

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
PARKWAY PHASE B-1
Kamehameha Highway & Mokulele Drive
Kaneohe, Oahu, Hawaii
REGISTRATION NO. 1176

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: October 18, 1979
Expires: November 18, 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 SEPTEMBER 14, 1979. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES.

1. PARKWAY PHASE B-1 is a leasehold condominium project consisting of 4 apartments contained in two separate buildings. Each apartment will have appurtenant thereto two parking stalls as limited common elements. No guest parking stalls exist.
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 basic documents (Declaration of Horizontal Property Regime, with By-Laws of the Association of Apartment Owners attached, and a copy of the approved Floor Plans) have been filed in the office of the recording officer.

The Declaration of Horizontal Property Regime, executed August 9, 1979, together with the By-Laws of the Association of Apartment Owners, was recorded in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 961434. The recording officer has designated Condominium Map No. 389 in the Land Court to the Project.

4. Advertising and promotional matter has not been submitted.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A, Hawaii Revised Statutes, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. This Final Public Report is made a part of the registration on PARKWAY PHASE B-1 condominium project, Registration 1176. The Developer is responsible for placing this Final Public Report (white paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and for securing a signed copy of the Receipt for same from each purchaser and prospective purchasers.
7. This Final Public Report automatically expires thirteen (13) months after the date of issuance, October 18, 1979, unless a Supplementary Public Report is issued or the Commission, upon the review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: PARKWAY PHASE B-1

LOCATION: The approximately 0.487 acres of land committed to the regime is situated at KAMEHAMEHA HIGHWAY and MOKULELE DRIVE, Kaneohe, Koolaulupo, City and County of Honolulu, State of Hawaii

TAX MAP KEY: 4-5-103: 4 (por.)

ZONING: R-3 and R-4 designated as Planned Development - Housing District No. R-30 (Ordinance No. 4167 adopted by the Council of the City and County of Honolulu).

DEVELOPER: HKH VENTURES, a registered Hawaii Limited Partnership, whose principal place of business and post office address is 2024 North King Street and whose telephone number is 847-4241 and having the following General Partners:

<u>Name of General Partner</u>	<u>Address</u>
Herbert K. Horita	2024 N. King Street Honolulu, Hawaii
Kinji Kanazawa	#301, 225 Queen Street Honolulu, Hawaii
Masakazu Horita	2024 N. King Street Honolulu, Hawaii
Shigeru Horita	2024 N. King Street Honolulu, Hawaii

ATTORNEY REPRESENTING DEVELOPER: John J. Hulten, Jr., Attorney at Law, A Law Corporation, Suite 310, Financial Plaza of the Pacific, Honolulu, Hawaii 96813, Telephone Number 536-2316.

DESCRIPTION: The project is to consist of a parcel of land containing approximately 0.487 acres, situated at Kaneohe, Koolaupoko, Oahu, Hawaii, with improvements existing thereon consisting of four (4) apartments contained in two (2) buildings without basements, with parking facilities. Said structures have been constructed principally of wood on concrete block foundations with exterior wood sidings and shake roofs.

There will be 3 types of dwelling units which have been designed as types A, AR and BR. The apartments are located as shown on Condominium Map No. 389 and contain the number of rooms and approximate area set forth on Exhibit "A" attached hereto and made a part hereof which also shows the type of each apartment.

Each of the apartments shall have immediate access to a walkway on the grounds of the Project. Each apartment has appurtenant thereto as a limited common area a parking area consisting of a carport and an area for tandem parking in front of the carport all as designated on the Condominium Map with the same number as the apartment. There are no guest parking stalls.

The respective apartments shall not be deemed to include any pipes, wires, conduits, or other utility or service lines running through such apartment which are utilized for or serve more than one apartment, the same being deemed common elements as hereinafter provided. Each apartment shall be deemed to include all of its perimeter walls, to the middle of the wall connecting it to the other apartment designated in the same building, all the walls and partitions within

its perimeter walls, all floors, foundations, ceilings and roofs, doors and door frames, windows and window frames, the appurtenant lanai and balcony, if any, all fixtures originally installed therein and all pipes, conduits, utilities, etc. located therein and serving only such apartment.

MERGER OF INCREMENTS: The Declaration of PARKWAY PHASE B-1 is specifically made subject to the Declaration as to Merger of Increments in a Condominium Project dated August 9, 1979, filed as Land Court Document No. 961435.

This Declaration as to Merger of Increments in a Condominium Project provides for the possible merger into PARKWAY PHASE B-1 of subsequent condominium projects which may be developed on the property described therein. In connection therewith certain easements are reserved over the common elements of the Project. It is incumbent upon the purchaser and prospective purchasers that they carefully review this Declaration as to Merger of Increments in a Condominium Project.

COMMON ELEMENTS: The common elements which shall constitute one freehold estate, shall specifically include, but not be limited to:

- (i) Said land in fee simple
- (ii) All driveways, walkways, yards, grounds, and landscaping.
- (iii) All parking areas and storage areas (but no guest parking).
- (iv) All central and appurtenant installations for common services, including power, light, water, gas, sewer, telephone, television antenna, and trash disposal which serve more than one apartment.
- (v) All other parts of the Project necessary or convenient to its existence, maintenance and safety, or normally in common use.

LIMITED COMMON ELEMENTS: Certain parts of the common elements, herein called the "limited common elements", are hereby designated and set aside for the exclusive use of certain apartments, and such apartments shall have appurtenant thereto easements for the use of such limited common elements as follows:

- (i) The area within the lot line upon which each respective apartment is built, as shown on the site plan constituting a portion of said Condominium Map, shall be appurtenant to and for the exclusive use of such apartment.

- (ii) The parking areas designated with the same number as an apartment shall be a limited common element reserved for the use of such apartment. Parking areas include covered carports and the tandem parking area in front of the carport.

Each apartment owner shall be responsible for the proper repair and maintenance of such limited common elements appurtenant to his apartment pursuant to Paragraph 10 of the Declaration, including, but not limited to, the yard, dwelling unit, balconies, lanais, fences, walls, entryways, garages, etc., which are included in the lot area consisting of the limited common element appurtenant to his apartment, and shall at all times keep the same in good order and condition, and maintain and keep the land of each such lot and the parking area in a neat and attractive condition and keep and maintain all trees and shrubs and grass on the lot in good cultivation and replant the same as may be necessary, and repair and make good all defects in the limited common elements of which notice shall be given by the Board of Directors or Managing Agent within thirty (30) days after the giving of such notice.

INTEREST TO BE CONVEYED TO PURCHASER: Each apartment shall have appurtenant thereto an undivided percentage interest called the "common interest" in all common elements of the project as set forth in Exhibit "A" attached hereto.

The voting rights of apartment owners, as well as their share of the common expenses, shall be in proportion to their common interest.

PURPOSE AND USE OF THE APARTMENTS: The purpose for which the apartments are intended and restricted as to use is residential; provided, that this shall not be construed to prohibit the renting or leasing of said apartments; provided, further, that no apartments shall be rented by the owner or owners thereof for transient or hotel purposes.

OWNERSHIP TO TITLE: The Land Court Letters dated June 18, 1979, issued by Long & Melone, Ltd. and submitted to the Commission, states that present fee simple ownership of the land committed to the project is vested as follows:

JAMES CHRISTIAN CASTLE, JAMES, GORDON McINTOSH and HAWAIIAN TRUST COMPANY, LIMITED, Trustees of the Trust Estates created by Articles Fifth and Eighth of the Last Will and Testament of Harold K.L. Castle, deceased; IOLANI SCHOOL (a Hawaii Non-profit corporation); and HENRY HO WONG (Husband of Colene Smith Wong).

ENCUMBRANCES AGAINST TITLE: Said Land Court Letters dated June 18, 1979 & September 7, 1979, also report that title to the land is subject to the following encumbrances:

That certain Indenture of Lease dated June 1, 1972, by and between James C. Castle and Hawaiian Trust Company, Limited, a Hawaii corporation, and James Gordon McIntosh, Trustees of the trust estates established pursuant to the Last Will and Testament, including Codicils First through Fifth, of Harold K.L. Castle, deceased and Harold K.L. Castle Foundation, a Hawaii eleemosynary corporation, and Henry Ho Wong, whose wife's name is Colene Smith Wong, as "Lessor", and Shigeru Horita, Husband of Mitsue Horita, and Herbert Kazuo Horita, Husband of Miriam Reiko Horita, authorized General Partners of HKH Ventures, a Limited Partnership, as "Lessee", filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 702600, for a term beginning June 1, 1972, to December 31, 1980. Said Master Lease was amended by instrument dated December 21, 1978, filed as Land Court Document No. 915868 to extend the terms of said Lease from December 21, 1978 to December 31, 1983.

SUBJECT, ALSO, to the following:

1. That certain right of way lease dated April 22, 1965, in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, to build, etc, pole and wire lines and/or underground lines, etc. filed in said Office as Document No. 360831. Said easement being 25 feet wide, extending 12-1/2 feet on each side of center line, as shown on Hawaiian Electric Company, Inc.'s Map 64-75. Said lease of right-of-way was for a term of five years from April 22, 1965. Said lease of right of-way was amended and extended to expire on June 30, 1973 and thereafter from year to year until terminated by either party giving to the others 3 months' written notice by Amendment of Lease of Right-of-Way acknowledged September 4, 1968, filed as Land Court Document No. 455435.

2. That certain grant of easement in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company dated April 7, 1960, filed in said Office as Land Court Document No. 260038, to build etc. pole and wire lines and/or underground power lines, etc. Said easement being 25 feet wide, extending 12-1/2 feet on each side of center line, as shown on Hawaiian Electric Company, Inc.'s Map 60-28.

3. That certain grant of easement in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company dated November 29, 1978 effective July 17, 1975, and filed in said Office as Land Court Document No. 913893 for utility purposes. The location of said easement is within said Lot as shown on Hawaiian Electric Company, Inc.'s Drawing No. 35512 dated April 26, 1973.

4. That certain Master Declaration of Covenants, Conditions and Restrictions for the Parkway Community at Kaneohe, Hawaii dated June 20, 1975, and amended November 8, 1978, filed as Land Court Document No. 914663.

5. That certain Mortgage and Financing Statement dated December 23, 1974, by and between Shigeru Horita and Herbert K. Horita, authorized general partners of HKH Ventures, a Hawaii limited partnership, as Mortgagor, and First Hawaiian Bank, as Mortgagee, filed in said Office as Land Court Document No. 707646 to secure the amount of \$5,000,000.00. Mortgage interest in said Master Lease.

6. That certain Estoppel Certificate dated January 6, 1975, filed in said Office as Land Court Document No. 707942. James Christian Castle, et al., consent to improvements re Master Lease.

7. That certain Additional Charge Mortgage and Financing Statement dated October 23, 1978, by and between HKH Ventures, as Mortgagor, and First Hawaiian Bank, as Mortgagee, filed in said Office as Land Court Document No. 915874, to secure the amount of \$506,400.00. Additional Charge to Mortgage dated December 23, 1974, filed in said Office as Land Court Document No. 707646.

Lessor's consent to Mortgage and Estoppel Certificate by James C. Castle, James Gordon McIntosh and Hawaiian Trust Company, Limited, Trustees of the trust estates established pursuant to the Last Will and Testament, including Codicils First through Fifth, of Harold K.L. Castle, deceased, and Iolani School, and Henry Ho Wong, whose wife's name is Colene Smith Wong, dated December 21, 1978, and filed in said Office as Land Court Document No. 915876.

8. That certain Financing Statement by and between HKH Ventures, as Debtor, and First Hawaiian Bank, as Secured Party, recorded January 7, 1975, in the Bureau of Conveyances of the State of Hawaii in Book 10362 at Page 303 covering all right, title, and interest, etc. in Parkway Project.

9. Real Property Taxes for Tax Map Key: 4-5-103-04 (portion).

SUBJECT, ALSO TO THE FOLLOWING:

1. Declaration of Horizontal Property Regime, Parkway Phase B-1, dated August 9, 1979, filed as Land Court Document No. 961434, Condominium Map No. 389, consisting of four apartments.

2. Declaration as to Merger of Increments in the Condominium Project dated August 9, 1979, filed as Land Court Document No. 961435.

3. Supplementary Declaration to Master Declaration of Covenants, Conditions and Restrictions for the Parkway Community at Kaneohe, Hawaii dated August 9, 1979, filed as Land Court Document No. 961436 and also recorded in the Bureau of Conveyances in Book 13962 at Page 103.

NOTE: The Developer has represented to the Commission that all mortgages will be released prior to the first conveyance of an apartment.

PURCHASE MONEY HANDLING: An Escrow Agreement dated September 4, 1979, has been executed and a copy of same has been filed with the Commission. The Escrow Agent is Developer's Escrow, a Hawaii corporation. Upon examination the Specimen Sales Contract and the executed Escrow Agreement are found to be in consonance with Chapter 514A, Hawaii Revised Statutes, and particularly Sections 514A-39 and 514A-63 through 514A-66.

Among other provisions the specimen Sales Contract provides, in part:

1. All interest, if any, received by Seller and/or Escrow on Buyer's deposits shall become the sole property of the Seller, and Buyer and Seller hereby jointly so instruct Escrow pursuant to the provisions of Sections 402-8 and 449-16.5 of the Hawaii Revised Statutes.
2. BUYER UNDERSTANDS THAT SELLER IS SELLING THE APARTMENT "AS IS WHERE IS" WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED.
3. Buyer acknowledges that the property described in the Declaration is subject to the provisions of Ordinance No. 4167 of the City and County of Honolulu, State of Hawaii, by which Ordinance said property was designated as Planned Development - Housing District No. R-30.
4. The Buyer acknowledges and agrees that all liens or security interests obtained by the interim lender as well as any extensions, renewals and modifications thereof shall be and remain at all times a lien or charge on the Project, including the Apartment and appurtenant common interest covered by this Sales Contract, and that such liens and security interests shall have priority over any interest whatsoever that the Purchaser may have obtained by this Sales Contract.
5. Buyer understands that Lessor has not controlled or otherwise participated in, in any way, either as joint venturer, or in any other capacity, the planning or construction of the demised premises or any other improvements in the Project. All approvals of plans and specifications by Lessor were given without regard to and without conducting any investigation into, the structural soundness of the improvements in the Project, code violations, or other matters relating to the legality or integrity of the improvements. Accordingly, Buyer agrees and declares as part of the consideration to Lessor for granting a Lease, that Buyer has and does hereby waive any and all claims which Buyer might otherwise have against Lessor, on account of faulty or improper construction of improvements, latent defects, code violations in building

construction or representations concerning the demised premises, it being understood and agreed that the Buyer's right to make such claims, to the extent such claims are recognizable at law or equity, shall be against the Seller of this project or against any person or persons in privity of contract with said Seller, but not Lessor. Nothing in this paragraph, however, shall be deemed to constitute or create any warranty as to said matters, express or implied, by Seller.

It is incumbent upon the purchaser and prospective purchaser that he or she read with care the Sales Contract and the executed Escrow Agreement. The latter Agreement establishes how the proceeds from the sale of condominium units are placed in trust, as well as the retention and disbursement of said funds.

PARKWAY COMMUNITY ASSOCIATION: The purchaser and prospective purchaser is advised to familiarize himself with the terms of the Master Declaration of Covenants, Conditions, and Restrictions affecting the property dated June 20, 1975, filed in the Land Court of the State of Hawaii as Document No. 727416, as amended by Supplementary Declaration and Amendment of Master Declaration of Covenants, Conditions, and Restrictions for the Parkway Community at Kaneohe, Hawaii, dated November 8, 1978, and filed as Land Court Document No. 914663 and as further amended by Supplementary Declaration dated August 9, 19 79, and filed as Land Court Document No. 961436. These documents detail the establishment of the Parkway Community Association, a non-profit corporation formed to provide maintenance of the recreational areas common to the project and other projects developed and to be developed in the area. The purchaser will have non-exclusive rights to use these recreational facilities, together with all others entitled thereto. By the terms of this Declaration and the Apartment Lease, the purchaser is required to be a member of this Association and to pay a pro rata share of the cost of the maintenance and repair of the recreational areas.

FINANCING OF PROJECT: Developer has obtained a commitment for the permanent financing for this project from the First Hawaiian Bank.

MANAGEMENT AND OPERATION: The Declaration discloses that the administration of the project shall be vested in the Association of Apartment Owners. The proposed By-Laws of the Association places in the Board of Directors the responsibility of employing a responsible Hawaii corporation as Managing Agent to manage and control the project, subject at all times to direction by the Board. The initial Managing Agent shall be Island Management and Leasing Services, Services, Inc., 2119 N. King Street, Honolulu, Hawaii.

STATUS OF PROJECT: Construction of the buildings has been completed. The Affidavits of Publication of Notice of Completion were filed on June 19, 1979.

The Purchaser or prospective purchaser should be cognizant of the fact that this report represents information disclosed by the Developer in the required Notice of Intention submitted September 14, 1979, and information subsequently filed as of September 28, 1979.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1176 filed with the Commission on September 14, 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.

Ah Kau Young
AH KAU YOUNG, CHAIRMAN
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

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

Registration No. 1176
October 18, 1979.

EXHIBIT "A"

	<u>Type</u>	<u>Square Footage</u>	<u>Building</u>	<u>Lot</u>
Apartment 73	A	1,366	23	A
Apartment 74	BR	1,486	23	B
Apartment 75	A	1,366	24	C
Apartment 76	AR	1,366	24	D

Type A apartments contain 8 rooms, being a living/dining room, two bedrooms, two bathrooms, a kitchen, family room and utility room, containing 1,250 square feet and a lanai of 96 square feet, and a covered entry of 20 square feet, for a total of 1,366 square feet.

Type AR is identical to Type A apartments, but in a reverse layout.

Type BR apartments contain 9 rooms, being a living/dining room, three bedrooms, two bathrooms, a kitchen, family room and utility room, containing 1,370 square feet, and a lanai of 96 square feet and a covered entry of 20 square feet, for a total of 1,486 square feet.

Each apartment has appurtenant thereto an undivided 25% interest in all the common elements of the project.