

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

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

REGISTRATION NO. 1191

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

It was prepared as a supplement to an earlier Report dated November 8, 1979 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 : June 26, 1980
Expires: November 8, 1980

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 OCTOBER 22, 1979, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF JUNE 24, 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 November 8, 1979 on PALEHUA HILLSIDE, PHASE III, Registration No. 1191, the Developer reports that material changes have been made in the plan or setup of Palehua Hillside, Phase III, and

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 III. Phase III shall consist of 18 apartments, all of which will be contained in 3 buildings. There shall be 3 parking stalls appurtenant to Apartment No. 67, 2 parking stalls appurtenant to all other units in Phase III, and 8 other parking stalls (126 to 128 and 160 to 164) located within Phase III but which will be for the use of apartments located in Phase III-A. There will be a total of 45 parking stalls in Phase III.

2. This Supplementary Public Report (pink paper stock) amends the PALEHUA HILLSIDE, Phase III Preliminary Public Report (yellow paper stock), becoming a part of this registration. The Developer is responsible for placing a true copy of this Supplementary 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 Supplementary 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 Supplementary Public Report expires November 8, 1980, unless 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 November 8, 1979 has not been disturbed except under the topical headings LOCATION, TAX KEY, DESCRIPTION, 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 III

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: Phase III shall consist of eighteen (18) condominium apartments contained in three (3) instead of six (6) buildings, being Buildings 92-1282, 92-1284 and 92-1288.

In addition the Note or the end of this heading has been revised to read as follows:

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.

EASEMENTS: Paragraph (f) of this heading has 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.

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.

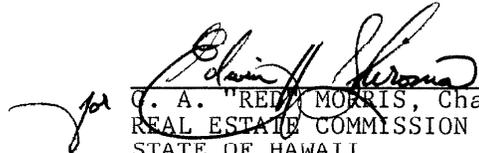
13. Additional Charge Mortgage dated February 17, 1978, filed in said Office as Document No. 861755, also recorded in the Bureau of Conveyances of the State of Hawaii in Book 12737, at Page 615, made by Finance Realty Company, Limited, as Mortgagor, to Bank of Hawaii, as Mortgagee. Consent thereto filed 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 III of the project is scheduled to commence in August, 1980.

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 October 22, 1979, and additional information subsequently filed as of June 24, 1980.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1191 filed with the Commission on October 22, 1979.

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


C. A. "RED" 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

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June 26, 1980