REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES
STATE OF HAWAII
1010 RICHARDS STREET
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HONOLULU, HAWAII 96801

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
PUUALII, PHASE II, INCREMENT 1
Heeia, Koolaupoko, City and County of Honolulu
State of Hawaii

REGISTRATION NO. 1252

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: September 16, 1980

Expires: October 16, 1981

SPECIAL ATTENTION

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

THIS REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED FEBRUARY 22, 1980 AND INFORMATION SUBSEQUENTLY FILED AS OF SEPTEMBER 15, 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, on PUUALII, PHASE II, INCREMENT 1, condominium apartment project, Registration No. 1252, dated March 14, 1980, the Developer has prepared, assembled and forwarded additional information.

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

3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners and a copy of the approved Floor Plans) have been filed with the Assistant Registrar of the Land Court of the State of Hawaii and the Bureau of Conveyances of the State of Hawaii. The Declaration is filed as Document No. 1030941 and in Liber 14982 at Page 294. The Floor Plans are filed as Land Court Condominium Map No. 432 and Condominium Map No. 751.

4. This Final Public Report (white paper stock) is made a part of the registration of the PUUALII, PHASE II, INCREMENT 1 condominium project, a copy of which the Developer is required to provide all purchasers or prospective purchasers of apartments along with the Preliminary Public Report (yellow paper stock) and disclosure abstract. Securing a signed copy of the receipt therefor from each purchaser and prospective purchaser is also the responsibility of the Developer.

5. Advertising and promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.

6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Hawaii Revised Statutes, Chapter 514A, 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, September 16, 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 DESCRIPTION, ENCUMBRANCES AGAINST TITLE, MANAGEMENT AND OPERATIONS, and STATUS OF PROJECT, has been changed. A new topical heading PROGRAM OF FINANCING has been added. Information under all other headings as recited in the Preliminary Public Report of March 14, 1980, remains unchanged.

DESCRIPTION: The information under this heading as recited in the Preliminary Public Report of March 14, 1980 remains unchanged except as follows:

1. There shall be a total of 75 (instead of 74) parking stalls, including 12 (instead of 11) guest parking stalls.

2. The approximate areas of the Garden Lanai and the approximate total area of each of the following apartments and its appurtenant lanai and garden lanais are revised as follows:

Apt. No.	Approx. Sq. Ft. Garden Lanai	Approx. Total Sq. Ft.
2811	142 (instead of 187)	1146 (instead of 1191)
2815	187 (instead of 142)	1142 (instead of 1097)
3011	187 (instead of 187)	1142 (instead of 1097)

The above changes do not affect the percent of common interest of each apartment in the common elements.

ENCUMBRANCES AGAINST TITLE: The Preliminary Report dated August 20, 1980 and supplemented by Supplemental Report dated September 3, 1980 by Security Title Corporation identifies that title to the land is encumbered as follows:

1. Reservation in favor of the State of Hawaii of all mineral and metallic mines as reserved in Royal Patent No. 1420.

2. The terms and provisions of that certain Lease No. 24,620 dated June 7, 1976, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 768125, and also recorded in the Bureau of Conveyances of the State of Hawaii in Book 11460 Page 547, made by and between TRUSTEES OF THE ESTATE OF BERNICE PAUAHI BISHOP, as Lessors, and THOMAS FRANCIS McCORMACK, husband of Hilda Frances McCormack, as Lessees, for a term commencing from the First day of January, 1976; as amended by instrument dated June 3, 1977, filed in the Office of the Assistant Registrar as Document No. 838309, and also recorded on October 4, 1977 in said Bureau of Conveyances in Book 12471 Page 444; as further amended by instrument dated March 6, 1978, filed in the Office of the Assistant Registrar as Document No. 872979, and also recorded on May 2, 1978 in said Bureau of Conveyances in Book 12868 Page 431.

3. The terms and provisions of that certain Bishop Estate Sublease No. 24,620A dated June 7, 1976, filed in the Office of the Assistant Registrar as Document No. 768126, and also recorded on June 9, 1976 in said Bureau of Conveyances in Book 11461 Page 1, made by and between TRUSTEES OF THE ESTATE OF BERNICE PAUAHI BISHOP, "Owners", and THOMAS FRANCES McCORMACK, husband of Hilda Frances

McCormack, "Tenant", holder of the master lease dated June 7, 1976, filed in said Office of the Assistant Registrar as Document No. 768125, and also recorded in said Bureau of Conveyances in Book 11460 Page 547, as Lessor(s), to SWIRE-McCORMACK LTD., a Hawaii corporation, as Lessee(s), for a term of 61 years commencing from the First day of January, 1976; as amended by instrument dated June 6, 1977, filed in said Office of the Assistant Registrar as Document No. 838310, and also recorded on October 4, 1977 in said Bureau of Conveyances in Book 12471 Page 451; as further amended by instrument dated March 6, 1978, filed in said Office of the Assistant Registrar as Document No. 872980, and also recorded on May 2, 1978 in said Bureau of Conveyances in Book 12868 Page 440. Consent thereto filed as Document No. 872981 and also recorded in Book 12868 Page 444.

4. Mortgage dated June 9, 1976, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 768534, and also recorded on June 14, 1976 in the Bureau of Conveyances of the State of Hawaii in Book 11465 Page 261, made by SWIRE-McCORMACK LTD., as Mortgagor(s), to SWIRE PROPERTIES (Netherlands) B. V., as Mortgagee(s), to secure the repayment of the sum of $1,000,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor(s) therein referred to.

5. Mortgage dated December 2, 1976, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 793973, and also recorded on December 14, 1976 in the Bureau of Conveyances of the State of Hawaii in Book 11880 Page 42, made by SWIRE-McCORMACK LTD., as Mortgagor(s), to SWIRE PROPERTIES (Netherlands) B. V., as Mortgagee(s), to secure the repayment of the sum of $2,400,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor(s) therein referred to.

   By instrument dated January 24, 1978, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 861373, and also recorded on February 22, 1978, in the Bureau of Conveyances of the State of Hawaii in Book 12732 Page 205, the foregoing Mortgage was subordinated to the lien of that certain mortgage next hereinafter referred to in Encumbrance No. 6 hereof.

6. Mortgage dated January 13, 1978, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 861372, and also recorded on February 22, 1978 in the Bureau of Conveyances of the State of Hawaii in Book 12732

Page 163, made by SWIRE-McCORMACK LTD., as Mortgagor(s), to BANK OF HAWAII, a Hawaii banking corporation, as Mortgagee(s), to secure the repayment of the sum of $2,000,000.00, any additional advances and other amounts secured thereby, all according to the terms of that certain promissory note of said mortgagor(s) therein referred to.

(a) By instrument dated May 15, 1978, filed in the Office of the Assistant Registrar as Document No. 880049, and also recorded on June 13, 1978 in the Bureau of Conveyances of the State of Hawaii in Book 12948 Page 718, SWIRE-McCORMACK LTD., a Hawaii corporation, grant, bargain, convey, sell, assign and mortgage unto BANK OF HAWAII, a Hawaii corporation, as additional security for the repayment in the amount of $2,000,000.00.

(b) Notice dated July 21, 1978, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 889090, recorded on July 26, 1978 in the Bureau of Conveyances of the State of Hawaii in Book 13036 Page 532, made by and between SWIRE-McCORMACK LTD., a Hawaii corporation, as Mortgagor(s), and BANK OF HAWAII, a Hawaii banking corporation, as Mortgagee(s) is under a contractual duty to make future advances in said maximum amount of $1,999,000.00.

(c) By instrument dated Feburary 6, 1979, recorded on February 14, 1979 in the Bureau of Conveyances of the State of Hawaii in Book 13484 Page 763, made by and between SWIRE-McCORMACK LTD., a Hawaii corporation, as Mortgagor(s), and BANK OF HAWAII, a Hawaii corporation, as Mortgagee(s), is under a contractual duty to make future advances in said maximum amount of $1,548,632.00.

7. Grant dated September 30, 1977, filed in the Office of the Assistant Registrar as Document No. 839449, made by the TRUSTEES OF THE ESTATE OF BERNICE PAUAHI BISHOP, as Grantors, and THE CITY AND COUNTY OF HONOLULU, a municipal corporation of the State of Hawaii, as Grantee, and THE BOARD OF WATER SUPPLY, City and County of Honolulu, as Board, granting forever, the right, in the nature of an easement, to be exercised and enjoyed by the Board, to construct, etc., an underground water pipeline or pipelines, etc., as the Board shall deem necessary to properly measure and control water conveyed to consumers through the pipeline or pipelines, or to provide a proper water fixture for fire fighting purposes, over, under, across and through LOT 1431-B. Consents thereto filed as Document Nos. 839450, 839451 and 839452. RESERVING, HOWEVER, to the Grantors, their tenants and subtenants reasonable use of the easement areas except for those

portions actually occupied by pipelines and other equipment;

8. Grant dated March 28, 1980, filed in said Office of the Assistant Registrar as Document No. 1015924 and also recorded on June 5, 1980 in said Bureau of Conveyances in Book 14776 Page 334, in favor of HAWAIIAN ELECTRIC COMPANY, INC., a Hawaii corporation, granting a perpetual right and easement to build, etc., for transmission and distribution of electricity to be used for light and power and/or communications and control circuits, over, under, upon, across and within Lots 1179 (Map 75) and 1176-B-2 (Map 98) of Land Court Application 1100, covered by Certificate of Title No. 129,061, Lot 1431-B (Map 173) of Land Court Application 1100, covered by Certificate of Title No. 157,862, and Lots C, F-1 and F-2. Consent thereto filed as Document No. 1015925 and also recorded in Book 14776 Pages 336 and 337.

9. Designation of the following easements as shown on Map 194 of Land Court Application No. 1100 and set forth in Land Court Order No. 57482, filed August 20, 1980.

   (a) Easement 624 for storm drain purposes over and across Lot 1743.

   (b) Easement 625 for access road and utility purposes over and across Lot 1743.

   (c) Easement 630 for storm drain purposes over and across Lot 1179-B.

   (d) Easement 631 for access road and utility purposes over and across Lot 1179-B.

10. Easement A for storm drain purposes over 4,551 square feet.

11. Easement B for road access and utility purposes over 6,629 square feet.

12. Easement C for road access and utility purposes over 0.06 square feet.

13. Easement D for road access and utility purposes over 188 square feet.

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

IN ADDITION to the foregoing, the Developer has disclosed by letter dated September 15, 1980, the following additional encumbrances that were recorded after the issuance of said August 20, 1980 Preliminary Title Report.

A. Declaration of Horizontal Property Regime of PuuAlii, Phase II, Increment 1 dated August 12, 1980, filed in said Office of the Assistant Registrar as Document No. 1030941, and also recorded in said Bureau of Conveyances in Liber 14982 at Page 294.

B. Condominium Map No. 432 filed in said Office of the Assistant Registrar on September 12, 1980, and Condominium Map No. 751 filed in said Bureau of Conveyances on September 12, 1980.

C. Declaration of Perpetual Covenants, Conditions and Restrictions for PuuAlii dated May 12, 1977, filed in said Office of the Assistant Registrar as Document No. 838312, and also recorded on October 4, 1977 in said Bureau of Conveyances in Book 12471 Page 469 and as amended by that certain Supplemental Declaration No. 1 for PuuAlii dated August 12, 1980, filed in said Office of the Assistant Registrar as Document No. 1030939, and recorded in said Bureau of Conveyances in Liber 14982 at Page 256.

D. Declaration as to Merger of Increments in a Condominium Project dated August 12, 1980, filed in said Office of the Assistant Registrar as Document No. 1030940, and also recorded in said Bureau of Conveyances in Liber 14982 at Page 275.

E. Except for minor changes, said letter from the Developer represents that items A, B, C and D above were recorded as submitted to the Commission.

NOTE: The Developer has advised the Commission that at the time the first apartment lease is entered into between the Trustees of the Estate of Bernice Pauahi Bishop and Thomas Francis McCormack, as Lessors, and an apartment purchaser, as Lessee, every mortgage and other lien affecting both such apartment and any other apartment shall be paid and satisfied of record, or the apartment being leased shall be released therefrom by partial release duly recorded.

The Developer has advised the Commission that appropriate easements will be granted to public utilities and others for the construction, installation, operation, maintenance, repair and replacement of lines and other transmission facilities and appurtenances for electricity, gas, telephone, radio and television signal distribution and other services and utilities which may be necessary in order to serve the property.

MANAGEMENT AND OPERATIONS: The Developer has advised that it has entered into an Agency and Property Management Agreement with Certified Management, a division of A R Corporation, a Hawaii corporation, whose principal place of business and post office address is 98-1238 Kaahumanu Street, Suite 404, P. O. Box 547, Pearl City, Hawaii 96782.

STATUS OF PROJECT: The Developer entered into a construction contract with CAWDREY-MARS-GENERAL on September 12, 1979, and has advised the Commission that the estimated time of substantial completion of construction of the total project is on or about October 1, 1980.

PROGRAM OF FINANCING: The Developer has received loans from SWIRE PROPERTIES (Netherlands) B. V. and from Bank of Hawaii. The documents for the aforesaid loans and the Developer's Statement of Financing for the completion of the Project have been forwarded to the Commission and may be reviewed.

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 on February 22, 1980 and additional information subsequently filed as of September 15, 1980.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1252 filed with the Commission on February 22, 1980. The report, when reproduced, shall be a true copy of the Commission's public report. In making facsimiles, the paper stock shall be white.

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

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CITY AND COUNTY OF HONOLULU
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ESCROW AGENT

REGISTRATION NO. 1252

September 16, 1980