

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
KINGS GATE
2718 Kuilei Street
Honolulu, Hawaii

REGISTRATION NO. 1170

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: January 18, 1980
Expires: February 18, 1981

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 and prospective purchaser is particularly directed to the following:

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED SEPTEMBER 9, 1979 AND INFORMATION SUBSEQUENTLY FILED AS OF JANUARY 16, 1980. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report of September 28, 1979 on KINGS GATE, the Developer reports that changes have been made in the plan and certain documentation as presented in the September 9, 1979 notice of intention to sell. The Declaration and By-Laws and the proposed Condominium

Conveyance Document for the project have been amended at the request of the interim and permanent lenders. In addition, a Second Amendment to Master Lease has been executed and recorded. The Developer advises that each purchaser and prospective purchaser review the Declaration and By-Laws and the Second Amendment to Master Lease, as executed and recorded, in order to understand the position and rights of the fee owner/Master Lessor, the Developer, the Sublessor, and the apartment owner/sublessee under the Master Lease, the proposed Condominium Conveyance Document and the Declaration and By-Laws.

2. The Developer of the project has submitted to the Commission for examination all documents and exhibits deemed necessary for the issuance of this Final Public Report.
3. The basic documents (Declaration of Horizontal Regime, with By-Laws of Association of Apartment Owners attached, and a copy of approved floor plans) have been filed and recorded in the office of the recording officer. The Declaration and attached By-Laws dated January 7, 1980 have been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 990327 and recorded in the Bureau of Conveyances of the State of Hawaii in Liber 14395 at Page 153. The approved floor plans has been filed in said Office of the Assistant Registrar as Condominium Map No. 403 and filed in said Bureau of Conveyances as Condominium Map No. 680.
4. Advertising and promotional matter required to be filed pursuant to the rules and regulations promulgated by the Commission have been submitted.
5. 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 Regime.
6. This Final Public Report is made a part of the registration on KINGS GATE condominium project. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock) along with a copy of the Preliminary Public Report (yellow paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed receipt therefor.
7. This Final Public Report automatically expires thirteen (13) months from the date of issuance, January 18, 1980, unless a supplementary report is published 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 28, 1979 remains unchanged except as hereinafter set forth.

DESCRIPTION OF PROJECT: Paragraph d. pertaining to description of the building is amended by inserting the word "tandem" after the words "3 compact" to note the fact that there are 50 parking stalls in the "D" level, consisting of 23 regular stalls, 6 regular tandem stalls, 18 compact parking stalls and 3 compact tandem parking stalls.

LIMITED COMMON ELEMENTS: This section is amended to note that all of the parking stalls have been assigned to various apartments in the project. As amended, this section shall read as follows:

Certain parts of the common elements, herein called and designated "limited common elements", are set aside and reserved for the exclusive use of certain apartments and such apartments shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are the parking stalls. Each of the one hundred sixty-nine (169) parking stalls in the project shall be a limited common element appurtenant to and reserved for the exclusive use of the apartment to which it is assigned as set forth in Exhibit "A" attached hereto and made a part hereof; PROVIDED, HOWEVER, that any or all of such parking stalls may be transferred and assigned as limited common elements appurtenant to other apartments by way of amendment to the Declaration as provided therein.

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: Paragraphs a., b. and c. of this section are hereby amended as follows (the amendments thereto are underlined):

a. The common interest and easements appurtenant to each apartment shall have a permanent character, shall not be altered without the consent of all owners of apartments affected thereby (deletion) as expressed in an amendment to the Declaration duly recorded, shall not be separated from such apartment and shall be deemed to be conveyed or encumbered with such apartment even though not expressly mentioned or described in the conveyance or other instrument. PROVIDED, that any exclusive easement for the use of a parking stall may be conveyed to another apartment owner by a written instrument expressly identifying 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 be denominated as an amendment of the Declaration. Such amendment need only be executed by the owners of apartments directly affected, and their respective lessees and Mortgagees. No alteration of the common interest or easements appurtenant to any apartments shall be made nor shall any partition of the common elements or any apartment be made without the prior written consent of the holders of any first mortgage on such apartment or on the leasehold interest therein.

b. The common elements shall remain undivided, and no right shall exist to partition or divide any part thereof except as provided by said Horizontal Property Act.

c. The residential apartments shall be used for residential purposes only, and the owners of such apartments shall not use or allow the use of their apartments as a tenement or boarding house or for or in connection with the carrying on of any business or trade whatsoever.

The Music Apartment may be occupied and used for any purposes that are permitted from time to time under applicable statutes, ordinances, rules and regulations, governmental determinations and restrictions of the appropriate agencies of the City and County of Honolulu and State of Hawaii.

The owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration and By-Laws of the project; provided, however, that no apartment owner may sell, lease, rent or otherwise transfer less than the entire apartment.

The apartments shall not be used, leased, rented or any undivided interest therein conveyed for time-sharing purposes or under any time-sharing plan, agreement or arrangement. For the purpose of this paragraph, a time sharing plan, agreement or arrangement means any arrangement, plan, scheme or similar device, whether by membership agreement, tenancy in common, sale, lease, deed, rental, agreement, license, use agreement, security, trust, or by any other means, whereby an individual in exchange for advanced consideration receives a right to use the apartment estate and facilities on a recurring basis for a specific period of time less than a full year during any given year, but not necessarily for consecutive years, and which extends for a period of more than one year. Nothing herein contained shall prohibit an apartment estate from being owned by two or more individuals as tenants in common, provided that such tenancy in common shall not be for the purpose of establishing a time sharing plan or agreement.

A new paragraph d is added to this section to read as follows:

d. In the event that a developer's construction mortgage lender or a successor to or assignee of a developer's construction mortgage lender shall acquire any portion of the project in the course of any foreclosure or other legal proceeding or by an assignment in lieu of foreclosure or other exercise of the mortgage remedies, such mortgage lender, its successors and assigns shall have the right to conduct extensive sales activity on the property, including the use of model apartments, sales, and management offices, and extensive sales displays until at least 95% of all of the apartments have been sold and the Condominium Conveyance Documents recorded.

ENCUMBRANCES AGAINST TITLE: The developer has filed with the Commission an updated Preliminary Report dated January 8, 1980 by American Abstract and Escrow, inc. which reports that title to the land submitted to the Horizontal Property Regime is subject to the following:

1. For real property taxes that may be due and owing, reference is made to the Tax Assessor, First Taxation Division.

AS TO PARCEL FIRST:

2. An easement in favor of the City and County of Honolulu for sanitary sewer purposes over and across Easement "A" (said Easement "A" situate over and across the Northerly portion of Lot 1), as shown on Map 1 of Land Court Application No. 1541.

3. A grant in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, for utility purposes, dated October 2, 1956, filed as Land Court Document No. 195145.

AS TO PARCEL SECOND:

4. The reservation in favor of the State of Hawaii of all mineral and metallic mines.

AS TO PARCEL THIRD:

5. Sewer Easement over and across Land Court Application No. 733, as shown on Map 3, as set forth by Land Court Order No. 14935, filed October 31, 1956.

6. A Grant in favor of the City and County of Honolulu, granting easement to construct an underground sewer pipe line under and across Sewer Easement across Land Court Application No. 733, and Right of Way, dated October 9, 1956, filed as Land Court Document No. 195708.

AS TO ALL PARCELS:

7. The terms, covenants and conditions of that certain Master Lease entered into by and between HARRY SEISHO NAKASONE, unmarried, Lessor, and NOSREDNA PROPERTIES, a registered Hawaii limited partnership, Lessee, dated June 28, 1979, filed as Land Court Document No. 950477 and recorded in the Bureau of Conveyances of Hawaii in Liber 13831, Page 126. Said Master Lease was amended by instrument dated August 24, 1979, filed as Land Court Document No. 961792 and recorded in Liber 13967, Page 260, and further amended by instrument dated January 7, 1980, filed as Land Court Document No. 990326 and recorded in Liber 14395 at Page 113.

8. Short Form Development Agreement by and between NOSREDNA PROPERTIES, a Hawaii limited partnership, Sublessor, and KINGS GATE ASSOCIATES, a Hawaii joint venture, Developer, dated August 29, 1979, filed as Land Court Document No. 961793 and recorded in Liber 13967, Page 263. Consent thereto by HARRY SEISHO NAKASONE, unmarried, dated August 24, 1979, filed as Land Court Document No. 961794 and recorded in Liber 13967 at Page 264.

9. The terms, provisions, agreement, covenants and conditions contained in Declaration of Horizontal Property Regime dated January 7, 1980, filed as Land Court Document No. 990327, and recorded in Liber 14395, Page 153.

PURCHASE MONEY HANDLING: Developer has filed with the Commission a copy of the final printed form of Sales Contract used for the Project and an amendment thereto. In connection therewith, paragraph (6) under this section is amended to read as follows:

(6) In the event development and construction of the Project is delayed due to governmental restrictions or regulations enacted after the date of the Sales Contract, or by occurrence of a contingency, the non-occurrence of which was a basic assumption which the Sales Contract was made, and Seller determines that increases in development and construction costs because of such delay require increases in sales prices to maintain financial feasibility of the Project, then and in any such event Seller may increase the total purchase price hereinabove stated only to the extent necessitated by said increases in development and construction costs and Seller shall notify Buyer in writing of any such increase in the total purchase price. After receipt of such notice, Buyer shall have fifteen (15) days within which to affirm or terminate the Sales Contract. If, within said fifteen-day period, Buyer does not notify Seller in writing that Buyer elects to terminate the Sales Contract, Buyer shall be deemed to have affirmed the Sales Contract at the increased purchase price. If Buyer elects to terminate the Sales Contract, Seller shall cause Escrow to refund to Buyer all deposits made pursuant hereto, without interest and less any escrow cancellation fee. Nothing in this paragraph shall be deemed to permit Seller from the performance of Seller's obligations hereunder if Buyer timely affirms the Sales Contract at the increased purchase price.

A new paragraph (9) is added under this section to read as follows:

(9) Until such time when Seller shall have sold all apartments in the Project, Buyer agrees that Buyer shall not enter into or offer to enter into any arrangement whereby any rental pool of apartments or any other sharing of rental income of apartments is established.

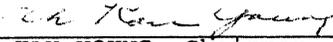
STATUS AND FINANCING OF PROJECT: Construction of the project is expected to commence on or about February 1, 1980. Developer has obtained financing commitments from American Savings and Loan Association and Fidelity Pacific Company as interim and permanent lenders of the project.

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 September 9, 1979 and information subsequently filed as of January 16, 1980.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1170 filed on September 9, 1979.

This 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
- Department of Planning, City and
County of Honolulu
- Federal Housing Administration
- Escrow Agent

Registration No. 1170

Dated: January 18, 1980

KINGS GATE
INITIAL PARKING STALL ASSIGNMENT

C - Compact Stall
CT - Compact Tandem

R - Regular Stall
RT - Regular Tandem
RTT - Regular Tandem - Tandem

APT. NO.	STALL NO.	TYPE OF STALL	PARKING LEVEL	APT. NO.	STALL NO.	TYPE OF STALL	PARKING LEVEL
101	35, 39	R, RT	A	1105	124	R	D
				1106	125	R	D
501	142	C	D	1107	126	R	D
502	143	C	D				
503	146	C	D	1201	104	R	C
504	147	C	D	1202	26	C	A
505	148	C	D	1203	105	R	C
506	140	R	D	1204	106	R	C
507	133	R	D	1205	107	R	C
				1206	108	R	C
601	127	C	D	1207	120	R	D
602	128	C	D				
603	129	C	D	1401	115	R	C
604	130	C	D	1402	15	C	A
605	131	C	D	1403	116	R	C
606	96	R	C	1404	101	R	C
607	91	R	C	1405	102	R	C
				1406	20	R	A
701	145	R	D	1407	103	R	C
702	112	C	C				
703	113	C	C	1501	90	R	C
704	114	C	C	1502	14	C	A
705	117	C	C	1503	163, 160	R, RT	D
706	24	R	A	1504	92	R	C
707	22	R	A	1505	93	R	C
				1506	162, 159	R, RT	D
801	134	R	D	1507	111	R	C
802	110	C	C				
803	135	R	D	1601	97	R	C
804	149	C	D	1602	13	C	A
805	150	C	D	1603	98	R	C
806	136	R	D	1604	99	R	C
807	144	R	D	1605	100	R	C
				1606	166, 169	C, CT	D
901	94	R	C	1607	95	R	C
902	109	C	C				
903	137	R	D	1701	29	R	A
904	132	C	D	1702	12	C	A
905	141	C	D	1703	30	R	A
906	138	R	D	1704	31	R	A
907	139	R	D	1705	32	R	A
				1706	164, 167	C, CT	D
1001	3	R	A	1707	165, 168	C, CT	D
1002	28	C	A				
1003	4	R	A	1801	72	R	B
1004	118	C	C	1802	11	C	A
1005	119	C	C	1803	71	R	B
1006	49	R	A	1804	16	R	A
1007	50	R	A	1805	17	R	A
				1806	152, 155	R, RT	D
1101	121	R	D	1807	25	R	A
1102	27	C	A				
1103	122	R	D	1901	18	R	A
1104	123	R	D	1902	10	C	A

C - Compact Stall
 CT - Compact Tandem

R - Regular Stall
 RT - Regular Tandem
 RTT - Regular Tandem - Tandem

APT. NO.	STALL NO.	TYPE OF STALL	PARKING LEVEL	APT. NO.	STALL NO.	TYPE OF STALL	PARKING LEVEL
1903	45, 41	R, RT	A	2301	82	R	B
1904	151	C	D	2302	80	C	B
1905	21	R	A	2303	86	R	B
1906	153, 156	R, RT	D	2304	87	R	B
1907	23	R	A	2305	88	R	B
				2306	47, 43	R, RT	A
2001	6	R	A	2307	62, 64	R, RT	B
2002	74	C	B				
2003	7	R	A	2401	85	R	B
2004	8	R	A	2402	81	C	B
2005	9	R	A	2403	84	R	B
2006	46, 42	R, RT	A	2404	83	R	B
2007	19	R	A	2405	52, 51	R, CT	B
				2406	36, 40	R, RT	A
2101	70	R	B	2407	68, 66	R, RT	B
2102	75	C	B				
2103	1	R	A	2501	48, 44	R, RT	A
2104	2	R	A	2502	76	C	B
2105	161, 158	R, RT	D	2503	69, 67	R, RT	B
2106	154, 157	R, RT	D	2504	63, 65	R, RT	B
2107	5	R	A	2505	54, 57, 60	R, RT, RTT	B
				2506	53, 56, 59	R, RT, RTT	B
2201	89	R	B	2507	55, 58, 61	R, RT, RTT	B
2202	79	C	B				
2203	78	R	B				
2204	77	R	B				
2205	73	R	B				
2206	34, 38	R, RT	A				
2207	33, 37	R, RT	A				

EXHIBIT "A"