

**REAL ESTATE COMMISSION**

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS

STATE OF HAWAII

1010 RICHARDS STREET

P. O. BOX 3469

HONOLULU, HAWAII 96801

THIRD

**SUPPLEMENTARY**

**HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)**

**PUBLIC REPORT**

on

SUN VILLAGE-KAUAI

Kuhio Highway

Hanamaulu, Lihue, Kauai, State of Hawaii

REGISTRATION NO. 1094

IMPORTANT - Read This Report Before Buying

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

It was prepared as a supplement to earlier Reports dated June 12, 1979, May 8, 1980, June 12, 1981 and July 7, 1983, 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: November 1, 1985  
Expires: May 1, 1986

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 22, 1979, AND INFORMATION SUBSEQUENTLY FILED AS OF OCTOBER 23, 1985. THE OFFEROR, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON MATERIAL CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. SUN VILLAGE-KAUAI is an existing condominium project consisting of 143 residential apartments arranged throughout three 4-story buildings; a separate building in which are located a cafetorium, recreation and administration facilities, including two bowling lanes, hobby/craft and exercise rooms, and a lounge area; and a variety of other recreational facilities, including a swimming pool, pathways, gardens and shuffleboard, and 222 parking stalls. This Third Supplementary Public Report is intended mainly to cover changes covering the Project as a whole and the sale of 85+ apartments by the Offeror (who acquired 85+ apartments from the original Developer of the Project).

2. The Project was registered with the Commission, and the Commission issued a Preliminary Public Report on June 12, 1979, a Final Public Report on May 8, 1980, a Supplementary Public Report on June 12, 1981, and a Second Supplementary Public Report on July 7, 1983.

3. The Project was completed according to Luard and Associates, the original Developer, on or about June 3, 1981. Fifty-eight apartments were sold by the original Developer, Luard and Associates. Washington Mortgage Corporation, a Washington corporation duly qualified to do business in the State of Hawaii, herein called the "Offeror", succeeded to the interest of the original Developer as to the 85 unsold apartments described in the Second Supplementary Public Report. In addition, the Offeror has acquired and/or may acquire additional apartments in the Project. The Offeror has advised that it intends to sell all of these apartments in an "as is, where is" condition, without warranties. The Offeror has complied with Chapter 514A, Hawaii Revised Statutes, as amended, and has fulfilled the requirements of the Commission for the issuance of this Third Supplementary Public Report.

4. Advertising and promotional matter have been filed pursuant to the rules and regulations promulgated by the Commission.

5. The basic document, being the Declaration of Horizontal Property Regime with the By-Laws of the Association of Apartment Owners attached, dated November 26, 1979, was recorded in the Bureau of Conveyances of the State of Hawaii in Liber 14271 at Page 1, and the plans have been filed as Condominium Map No. 669, as amended. Amendment No. 1 to Declaration of Horizontal Property Regime dated April 20, 1981 was recorded in said Bureau in Liber 15536 at Page 408. Amendment No. 2 to Declaration of Horizontal Property Regime dated April 22, 1981 was recorded in said Bureau in Liber 15536 at Page 422. Amendment No. 3 to Declaration of Horizontal Property Regime dated June 3, 1981 was recorded in said Bureau in Liber 15595 at Page 51. Amendment No. 4 to the Declaration of Horizontal Property Regime of Sun Village-Kauai and to the By-Laws of the Association of Apartment Owners of Sun Village-Kauai dated August 21, 1985 was recorded in said Bureau in Liber 18911 at Page 575. The

Declaration of Horizontal Property Regime, as the same is or may hereafter be amended, and the By-Laws, as the same is or may hereafter be amended, are hereinafter referred to as the "Declaration" and the "By-Laws", respectively.

6. Since the issuance of the Commission's Second Supplementary Public Report, the Offeror has submitted additional information to that previously filed with the Commission. This Third Supplementary Public Report is issued for the purpose of providing additional information and updating information previously provided about the Project.

7. This Third Supplementary Public Report (pink paper stock) amends the Preliminary Public Report (yellow paper stock), the Final Public Report (white paper stock), the first Supplementary Public Report (pink paper stock) and the Second Supplementary Public Report (pink paper stock) and is made a part of the registration of SUN VILLAGE-KAUAI. The Offeror is required to provide all purchasers and prospective purchasers of apartments sold hereunder with copies of the Second Supplementary Public Report and this Third Supplementary Public Report with attached Disclosure Statement dated August 6, 1985, and, upon request by any purchaser or prospective purchaser, with copies of the Preliminary, Final and First Supplementary Public Report as well. Securing a signed copy of a receipt therefor is also the responsibility of the Offeror.

8. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

9. The Offeror has requested and the Commission has granted an extension of the Preliminary, Final, First Supplementary and Second Supplementary Public Reports, through this Third Supplementary Public Report. This Third Supplementary Public Report expires May 1, 1986, unless the Commission, upon review of the registration, issues an order extending the effective period of this Third Supplementary Public Report or issues a Fourth Supplementary Public Report.

The information contained in the Preliminary Public Report, the Final Public Report, the First Supplementary Public Report and the Second Supplementary Public Report remains unchanged except for the information under the following topical headings:

OFFEROR: WASHINGTON MORTGAGE CORPORATION, a Washington corporation, whose principal place of business and post office address in Hawaii is Suite 882, Pacific Tower, 1001 Bishop Street, Honolulu Hawaii 96813 (Telephone number: 524-6616).

ATTORNEY REPRESENTING OFFEROR: GOODSILL ANDERSON QUINN & STIFEL (Attention: Robert F. Hirano and Randall K. Steverson), 1600 Castle & Cooke Building, 130 Merchant Street, Honolulu, Hawaii 96813 (Telephone number: 547-5600).

DESCRIPTION: The first sentence of the fifth paragraph of this topical heading is amended to read as follows:

"The residential apartments which are or which may in the future be for sale by Offeror are divided into five basic types: (i) Two bedroom, two bath (Type "D"); (ii) Two bedroom, one bath (Type "C"); (iii) One bedroom, one bath (Type "B"); (iv) Studio apartments (Type "A"); and (v) Two bedroom, two bath (Alternate Type "E")."

The last two paragraphs of this topical heading are amended to read as follows:

"The apartment number, the unit type, the number of rooms and the approximate living areas of the 85 apartments described in the Second Supplementary Public Report, their respective lanai areas separately, their approximate total areas, and their respective percentages of common interest are set forth in the Second Supplementary Public Report. In addition, the following similar information is provided regarding Apartment Nos. C-404, C-410 and B-403.

<u>Apt. No.</u>	<u>Type</u>	<u>Undi- vided Inter- est</u>	<u>Park- ing Stall</u>	<u>No. of Rooms</u>	<u>Square Feet Living Area</u>	<u>Square Feet Lanai</u>	<u>Total Square Feet</u>
C-404	C	0.73000	214	5	747.45	40	787.45
C-410	B	0.54500	133	4	554.75	33.33	588.08
B-403	C	0.73000	34	5	747.45	40	787.45

Residential parking for the 143 apartments will be in 147 assigned full-size stalls located near the residential buildings. Those for the 85 apartments described in the Second Supplementary Public Report are designated in Exhibit A attached to said Second Supplementary Public Report. Further, Parking Stall No. 214 is assigned to Apartment No. C-404, Parking Stall No. 133 is assigned to Apartment No. C-410 and Parking Stall No. 34 is assigned to Apartment No. B-403. There are a total of 222 open full-size parking stalls in the Project. Each apartment will have as appurtenant one parking space except for the Alternate Type "E" apartments which will have two stalls appurtenant to each. The balance of 75 stalls will be unassigned, and are designated as common elements for use by apartment owners and their guests. G. N. Wilcox Memorial Hospital and Health Center has been granted an easement (designated Easement No. 2 on the

Condominium Map) for "roadway, utility and hospital parking". The westerly portion of said easement as shown on said Map will be reserved exclusively for the Hospital's parking, and such designated parking areas are not for the benefit of the apartment owners. The easterly portion of said easement is reserved exclusively for the Project's assigned and guest parking, and will not at any time be available for use by the Hospital. The Hospital has agreed to maintain at its expense the entire easement area, including the assigned and guest parking stalls reserved for the Project, and the Association of Apartment Owners will not be liable therefor."

USE: The Declaration states that each apartment shall be used only as a private dwelling by the respective owner(s) thereof, their tenants, families, domestic servants and guests and not for other purposes unless specifically authorized by a favorable vote of a majority of the apartments owners. The apartments shall be occupied by a "Retirement Age Family", which term is intended to mean a single person who shall be at least forty-five (45) years of age or a family consisting of two or more persons, and the head of which (or spouse) is forty-five (45) years of age or over, unless a lower age for such family head or spouse has been duly authorized. Upon the total disability or death of said family head or spouse, the other members of the family may continue to reside in the apartment, provided that one member is forty-five (45) years of age or over. The apartments shall not be occupied by any person under twenty-one (21) years of age except as a visitor, provided such visit shall not exceed fourteen (14) consecutive days. Such restrictions as to occupancy are not intended to restrict the ownership of an apartment. (NOTE: The reduction of the age of a Retirement Age Family from fifty-five (55) to forty-five (45), while apparently approved by the Association of Apartment Owners, has not been approved by the County of Kauai. The Offeror makes no representation or warranty that such reduction is valid or enforceable or in compliance with the terms and conditions of the zoning ordinance applicable to the Project. The Association's 3/23/85 Minutes relating to this change have been submitted to the Commission and are available for inspection.) The apartments shall not be rented or used for transient or hotel purposes, which are defined as (i) rental for any period less than three (3) months, or (ii) rental in which the occupants of the apartment are provided customary hotel services.

OWNERSHIP OF TITLE: The Commitment for Title Insurance dated October 4, 1985, issued by First American Title Insurance Company, shows that G. N. Wilcox Memorial Hospital and Health Center, a Hawaii nonprofit corporation, has fee title to the land and apartments. Offeror has an apartment lease covering each of the apartments which it intends to sell.

ENCUMBRANCES ON TITLE: The introductory sentence of this topical heading is amended to read as follows: "Said Commitment for Title Insurance reveals the following encumbrances:".

In addition, items 8 and 10 of this topical heading are amended to read as follows:

"8. The restrictions, covenants, agreements, obligations, conditions, easements and other provisions set forth in Declaration of Horizontal Property Regime dated November 26, 1979, recorded on December 5, 1979 in said Bureau in Liber 14271 at Page 1, and the By-Laws attached thereto.

By instruments dated April 20, 1981, April 22, 1981, June 3, 1981 and August 21, 1985, recorded on May 11, 1981, May 11, 1981, June 5, 1981 and September 6, 1985 in said Bureau in Liber 15536 at Page 408, Liber 15536 at Page 422, Liber 15595 at Page 51 and Liber 18911 at Page 575, respectively, the foregoing Declaration of Horizontal Property Regime was amended."

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"10. Terms and provisions of each of the Apartment Leases affecting the subject apartments."

Further, new items 12, 13, 14 and 15 are added at the end of this topical heading, to read as follows:

"12. Mortgage, Security Agreement and Financing Statement dated November 26, 1979, recorded in said Bureau in Liber 14271 at Page 87, as amended by instrument dated June 5, 1981, recorded in Liber 15614 at Page 748, by instrument dated September 5, 1981, recorded in Liber 15858 at Page 170, and by instrument dated April 23, 1982, recorded in Liber 16326 at Page 587, and as assigned by instrument dated September 24, 1982, recorded in Liber 16626 at Page 75 and by instrument dated October 22, 1982, recorded in Liber 16666 at Page 240.

13. Assignment of Lessor's Interest in Rents dated April 1, 1983, recorded in said Bureau in Liber 17922 at Page 235.

14. Apartment No. C-410 is subject to that certain Mortgage dated January 20, 1982, recorded in said Bureau in Liber 16197 at Page 431, which Mortgage was assigned to Offeror by mesne assignment by instrument dated November 15, 1982, recorded in said Bureau in Liber 16706 at Page 55. Apartment No. C-410 is also subject to a Notice of Lien filed in favor of the Association of Apartment Owners, recorded in said Bureau in Liber 18682 at Page 470.

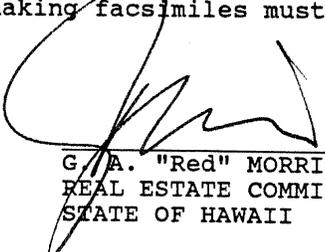
15. Apartment No. C-404 is subject to that certain Mortgage dated January 5, 1982, recorded in said Bureau in Liber 16192 at Page 362, which Mortgage was assigned to Offeror by mesne assignment by instrument dated November 15, 1982, recorded in said Bureau in Liber 16706 at Page 51. Apartment No. C-404 is also subject to a Notice of Lien filed in favor of the Association of Apartment Owners, recorded in said Bureau in Liber 17678 at Page 709.

STATUS OF PROJECT: The Project was completed on or about June 3, 1981 and 58 of the apartments were originally sold by Luard and Associates, the original Developer. Of the 85 apartments described in the Second Supplementary Public Report, the Offeror has sold 8 apartments as of October 4, 1985. The Offeror has advised the Commission that in addition to the 85 apartments described in the Second Supplementary Public Report, the Offeror has acquired Apartment Nos. C-404 and C-410. Further, the Offeror has a mortgage interest in Apartment No. B-403, which apartment shall be included automatically as part of this registration in the event the Offeror acquires ownership rights in said apartment.

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The purchaser or prospective purchaser should be cognizant of the fact that this published report represents information disclosed by Developer in the required Notice of Intention submitted February 22, 1979, and information subsequently filed as of October 23, 1985.

This THIRD SUPPLEMENTARY HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1094 filed with the Commission on February 22, 1979.

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

  
G. A. "Red" MORRIS, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

BUREAU OF CONVEYANCES  
DEPARTMENT OF FINANCE  
PLANNING DEPARTMENT, COUNTY OF KAUAI  
FEDERAL HOUSING ADMINISTRATION  
ESCROW AGENT

Registration No. 1094

November 1, 1985