

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII
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FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

PANILOLO CLUB III
Waikoloa Village
South Kohala, Hawaii

Registration No. 1119

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: December 1, 1980

Expires: January 1, 1982

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 APRIL 6, 1979, AND INFORMATION DISCLOSED AS OF SEPTEMBER 29, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING ADDITIONAL INFORMATION, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report on PANILOLO CLUB III, Registration No. 1119, issued on May 11, 1979, the Developer has prepared and forwarded additional information deemed material to the Project. The Developer requested extension of the expiration period by the Real Estate Commission for a period of six (6) months from June 12, 1980 to December 12, 1980.

2. The Developer of the Project has submitted to the Commission for examination all documents deemed necessary for the registration of the condominium project and the issuance of this Final Public Report.

3. The Developer reports that the Declaration of Horizontal Property Regime and attached By-Laws of the Association of Apartment Owners have been filed in the Bureau of Conveyances of the State of Hawaii in Liber 15016 at Page 449.

The Approved Floor Plans showing the layout, location and numbers of apartments have been designated as Condominium Map No. 756.

4. No advertising or promotional matter 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 the Horizontal Property Act, Chapter 514A, of the Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.

6. This Final Public Report amends the Commission's Preliminary Public Report and is made a part of the registration of PANIOLO CLUB III 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) and Disclosure Abstract, and for securing a signed copy of the Receipt for same from each purchaser and prospective purchaser.

7. This Final Public Report automatically expires thirteen (13) months after date of issuance, December 1, 1980 unless a supplementary public report is issued, or the Commission, upon review of the registration, issues an order extending the effective period of this report.

The information under the topical headings in the Preliminary Public Report, dated May 11, 1979, has not been changed except for the DESCRIPTION OF PROJECT, OWNERSHIP, ENCUMBRANCES AGAINST TITLE, STATUS OF THE PROJECT, and the addition of FINANCING.

DESCRIPTION OF PROJECT: The Developer has informed the Commission that the Waikoloa Village Association, in which each apartment owner is required to be a member with full membership privileges including country club facilities, has increased its annual assessment to \$149.77, which assessment is in addition to the apartment owner's proportionate share of the common expenses of the project. All other information under this topical heading in the Preliminary Public Report remains unchanged.

OWNERSHIP: The Preliminary Report issued by Long & Melone, Ltd., dated September 29, 1980, states that the fee simple in the premises is now vested in the Developer.

ENCUMBRANCES: The Preliminary Title dated September 29, 1980, lists the following encumbrances:

1. A reservation in favor of the State of Hawaii of title to all mineral and metallic mines.

2. Declaration of Protective Covenants dated May 27, 1971, recorded in the Bureau of Conveyances in Book 7577, Page 66; Supplemental Protective Covenants dated May 27, 1971, recorded in Book 7577, Page 94; and further supplemented by instruments recorded in Book 8026, Page 291; Book 8306, Page 196; Book 9360, Page 369; Book 9794, Page 32; Book 9956, Page 597; Book 10701, Page 5; Book 10706, Page 490; Book 13453, Page 142; Book 13588, Page 658; and Book 13904, Page 310.

3. Deed reservation pertaining to all rights to underground water under and appurtenant to the granted premises with the right to assign and transfer said rights, dated August 3, 1979 and recorded in Book 13904, Page 314.

4. Mortgage in favor of Transcontinental Development Company, recorded in the Bureau of Conveyances in the State of Hawaii in Book 15016, Page 413;

5. Declaration of Horizontal Property Regime of Paniolo Club recorded in the Bureau of Conveyances of the State of Hawaii in Book

15016, Page 449; Condominium Map No. 756 has been assigned to the project;

6. For any taxes that may be due and owing, reference is made to the Office of the Tax Assessor, Third Division.

STATUS OF PROJECT: The Construction Contract was executed with C. M. Poulton, General Contractor, as of September 24, 1980; it is anticipated that construction will commence in November, 1980; and, completion of the project estimated during the month of June, 1981.

FINANCING: The Developer has provided the Commission with a statement of total development cost and copies of the following Letters of Commitment:

Permanent Mortgage Financing, letter dated June 30, 1980, from State Savings & Loan for permanent mortgage loans for Buyers.

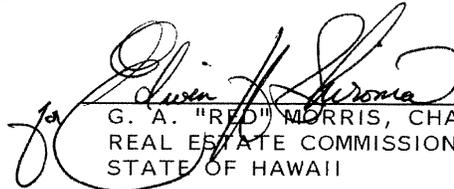
Interim Mortgage Financing, letter dated June 30, 1980, from State Savings & Loan for the construction money.

The balance of the development cost will be paid from Buyer's deposits and sales proceeds realized from sales of the apartments in the Project.

The purchaser or prospective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted April 6, 1979, and information subsequently submitted as of September 29, 1980.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION No. 1119 filed with the Commission April 6, 1979.

The report, when reproduced, shall be a true copy of the Commission's public report. The paper used in making facsimilies must be white.


G. A. "RED" MORRIS, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

DISTRIBUTION:

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ESCROW AGENT
FEDERAL HOUSING ADMINISTRATION

REGISTRATION NO. 1119

Dated: December 1, 1980