

REAL ESTATE COMMISSION
PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT

on

KAHALUU BAY VILLAS
Alii Drive & Mokolea St.
Kahaluu-Kona, Hawaii

Registration No. 1513

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: February 22, 1985
Expires: March 22, 1986

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 AUGUST 16, 1982, AND INFORMATION SUBSEQUENTLY SUBMITTED ON FEBRUARY 21, 1985. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since issuance of the Commission's Preliminary Horizontal Property Regimes (Condominium) Public Report dated February 19, 1983 on Registration No. 1513, the Developer has forwarded additional information deemed material to the project.

2. The Developer of the project has filed all documents and materials deemed necessary by the Commission for the registration of this condominium project and the issuance of this Final Public Report.
3. The Developer advises that the Declaration of Horizontal Property Regime dated January 23, 1985 and Bylaws dated February 5, 1985 have been filed in the Bureau of Conveyances of the State of Hawaii in Liber 18436, Page 525 and Liber 18436, Page 542, respectively. Condominium Map No. 947 has been designated to the project.
4. No advertising or promotional matter has been submitted pursuant to the Rules and Regulations promulgated by the Commission.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of the Horizontal Property Act, Chapter 514A of the Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to the Horizontal Property Regime.
6. This Final Public Report amends the Commission's Preliminary Public Report dated February 18, 1983, and is made a part of the registration of the KAHALUU BAY VILLAS (condominium project). The Developer is responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers, together with the Preliminary Public Report (yellow paper stock) and for securing a signed copy of the Receipt therefor.
7. This Final Public Report automatically expires thirteen (13) months after date of issuance, February 22, 1985, unless a Supplementary 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 in the Preliminary Public Report dated February 18, 1983 has not been modified except for TAX KEY, ATTORNEY REPRESENTING DEVELOPER, COMMON ELEMENTS, ENCUMBRANCES AGAINST TITLE, PURCHASE MONEY HANDLING and STATUS OF PROJECT. A new topical heading FINANCING CONSTRUCTION has been added.

TAX KEY: The Tax Key Designation of the parcel has been changed by the taxing authorities from 7-8-10:(4) portion, Third Division, to 7-8-10-74, Third Division.

ATTORNEY REPRESENTING DEVELOPER: ROBERT L. SMITH, 77-6400 Nalani Street, Suite 200, Kailua-Kona, Hawaii 96740. Telephone: 808-329-3511.

COMMON ELEMENTS: Amenities, including swimming pool and sauna and other installations for common use including the pavillion, are planned for construction in conjunction with Increment II of the project.

OWNERSHIP OF TITLE: Status of title is unchanged.

ENCUMBRANCES AGAINST TITLE: The Preliminary Title Report dated January 14, 1985 and issued by Title Guaranty of Hawaii Incorporated reflects the following encumbrances:

(a) Any and all real property taxes that may be due and owing. Reference is hereby made to the Office of the Tax Assessor, Third Division.

(b) Reservation in favor of the State of Hawaii of all mineral and metallic mines.

(c) Mortgage dated December 21, 1982, recorded on January 10, 1983 in the Bureau of Conveyances of the State of Hawaii in Book 16788 Page 775, made by MOKUAIKAUUA CHURCH (CONGREGATIONAL), an eleemosynary Hawaii corporation, as Mortgagor(s), to FRANK ELBERT MIDKIFF, RICHARD LYMAN, JR., HUNG WO CHING, MATSUO TAKABUKI and MYRON BENNETT THOMPSON, Trustees of the Estate of Bernice Pauahi Bishop, as Mortgagee(s), to secure the repayment of the sum of \$792,248.00, 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.

(d) Agreement of Sale dated December 21, 1982, recorded on January 21, 1983, in the Bureau of Conveyances of the State of Hawaii in Book 16808 Page 125, made by and between MOKUAIKAUUA CHURCH (CONGREGATIONAL), an eleemosynary Hawaii corporation, as Seller(s), and RICHARD W. CLARK and PATRICIA M. CLARK, husband and wife, as Joint Tenants, as Purchaser(s) agree(s) to buy the land therein described for the consideration and on the terms and conditions therein contained.

FINANCING CONSTRUCTION: The Developer has informed the Commission that the cost of construction of the Project will be approximately \$2,587,900.00; that said amount will be available to the Developer from an interim construction loan from Great Pacific Savings & Loan Association.

At the time of the first conveyance, the Developer shall satisfy the provisions of 514A-18, Hawaii Revised Statutes, as amended, requiring the mortgages and other lien, except any improvement district or utility assessment, to be satisfied or to provide for partial releases to the respective apartments.

PURCHASE MONEY HANDLING: The Escrow Agent has been changed from Security Title Corporation to Title Guaranty Escrow Services, Inc. on March 4, 1983.

STATUS OF PROJECT: Construction has already commenced and expected to be completed December 31, 1985. The Developer reports that he has obtained financing commitments for construction of Increments I and II of the Project. Increment II shall consist of a 21 unit apartment building and supporting and servicing common elements. The Developer has not requested

a Public Report for Increment II but indicates his intention to do so in the near future. The Developer intends to commence construction of Increment II by May 1, 1985 and to complete both Increments I and II on or before February 15, 1986.

The purchaser or prospective purchaser should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted August 16, 1982, and additional information subsequently filed on February 21, 1985.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1513, filed with the Commission on August 16, 1982.

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 in color.



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

DISTRIBUTION:

Department of Finance, County of Hawaii
Bureau of Conveyances
Planning Department, County of Hawaii
Federal Housing Administration
Escrow Agent

REGISTRATION NO. 1513

Date: February 22, 1985