

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
PALEHUA HILLSIDE, PHASE I
Makakilo Drive and Kikaha Street
Ewa Beach, Hawaii

REGISTRATION NO. 1160

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 : June 26, 1980
Expires: July 26, 1981

SPECIAL ATTENTION

A comprehensive reading of this report by prospective purchasers is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the purchaser and prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED ON AUGUST 10, 1979, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF JUNE 10, 1980. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, 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 of September 14, 1979 on PALEHUA HILLSIDE, PHASE I, Registration No. 1160, the Developer reports that no material changes have been made in the plan or setup of Palehua Hillside, Phase I,

but certain changes have been made to other phases of the project so that the project will now consist of five instead of three phases, being Palehua Hillside Phases I, II, II-A, III and III-A. This report only covers Palehua Hillside, Phase I.

2. This Final Public Report (white paper stock) amends the PALEHUA HILLSIDE, Phase I Preliminary Public Report (yellow paper stock), becoming a part of this registration. The Developer is responsible for placing a true copy of this Final Public Report, the Preliminary Public Report and the Disclosure Abstract (as amended) in the hands of all purchasers and prospective purchasers and obtaining a receipt therefor.
3. The Developer has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and the issuance of this Final Public Report.
4. The basic condominium documents have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii, as follows:

The Declaration of Horizontal Property Regime of Palehua Hillside, with Bylaws of the Association of Apartment Owners, dated June 6, 1980 was filed in said Office as Document No. 1016364 and noted on Transfer Certificate of Title No. 220,147.

The floor plans of the project have been designated Condominium Map No. 420.
5. Advertising and promotional matter have been submitted to the Commission.
6. 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.
7. This Final Public Report automatically expires thirteen (13) months after date of issuance, June 26, 1980, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

The information under the topical headings of the Preliminary Public Report of September 14, 1979 has not been disturbed except under the topical headings LOCATION, TAX KEY, DESCRIPTION, COMMON ELEMENTS, LIMITED COMMON ELEMENTS, EASEMENTS, PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE, OWNERSHIP OF TITLE, ENCUMBRANCES AGAINST TITLE and STATUS OF PROJECT.

NAME OF PROJECT: PALEHUA HILLSIDE, PHASE I

LOCATION: The land, consisting of one (1) parcel containing 9.506 acres, is situate at Makakilo Drive and Kikaha Street, Ewa Beach, Hawaii, being further described as Lot 3144, as shown on Map 303 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1069, being a portion of the land covered by Transfer Certificate of Title No. 220,147 issued to the Developer.

TAX KEY: 9-2-19-39 (First Division)

DESCRIPTION: In spite of there now being five instead of three phases in this project, Phase I has not changed. It will still consist of thirty (30) condominium apartments contained in five (5) buildings, being Buildings 92-1210, 92-1214, 92-1244, 92-1250 and 92-1252.

There have been minor changes in the descriptions of some of the apartment types. Accurate descriptions of all apartment types in the project are given below.

The apartments will be constructed principally of wood. Division walls will be principally of double stud wall construction with acoustical insulation. There are no basements.

The apartments shall be of nine types, designated as Type A, Type B, Type BL, Type C, Type D, Type E, Type EL, Type F and Type G, described below.

Type A - The Type A apartment is a split-level apartment which contains a living room, storage closet and lanai with an enclosed storage area on the first level, a half bath/utility room, dining-family room, kitchen and lanai with an enclosed storage area on the second level, a bedroom with a full bathroom and walk-in closet on the third level and two bedrooms, a linen closet, storage closet and a full bathroom on the fourth level, with an interior stairway connecting all levels for a gross floor area, including the exterior storage areas and the lanais, of 1827 square feet. The first and second levels are designated as the "lower level" on the floor plans for the apartment filed with the Condominium Map and the third and fourth levels are designated as the "upper level" on said floor plans. The entry landing area and the fenced yard area adjacent to the front, one side and rear of the apartment, as shown on the Condominium Map, are limited common elements appurtenant to said apartment.

Type B - The Type B apartment is a split-level apartment which contains a living room, storage closet and an enclosed storage area on the first level, a half bath/utility room, kitchen, pantry, dining room and lanai with an enclosed storage area on the second level, a bedroom with a full bathroom and walk-in closet on the third level, two bedrooms, one full bathroom, a storage closet and a linen closet on the fourth level, with an interior stairway connecting all levels, for a gross floor area, including the exterior storage areas and the lanai, of 1378 square feet. The first and second levels are designated as the "lower level" on the floor plans for the apartment filed with the Condominium Map and the third and fourth levels are designated as the "upper level" on said floor plans. The entry landing area, exterior landing adjacent to the living room and the fenced yard areas adjacent to the front and rear of the apartment, as shown on the Condominium Map, are limited common elements appurtenant to said apartment.

Type BL - The Type BL apartment is a split-level apartment which contains a living room, storage closet and an enclosed storage area on the first level, a half bath/utility room, kitchen, pantry, dining room and lanai with an enclosed storage area on the second level, one bedroom with a full bathroom and walk-in closet on the third level, and two bedrooms, one full bathroom, a storage closet and a linen closet on the fourth level and a loft with a storage area on the fifth level, with an interior stairway connecting all levels including the loft, for a gross floor area, including the exterior storage areas and the lanai, of 1536 square feet. The first and second levels are designated as the "lower level" on the floor plans for the apartment filed with the Condominium Map, the third and fourth levels are designated as the "upper level" on said floor plans and the fifth level is designated as the "loft level" on said floor plans. The entry landing area and the fenced yard areas adjacent to the front and rear of the apartment, as shown on the Condominium Map, are limited common elements appurtenant to said apartment.

Type C - The Type C apartment is a split-level apartment which contains a lanai with an enclosed storage area, a living room and a storage closet on the first level, an entry hall, dining room, kitchen, pantry, one bedroom with walk-in closet and a half bath/utility room on the second

level, one bedroom with walk-in closet and a full bathroom on the third level and two bedrooms, a full bathroom and storage closet on the fourth level, with an interior stairway connecting all levels, for a gross floor area, including the exterior storage areas and the lanai, of 1633 square feet. The first and second levels are designated as the "lower level" on the floor plans for the apartment filed with the Condominium Map and the third and fourth levels are designated as the "upper level" on said floor plans. The entry landing area and the fenced yard area adjacent to the front, one side and rear of the apartment, as shown on the Condominium Map, are limited common elements appurtenant to said apartment.

Type D - The Type D apartment is a split-level apartment with a lanai with an enclosed storage area and laundry area, a living room and a storage closet on the first level, an entry hall, an exterior storage area, a dining room, kitchen and pantry on the second level, one bedroom with walk-in closet and a full bathroom on the third level and two bedrooms, a full bathroom and a storage closet on the fourth level, with an interior stairway connecting all levels, for a gross floor area, including the exterior storage areas and the lanai, of 1374 square feet. The first and second levels are designated as the "lower level" on the floor plans for the apartment filed with the Condominium Map and the third and fourth levels are designated as the "upper level" on said floor plans. The entry landing area and the fenced yard areas adjacent to the front and rear of the apartment, as shown on the Condominium Map, are limited common elements appurtenant to said apartment.

Type E - The Type E apartment is a split-level apartment which contains an entry hall, a storage closet and one bedroom with dressing room and full bathroom on the first level, a dining room/kitchen and lanai with an enclosed storage area and laundry area on the second level, a living room and deck on the third level and two bedrooms, a full bathroom and a linen closet on the fourth level, with an interior stairway connecting all levels, for a gross floor area, including the exterior storage area and the area of the lanai and deck, of 1514 square feet. The first and second levels are designated as the "lower level" on the floor plans for the apartment filed with the Condominium Map and the third and fourth levels are designated as the

"upper level" on said floor plans. The entry landing area and the fenced yard area adjacent to the front, one side and rear of the apartment, as shown on the Condominium Map, are limited common elements appurtenant to said apartment.

- Type EL - The Type EL apartment is a split-level apartment which contains an entry hall, a storage closet and one bedroom with dressing room and full bathroom on the first level, a dining room/kitchen and lanai with an enclosed storage area and laundry area on the second level, a living room and deck on the third level and two bedrooms, a full bathroom and linen closet on the fourth level and a loft on the fifth level overlooking a portion of the living room, with an interior stairway connecting all levels including the loft, for a gross floor area, including the exterior storage area and the area of the lanai and deck, of 1636 square feet. The first and second levels are designated as the "lower level" on the floor plans for the apartment filed with the Condominium Map, the third and fourth levels are designated as the "upper level" on said floor plans and the fifth level is designated as the "loft level" on said floor plans. The entry landing area and the fenced yard area adjacent to the front, one side and rear of the apartment, as shown on the Condominium Map, are limited common elements appurtenant to said apartment.
- Type F - The Type F apartment is a two-story apartment which consists of an entry hall, living/dining room, lanai with an enclosed storage area, kitchen, pantry, storage closet, one half bathroom and utility area on the first floor and three bedrooms, one full bathroom and a linen closet on the second floor, with an interior stairway connecting both floors, for a gross floor area, including the exterior storage area and the lanai, of 1204 square feet. The entry landing area and the fenced yard areas adjacent to the front and rear of the apartment, as shown on the Condominium Map, are limited common elements appurtenant to said apartment.
- Type G - The Type G apartment is a two-story apartment which contains an entry hall, kitchen, dining/living room, utility room, one bedroom with walk-in closet and full bathroom, a storage closet and lanai and an enclosed storage area on the first floor and three bedrooms, one full bathroom and a linen closet on the second floor,

with an interior stairway connecting both floors, for a gross floor area, including the exterior storage area and the lanai, of 1529 square feet. The entry landing area and the fenced yard area adjacent to the front, one side and rear of the apartment, as shown on the Condominium Map, are limited common elements appurtenant to said apartment.

The floor areas of the apartments given in this report are the approximate gross floor areas of the apartments.

The respective apartments shall not be deemed to include the undecorated or unfinished surfaces of the perimeter walls or interior load-bearing walls, the floors and ceilings surrounding each apartment or any pipes, wires, conduits or other utility or service lines running through such apartment, which are utilized for or serve any other apartment, the same being 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, the inner decorated or finished surfaces of all walls, floors and ceilings, all fixtures originally installed therein, and the enclosed exterior storage area at the front or rear of the apartment and any lanai space and deck space.

NOTE: The Declaration reserves the right to the Developer to amend the Declaration at any time prior to December 31, 1982 without the consent of any apartment owner or the Association of Apartment Owners or any other person holding an interest in any apartment of the project for the purpose of merging any completed phase of the project with any other completed phase, thereby causing as of the effective date of such amendment all apartments in the merged phases to constitute a part of the project and all owners of apartments in the merged phases to constitute one association of apartment owners, provided, however, that, if the Department of Housing and Urban Development or the Veterans Administration is the insurer or guarantor of any mortgage covering an apartment in the project, the Declaration may not be so amended and the phases may not be so merged without prior written approval of HUD or the VA Loan Guaranty Officer or his designee.

COMMON ELEMENTS: The Declaration of Horizontal Property Regime states that the common elements shall include (a) the land in fee simple; (b) Apartment No. 86, located in Building 92-1286/92-1302 for the use of the resident manager; (c) Parking Stalls Nos. 162 and 126, which shall be appurtenant to Apartment 86; (d) the open areas as shown on the Condominium Map; (e) all foundations, floor slabs, retaining walls, fences, columns, supports, unfinished perimeter walls and load-bearing walls, and roofs of the residential buildings; (f) all yards, grounds and landscaping, roads, walkways, maintenance building, parking areas and driveways, and all refuse facilities; (g) all ducts, electrical equipment, wiring, pipes and other central

and appurtenant transmission facilities and installations for services such as power, light, water, sewer, telephone and radio and television signal distribution over, under and across the project which serve more than one apartment; (h) any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance, safety, or normally in common use.

LIMITED COMMON ELEMENTS: The Declaration provides that certain parts of the common elements, called and designated as limited common elements, shall be for the exclusive use and enjoyment of certain apartments, as follows: (a) the fenced yard area or areas adjoining the front, rear or side of an apartment, as the case may be, are hereby designated as limited common elements appurtenant to and for the exclusive use of such apartment. The general location of the fences is shown on the site and fencing plans filed as part of the Condominium Map but the actual height, location and placement of the fences may vary on account of the topography; (b) each apartment shall have appurtenant thereto an exclusive right to use the parking stall(s) assigned to such apartment as set forth in Exhibit B attached to the Declaration; provided, however, that each apartment shall have at least one parking stall appurtenant to it but otherwise any parking stall may be conveyed and made appurtenant to another apartment by a written instrument which expressly identifies the apartment to which the parking stall is appurtenant as well as the apartment to which the parking stall will become appurtenant, which written instrument shall also be denominated an amendment of the Declaration, shall be executed by the owner of each apartment affected, with the consent of the mortgagee, if any, of each apartment affected, and shall be effective upon the filing of the instrument in the Office of the Assistant Registrar of the Land Court of the State of Hawaii. A copy of said instrument, together with the filing data, shall be given to the Association by the affected apartment owners within 15 days of the filing thereof.

EASEMENTS: Paragraphs (f) and (g) of this topic heading have been revised to provide as follows:

- (f) the Developer reserves to itself, its successors and assigns, until December 31, 1982, or until such time as all of the improvements for the project have been completed in accordance with the plans filed as aforesaid as said Condominium Map, whichever shall first occur, the following rights:
 - (i) An easement over, under and across the common elements of the project, both general and limited, for the purpose of all work connected with or incidental to the development, construction and sale of the project or any part thereof or any apartment or interest therein; and

- (ii) The right, appurtenant to the undeveloped portions of the land, in the nature of an easement over and upon any other portion of the land, to create and cause dust, noise, vibration and other nuisances created by and resulting from any work connected with or incidental to the development, construction and sale of the project or any part thereof or any apartment therein in said undeveloped portions of said land.

- (g) the Owner reserves to itself, its successors and assigns, until the expiration of 120 days after the date of recordation of the deed conveying an apartment to the first purchaser thereof, an easement over, under and across the limited common elements appurtenant to such apartment for the purpose of installing, planting and maintaining such landscaping, including the planting of trees, as may be required by the Director of Land Utilization of the City and County of Honolulu pursuant to Application No. 78/PDH-2 referred to in Paragraph Q of the proposed Declaration, hereinafter called "required trees". After the expiration of said 120-day period, it shall be the duty of the owner of the apartment to keep and maintain in good and healthy condition any required trees planted, pursuant to the requirements of said Director, within the limited common elements appurtenant to such apartment; provided, however, that, at the request of the owner of an apartment to which are appurtenant limited common elements containing required trees, the Association shall in connection with the trimming of trees located within the common elements of the project also trim and pay the cost of trimming the required trees located within the limited common elements. The Association shall pay for the replacement of any required tree located within the limited common elements, provided that such replacement is not necessitated by any act or omission of the owner of the apartment to which are appurtenant limited common elements containing the required tree, in which case the apartment owner shall pay for replacement of the required tree.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: This heading has been revised to provide as follows:

The Declaration provides that the building shall at all times be occupied and used only as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose. Notwithstanding anything to the contrary, however, Developer reserves the right to itself, its successors and assigns, until December 31, 1982 or until such time as the total condominium project is developed in

accordance with the Condominium Map and all apartments therein have been sold, whichever shall first occur, to erect signs in the project and to use apartments as sales offices and as models for display to the public pursuant to the sales of apartments in this project and other projects of Developer.

The apartments shall not be rented for transient or hotel purposes, which are defined as (a) rental for any period less than 30 days, or (b) any rental in which the occupants of the apartment are provided customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service. Except for such transient or hotel purposes the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration. The Developer has submitted to the Commission a set of House Rules which shall be in force from the inception of the project.

OWNERSHIP OF TITLE: The fee simple title to the land is now vested in the Developer, Finance Realty Company, Limited.

ENCUMBRANCES AGAINST TITLE: A Preliminary Report prepared by Security Title Corporation and dated April 7, 1980, as amended by Supplemental Reports dated April 29, 1980 and May 14, 1980, shows that the land is subject to the following encumbrances:

1. For any taxes that are due and owing and a lien on the land, reference is made to the Office of the Tax Assessor, First Division.
2. Designation of Easements 878 and 879, as shown on Map 286, as set forth by Land Court Order No. 48686 filed November 14, 1977.
3. Designation of Easements 1119, 1120 and 1125, as shown on Map 297, as set forth by Land Court Order No. 52266, filed January 23, 1979.
4. Designation of Easement 1164, as shown on Map 303, as set forth by Land Court Order No. 53894, filed July 26, 1979.
5. Clarification regarding Easement 1119, as shown on Map 297, as set forth by Land Court Order No. 54295, filed September 10, 1979.
6. Designation of Easements 1176 and 1177, as shown on Map 306, as set forth by Land Court Order No. 55106, filed November 29, 1979.
7. Clarification regarding Easement 1176, as shown on Map 303, as set forth by Land Court Order No. 56257, filed April 9, 1980.

8. Grant dated September 7, 1979, filed in said Office of the Assistant Registrar as Document No. 980821, in favor of Hawaiian Electric Company, Inc., granting utility easement.
9. Mortgage dated July 13, 1972, filed in said Office as Document No. 589482, made by Finance Realty Co., Ltd., as Mortgagor, to Bank of Hawaii, as Mortgagee. Consent thereto filed as Document No. 589483.
10. Additional Charge Mortgage dated November 14, 1974, filed in said Office as Document No. 703186, made by Finance Realty Co., Ltd., as Mortgagor, to Bank of Hawaii, as Mortgagee. Consent thereto filed as Document No. 703187.
11. Additional Charge Mortgage dated May 13, 1976, filed in said Office as Document No. 766717, made by Finance Realty Co., Ltd., as Mortgagor, to Bank of Hawaii, as Mortgagee. Consent thereto filed as Document No. 766718.
12. Amendments of mortgage and additional charge mortgages filed in said Office as Document Nos. 801573, 801576-A, 837294-A, 857303, 937626 and 988284.
13. Additional Charge Mortgage dated February 17, 1978, filed in said Office as Document No. 861755, also recorded in the Bureau of Conveyances of the State of Hawaii in Book 12737, at Page 615, made by Finance Realty Company, Limited, as Mortgagor, to Bank of Hawaii, as Mortgagee. Consent thereto filed as Document No. 861756.
14. Additional Charge Mortgage dated June 9, 1978, filed as Document No. 892303, made by Finance Realty Company, Limited, as Mortgagor, and Bank of Hawaii, as Mortgagee. Consent thereto filed as Document No. 892304.
15. Additional Charge Mortgage dated February 15, 1980, filed as Document No. 997900, made by Finance Realty Company, Limited, as Mortgagor, and Bank of Hawaii, as Mortgagee.
16. Undated Financing Statement recorded on May 28, 1976 in the Bureau of Conveyances in Book 11411, at Page 7.
17. Declaration of Additional Property Annexed to Palehua Community dated June 6, 1980, filed in said Office as Document No. 1016363.

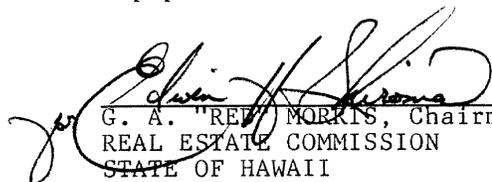
18. Declaration of Covenants, Conditions and Restrictions of Palehua Community dated January 14, 1977, filed in said Office as Document No. 801577.
19. Declaration of Horizontal Property Regime of Palehua Hillside, with Bylaws of the Association of Apartment Owners of Palehua Hillside attached, dated June 6, 1980, filed in said Office as Document No. 1016364. The Assistant Registrar has designated Condominium Map No. 420 to the plans of the project.

STATUS OF THE PROJECT: The Developer reports that construction of the buildings in Phase I of the project has been completed, as evidenced by the published Notices of Completion, copies of which are on file with the Commission.

The purchaser or prospective purchaser shall be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted on August 10, 1979, and additional information subsequently filed as of June 10, 1980.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1160 filed with the Commission on August 10, 1979.

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


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

Distribution:
Department of Taxation
Bureau of Conveyances
Planning Department, City and County of Honolulu
Federal Housing Administration
Escrow Agent

REGISTRATION NO. 1160

June 26, 1980