

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

THE CLIFFS AT PRINCEVILLE
Princeville, Kauai, Hawaii

Registration No. 1092

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: September 25, 1979

Expires: October 25, 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 FEBRUARY 16, 1979 AND INFORMATION SUBSEQUENTLY FILED AS OF SEPTEMBER 14, 1979. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIME LAW, CHAPTER 514A, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report on "THE CLIFFS AT PRINCEVILLE", Registration No. 1092, dated April 12, 1979, the Developer has submitted additional information which is deemed material.
2. The Developer of the project has submitted to the Commission for examination all documents necessary for the registration of this condominium project and issuance of this Final Public Report.
3. The Developer reports that the Declaration of Horizontal Property Regime and the Bylaws dated August 4, 1979 have been filed in the Bureau of Conveyances of the State of Hawaii in Liber 13930 at Page 690 and the Condominium Map has been filed as Condominium Map No. 636.
4. No advertising and promotional matter has been submitted to the Commission pursuant to its rules and regulations.
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 the date of issuance, September 25, 1979, unless a Supplementary Public Report issues, or the Commission, upon review of this registration, issues an order extending the effective date of this report.
7. This Final Public Report is made a part of the registration of THE CLIFFS AT PRINCEVILLE condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers along with a copy of the Preliminary Public Report (yellow paper stock) and Disclosure Abstract and securing a signed receipt therefor.

The information under the topical headings of the Preliminary Public Report issued April 12, 1979 has not changed except for that under the following headings:

COMMON ELEMENTS: There are delineated on Condominium Map, 207 parking stalls which shall be unassigned. In addition, the areas immediately adjacent to the delineated spaces shall be available for, and shall provide space for, an additional 128 unassigned stalls. The total of 335 parking stalls equals the number stated in the Preliminary Public Report.

OWNERSHIP OF TITLE: The Developer has filed with the Commission a Preliminary Title Report, dated August 4, 1979, prepared by Title Guaranty of Hawaii, Incorporated, which certifies that title to the land committed to this regime is vested in Cliffs at Princeville Associates, a Hawaii limited partnership, as lessee, under that certain lease dated July 17, 1979, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13852, Page 590, with Ralph D. Cornuelle, as trustee under Declaration of Trust dated July 17, 1979 and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 13852, Page 542, as lessor.

ENCUMBRANCES: Said Preliminary Title Report prepared by Title Guaranty of Hawaii, Incorporated dated August 4, 1979 indicates that title to the land is subject to the following:

1. As to Parcel First only:

(a) Location of the seaward boundary in accordance with the law of the State of Hawaii, and shoreline setback line in accordance with county regulation and/or ordinance.

(b) Easement "A" (30.00 feet wide) for access and utility purposes in favor of Lot 6-B of Princeville at Hanalei, Parcel 1-B, Unit XI, said easement being more particularly described in said Preliminary Title Report.

(c) Easement "B" (20.00 feet wide) for road and utility purposes in favor of Lot 6-B of Princeville at Hanalei, Parcel 1-B, Unit XI, said easement being more particularly described in said Preliminary Title Report.

(d) Reserving, however, unto Consolidated Oil & Gas, Inc., its successors and assigns, the following:

(1) Easement "D-3" (10.00 feet wide) for drainage purposes, said easement being more particularly described in said Preliminary Title Report.

(2) Right to grant roadway easement over, across, along and upon the roadway lots shown on File Plan Nos. 1179 and 1360 and Roads A, C and D hereinabove described, to the purchaser, purchasers, lessee, lessees, owner or owners of each of the lots within Princeville at Hanalei and to any purchaser, purchasers, lessee, lessees, owner or owners of lots hereinafter created within Princeville at Hanalei.; as reserved in deed dated July 17, 1979, recorded in Liber 13852 at Page 497.

(e) A grant in favor of the County of Kauai, dated June 3, 1975, recorded in Liber 11267 at Page 276; granting an easement for pedestrian and access purposes over, under and across a portion of said parcel, besides other land, said easement being designated as easement "P-3" (6 feet wide), and containing an area of 3,992 square feet.

(f) Mortgage dated July 17, 1979, recorded in Liber 13852 at Page 519, made by PT-V, a Hawaii registered limited partnership, George F. Hutton, Ralph Cornuelle and Associates, Inc., a Hawaii corporation, Arthur B. Hansen, Inc., a Hawaii corporation, and Rex D. Johnson and Paula K. Johnson, husband and wife, to Consolidated Oil & Gas, Inc., a Colorado corporation, mortgaging the fee simple interest in and to Parcel First, to secure the repayment of the sum of \$839,650.00.

By Subordination of Mortgage dated July 17, 1979, recorded in Liber 13853 at Page 87, said above mortgage was subordinated to the lien of that certain Mortgage and Security Agreement recorded in Liber 13852 at Page 648, that certain Additional Security Mortgage, Security Agreement, Assignment of Lease and Subordination of Settlers' Interest recorded in Liber 13852 at Page 730 and that certain Second Additional Security Mortgage, Security Agreement, Assignment of Lease and Subordination of Settlers' Interest recorded in Liber 13853 at Page 1.

2. As to Parcel Second only:

(a) "Reserving unto Consolidated Oil & Gas, Inc., its successors and assigns, the following:

(1) Easement "D-3" (10 feet wide) for drainage purposes over said Lot 6-B, said easement being more particularly described in said Preliminary Title Report.

(2) Right to grant roadway easements over, across, along and upon the roadway lots shown on File Plan Nos. 1179 and 1360 and Roads A, C and D hereinabove described, to the purchaser, purchasers, lessee, lessees, owner or owners of each of the lots within Princeville at Hanalei and to any purchaser, purchasers, lessee, lessees, owner or owners of lots hereinafter created within Princeville at Hanalei."; as reserved in deed dated May 23, 1979, recorded in Liber 13706 at Page 587.

(b) Mortgage dated May 23, 1979, recorded in Liber 13706 at Page 608, made by PT-V, a Hawaii registered limited partnership, George F. Hutton, Ralph Cornuelle and Associates, Inc., a Hawaii corporation, Arthur B. Hansen, Inc., a Hawaii corporation, and Rex D. Johnson and Paula K. Johnson, husband and wife, to Consolidated Oil & Gas, Inc., a Colorado corporation, mortgaging the fee simple interest in and to Parcel Second, to secure the repayment of the sum of \$839,650.00.

By Subordination of Mortgage dated July 17, 1979, recorded in Liber 13853 at Page 87, said above mortgage was subordinated to the lien of that certain Mortgage and Security Agreement recorded in Liber 13852 at Page 648, that certain Additional Security Mortgage, Security Agreement, Assignment of Lease and Subordination of Settlor's Interest recorded in Liber 13852 at Page 730, and that certain Second Additional Security Mortgage, Security Agreement, Assignment of Lease and Subordination of Settlor's Interest recorded in Liber 13853 at Page 1.

3. Water and sanitation assessment and lien in favor of Kauai County Public Improvement Corporation, recorded in Liber 7486 at Page 292 (filed in the Land Court as Document No. 533440), as confirmed by instrument recorded in Liber 8192 at Page 257, and amended by instruments recorded in Liber 8222 at Page 388 (Land Court Document No. 576206), Liber 8743 at Page 1, Liber 9583 at Page 521 and Liber 10584 at Page 326.

The interest of Kauai County Public Improvement Corporation having been assigned to First Hawaiian Bank, Trustee, as security for the bond holders by instrument recorded in Liber 8192 at Page 276.

4. A grant in favor of Kauai County Public Improvement Corporation, dated October 29, 1975, recorded in Liber 11034 at Page 88; granting an easement to construct, reconstruct, install, maintain, operate, repair and remove an underground water pipe line or pipe lines, as part of a water system, and an underground water pipe line or pipe lines, as part of a sewer system, through, under and across portions of the premises described above, said easement being more particularly described in said Preliminary Title Report.

5. A grant in favor Kauai Electric Division of Citizens Utilities Company and Hawaiian Telephone Company, dated December 16, 1974, recorded in Liber 10462 at Page 312; granting a perpetual right and easement to build, construct, reconstruct, rebuild, repair, maintain and operate underground lines, etc., and other appliances and equipment as may be necessary for the transmission and distribution of electricity to be used for light and power and/or communications and control circuits, etc., over, under, upon, across and through portions of the premises described above, said easement being designated as easement "U-1", and being more particularly described above.

6. Open-residential line, as shown on the map prepared by Wesley M. Thomas, Registered Professional Land Surveyor, dated November 13, 1978, revised December 21, 1978, January 5, 1979, February 22, 1979, March 27, 1979, April 6, 1979 and April 14, 1979.

7. Declaration of restrictions, covenants and conditions dated March 1, 1971, recorded in Liber 7444 at Page 93, and declaration of additional land annexed to Princeville at Hanalei dated April 30, 1979, recorded in Liber 13706 at Page 580.

8. Terms, agreements, reservations, covenants, conditions and provisions contained in that certain lease dated July 17, 1979, recorded as aforesaid in Liber 13852 at Page 590, entered into by and between Ralph D. Cornuelle, trustee under declaration of trust dated July 17, 1979, as lessor, and Cliffs at Princeville Associates, a Hawaii limited partnership, as lessee; leasing and demising the premises

described herein for a term commencing on July 17, 1979 and ending December 31, 2045.

9. Mortgage and Security Agreement dated July 17, 1979, recorded as aforesaid in Liber 13852 at Page 648, made by Cliffs at Princeville Associates, a registered Hawaii limited partnership, to Crocker National Bank, a national banking association, mortgaging that certain lease referred to in paragraph 8 hereof, to secure the repayment of the sum of \$18,910,150.00.

Said above Mortgage and Security Agreement was amended by Instrument dated July 20, 1979, recorded in Liber 13883 at Page 57.

10. Additional Security Mortgage, Security Agreement, Assignment of Lease and Subordination of Settlor's Interest dated July 17, 1979, recorded as aforesaid in Liber 13852 at Page 730, made by Ralph D. Cornuelle, trustee under Declaration of Trust dated July 17, 1979, recorded as aforesaid in Liber 13852 at Page 542, to Crocker National Bank, a national banking association, mortgaging all right, title and interest as fee owner and as lessor in and to the premises described in paragraph 8 hereof, as additional security to said mortgage and security agreement described in paragraph 9 herein.

11. Second Additional Security Mortgage, Security Agreement, Assignment of Lease and Subordination of Settlor's Interest dated July 17, 1979, recorded as aforesaid in Liber 13853 at Page 1, made by Ralph D. Cornuelle, trustee under Declaration of Trust dated July 17, 1979, recorded as aforesaid in Liber 13852 at Page 542, to Crocker National Bank, a national banking association, mortgaging all right, title and interest as fee owner and as lessor in and to the premises described in paragraph 8 herein, as additional security to said mortgage and security agreement described in paragraph 9 herein.

12. Said Declaration of Horizontal Property Regime, By Laws and Condominium Map referred to in page 2 above.

13. For real property taxes that may be due and owing, check with the Tax Assessor, Fourth Division.

NOTE: The Developer has advised the Commission that at the time the first apartment lease is entered into and recorded between the fee owner and an apartment purchaser, every mortgage and other lien affecting both such apartment and

any other apartment shall be paid and satisfied of record, or the apartment being conveyed shall be released therefrom by partial release duly recorded.

PROGRAM OF FINANCING: The Developer has submitted a commitment letter from Crocker National Bank, dated June 15, 1979, and accepted on July 10, 1979, providing for an interim loan, thereby ascertaining that financing for the construction of the Project has been completed.

MANAGEMENT AND OPERATION: The Developer, on behalf of the Association of Apartment Owners of The Cliffs at Princeville, has entered into a Property Management Agreement, dated July 20, 1979, with Colony Condominium Management, Inc. A copy has been provided the Commission.

STATUS OF PROJECT: The developer attests that construction has already started and that the contractual completion date for the Project is January 16, 1981.

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 February 16, 1979, and additional information subsequently filed on September 14, 1979.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1092 filed with the Commission on February 16, 1979. 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 in color.



AH KAU YOUNG, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

DISTRIBUTION:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT
COUNTY OF KAUAI
FEDERAL HOUSING ADMINISTRATION
TITLE GUARANTY ESCROW SERVICES, INC.

Registration No. 1092

September 25, 1979