls, the interior load-bearing walls, or the floors and ceilings surrounding each of them or any pipes, wires, conduits, or other utility lines running through them which are utilized for or serve more than one unit are 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 walls and the finished surfaces of the floor and ceiling, including paint, wallpaper, or the like, carpeting, floor covering and built-in fixtures. Additionally, the boundary lines of each apartment are the exteriors of doors, windows, and glass walls and the frames thereof.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto an undivided percentage interest in all common elements of the project for all purposes including voting, as set forth hereinabove under DESCRIPTION.

PURPOSE AS TO USE: The proposed Declaration provides that the apartments shall be occupied and used only as residences, or for rental subject to the Declaration and Bylaws and for no other purposes.

The House Rules provide, in part: (1) Occupancy is limited to not more than two (2) persons per bedroom contained in each apartment, except that this occupancy may be exceeded by members of the immediate family of the owner, rentee, or lessee; and (2) No livestock, poultry or other animals or pets shall be allowed or kept in any part of the project without the prior written consent of the Board of Directors.

ENCUMBRANCES AGAINST TITLE: A commitment letter for title insurance dated May 1, 1978 prepared by National Title Corporation reflects the following encumbrances against title:

1. The water rights as contained in that certain instrument dated April 18, 1903, recorded on December 12, 1904 in Book 266 page 26.

2. The restrictive covenant in Deed dated November 10, 1920, recorded on November 16, 1920 in Book 577 page 119, to-wit:

"That neither the granted premises or any building thereon shall ever be occupied or used, in whole or in part for the purpose of prostitution or of carrying on any trade, business or profession, the exercise, conduct or pursuit of which shall be noxious, offensive or dangerous to the neighboring inhabitants.

That no malt, vinous, spirituous or intoxicating liquors of any kind shall ever be sold or exposed for sale or manufactured on the granted premises or any part thereof . . . "

3. Real Estate Mortgage dated December 6, 1961, recorded on December 7, 1961 in Book 4175 Page 124, made by TAJIRO URANAKA and AIKO K. URANAKA, husband and wife, as Mortgagors, to STATE SAVINGS AND LOAN ASSOCIATION, a Utah corporation, as Mortgagee.
Consideration: \$12,000.00.
Note: Purchasers of units in the project shall acquire their interest free and clear of this mortgage.

4. Terms and provisions of Master Lease dated March 31, 1979, recorded in Book 13611 page 302, by and between JOHN YUZO KIHARA and AKIKO SAKUOKA KIHARA and WAHIAWA GARDENS, INC. for a term of sixty (60) years.

5. Real Property Taxes, Reference is made to Tax Assessor, First Division for any taxes due and owing.

PURCHASE MONEY HANDLING: A copy of the Escrow Agreement, dated June 1, 1978, between National Escrow Corp., a Hawaii corporation, as "Escrow", and the Developer, as "Seller", has been submitted to the Commission as part of the registration. On examination, the Specimen Sales Contract and the executed Escrow Agreement are found to be in compliance with Chapter 514A Hawaii Revised Statutes, and particularly Section 514A-39 and 514A-40 and Sections 514A-63 through 514A-66.

Among other provisions of the Escrow Agreement, purchasers and prospective purchasers are advised to carefully read and understand the following:

1. A purchaser shall be entitled to a return of his funds, and Escrow shall pay such funds to such purchaser, without interest, promptly after purchaser has requested such return, if Escrow has received from Developer a certificate, authorizing Escrow to rely thereon, stating that any one of the following has occurred:

(a) Developer has requested Escrow to return to purchaser the funds of purchaser then being held hereunder by Escrow; or

(b) Developer has notified Escrow of Developer's exercise of the option to rescind the sales contract pursuant to any right of rescission stated therein or otherwise available to Developer; or

(c) With respect to a purchaser whose funds were obtained prior to the issuance of the Final Report, there shall be any change in the building plans requiring approval of a county office having jurisdiction over the issuance of building permits, except such changes as are specifically authorized in the Declaration of Horizontal Property Regime or by the terms of the sales contract, or to which said purchaser has otherwise consented in writing; or

(d) The Final Report differs in a material respect from the Preliminary Report, and the purchaser's written approval of such change has not been obtained, or

(e) The Final Report is not issued within one year from the date of issuance of the Preliminary Report.

2. All moneys paid by the purchaser prior to the issuance of the Final Report shall be deposited in trust with Escrow and Escrow is hereby instructed that no disbursements shall be made from such trust fund on behalf of the Seller until the Sales Contract has become effective, and the requirements of Sections 514A-39, 514A-40 and 514A-63-66, Hawaii Revised Statutes, have been met.

Some of the provisions of the specimen Sales Contract, in part are:

1. If Buyer wishes a first mortgage loan on the Apartment for the payment of a portion of the purchase price described above, Buyer shall apply for such loan. If the application for such loan or eligibility and credit approval therefor is rejected by such lending institution at any time or not approved within thirty (30) days after

submission of such application, Seller has the option to terminate Buyer's contract and cause Escrow to refund to Buyer all moneys previously paid without interest less all costs incurred by Seller.

2. Prior to the issuance of a Final Public Report on the project, and at various other times described in paragraph 15 of the Sales Contract, Seller may at its option cancel this agreement in which event Seller will cause Escrow to refund to Buyer all monies paid without interest, and Seller shall be relieved and released of all further liability hereunder.

3. All taxes, assessments and charges of any kind assessable against the land or building or apartments shall be payable according to the terms of the Declaration and as by law provided and will be prorated as of date of the Seller's second publication of its notice of completion, whether or not Buyer takes actual occupancy thereof. All closing costs in connection with this sale are to be paid by Buyer. Seller will pay the applicable conveyance taxes. At closing Buyer will make an advance payment for lease rent and for a maintenance assessment fund and escrow will pay said sum to the Association.

4. The lien of the interim mortgage, when obtained for the construction of the project, shall be prior and superior to all rights of Buyer arising from the Sales Contract. Buyer irrevocably appoints Seller the attorney-in-fact of Buyer to execute and deliver on behalf of the Buyer an instrument of subordination which the interim mortgagee or its successors or assigns may require.

MANAGEMENT OF THE PROJECT: The proposed Bylaws of the Association of Apartment Owners vest in the Board of Directors the powers and duties necessary for the administration of the overall affairs of the project and the Board may employ necessary personnel to carry out the management and operation thereof.

The Developer anticipates appointing Tropic Shores Realty, Ltd. as the initial managing agent for the project.

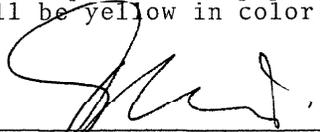
STATEMENT OF FINANCING: The construction financing of the project is presently being negotiated but has not yet been executed. The cost of the project is unknown as yet.

STATUS OF PROJECT: Construction of the project is estimated to begin April 1980.

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 filed on May 8, 1979 and information subsequently filed as of July 11, 1979.

This PRELIMINARY HORIZONTAL PROPERTY REGIMES
(CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION
NO. 1029 filed with the Commission on May 8, 1979.

This report, when reproduced, shall be a true
copy of the Commission's public report. The paper stock
used in making facsimiles shall be yellow in color.



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

Distribution:

Department of Taxation
Bureau of Conveyances
Department of Land Utilization
City and county of Honolulu
Federal Housing Administration
Escrow Agent

Registration No. 1029

Date: July 16, 1979