

# 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  
PHASE III, COLLEGE GARDENS  
Waiawa Road  
Pearl City, Hawaii

REGISTRATION NO. 1539

### **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: March 16, 1984  
Expires: April 16, 1985

#### 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 MARCH 21, 1983 AND INFORMATION SUBSEQUENTLY FILED AS OF MARCH 7, 1984. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Public Report of April 21, 1983 on PHASE III, COLLEGE GARDENS, the Developer has filed additional information as part of the registration on the project.

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 Property Regime, By-Laws of Association of Apartment Owners, and approved floor plans) for the project have been recorded in the office of the recording officer. The Declaration dated August 3, 1983, has been recorded in the Bureau of Conveyances of the State of Hawaii in Liber 17684 at Page 17, and the By-Laws also dated August 3, 1983, has been recorded in said Bureau in Liber 17684 at Page 45. Condominium Map No. 894 has been assigned to the project.  
  
The Regulatory Agreement between Developer and the Federal Housing Commissioner dated September 15, 1983, has been recorded in said Bureau in Liber 17684 at Page 70.
4. No advertising or promotional matter has been filed 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 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 PHASE III, COLLEGE GARDENS condominium project. The Developer has the responsibility of placing a true copy of the Final Public Report (white paper stock) along with the Preliminary Public Report (yellow paper stock) and latest Disclosure Abstract (dated November 7, 1983) in the hands of all purchasers and prospective purchasers and for securing a signed copy of the receipt therefor.
7. This Final Public Report automatically expires thirteen (13) months from the date of issuance, March 16, 1984, unless a Supplementary Public 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 April 21, 1983 remains unchanged, except for the following:

COMMON ELEMENTS: One freehold estate is designated in all of the remaining portions and appurtenances of the project (the "common elements") including specifically, but not limited to:

- (a) Said land in fee simple.

(b) All foundations, floor supports, columns, girders, beams, supports, unfinished perimeter walls and loadbearing walls and roofs of the residential buildings.

(c) All yards, grounds and landscaping, roads, walkways, loading zone, parking areas, driveways and all trash enclosures.

(d) All ducts, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities, installations over, under and across the project which serve more than one apartment for services such as power, light, water, gas, sewer, telephone and radio and television signal distribution.

(e) Any and all apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

(f) An easement for park and recreational purposes in common with owners of apartments in the condominium projects developed or proposed to be developed as Phases I, II and IV, College Gardens, on Lots 1, 2 and 4, respectively, of File Plan 1785, in the park area of approximately 21,502 square feet located in Lots 1 and 2, File Plan 1785, of Phases I and II; subject, however, to all of the terms and conditions of the Declaration of Restrictive Covenants (Private Park) dated March 22, 1983, recorded in said Bureau of Conveyances in Liber 17069 at Page 261, including without limitation, the obligation to contribute proportionately to the perpetual maintenance thereof.

LIMITED COMMON ELEMENTS: The attached Exhibit "A-1" amends and supersedes Exhibit "A-1" attached to and made a part of the Preliminary Report of April 21, 1983.

INTEREST TO BE CONVEYED TO PURCHASER: The following is added to the information reported in the Preliminary Public Report:

The common interest is based upon the total area in square feet of each apartment divided by the total area of all apartments in each phase. As phases are merged, the common interest is based upon the area of each apartment divided by the total area of all apartments in the phases merged.

NOTE: The attached Exhibit "B" amends and supersedes Exhibit "B" attached to and made a part of the Preliminary Report of April 21, 1983.

ENCUMBRANCES AGAINST TITLE: The Developer has filed with the Commission an updated Preliminary Report dated March 5, 1984 by Security Title Corporation. Said Preliminary Report indicates that title to the land is subject to the following:

1. Real property taxes that may be due and owing: Reference is made to the Office of Finance Director, City and County of Honolulu.

2. Reservation in favor of the State of Hawai of all mineral and metallic mines as reserved in Royal Patent No. 4475.
3. Easement A (10 feet wide) for "Ewa Church" Triangulation Station Site, as shown on File Plan No. 1785.
4. Easement N-31 for transmission of energy, as shown on File Plan No. 1785 (also affects other property).
5. The terms and provisions of that certain unrecorded Agreement dated December 31, 1970, as disclosed by the instrument described in the following Item 6.
6. Right-of-Entry Agreement dated January 13, 1972, recorded in Liber 8074 at Page 30. Re: Energy Corridor, Easement N-31, subject to an undated financing statement, continuation thereof, and a final order of condemnation.
7. Terms and provisions of that certain unrecorded Agreement, dated August 29, 1960, as amended, as disclosed by Agreement dated October 14, 1980, recorded in Liber 15086 at Page 583.
8. Unilateral Agreement and Declaration for Conditional Zoning dated April 14, 1982, recorded in Liber 16277 at Page 651.
9. Terms, provisions and agreements of that certain Declaration (College Gardens) dated December 29, 1982, recorded in Liber 16780 at Page 407.
10. Terms and provisions of that certain Master Lease No. 27,210, dated April 22, 1983, recorded in Liber 17062 at Page 624, as amended by instrument dated August 15, 1983, recorded in Liber 17276 at Page 447.
11. Terms and provisions of that certain Development Sublease No. 27,210-A, dated February 18, 1983, recorded in Liber 17062 at Page 647.
12. Declaration of Restrictive Covenants (Private Park) (being Lease No. 27,204) dated March 22, 1983, recorded in Liber 17069 at Page 261.
13. Conditions and agreements contained in that certain "Agreement for Issuance of Special Use Permit Under Ordinance No. 4451, Bill No. 40 (1975)" dated May 13, 1983, recorded in Liber 17135 at Page 596.
14. Grant dated August 10, 1983, recorded in Liber 17357 at Page 480, in favor of Hawaiian Electric Company, Inc.
15. Covenants, agreements, obligations, conditions and other provisions set forth in that certain Phase III, College Gardens Declaration of Horizontal Property Regime under the Horizontal Property Act dated August 3, 1983, recorded in Liber 17684 at Page 17, and By-Laws of the Association of Apartment Owners of Phase III, College Gardens dated August 3, 1983, recorded in Liber 17684 at Page 45.

16. Condominium Map No. 894, filed in said Bureau of Conveyances on February 24, 1984.

17. Terms and provisions of that certain U.S. Department of Housing and Urban Development Federal Housing Administration Regulatory Agreement for Condominium Leasehold-Hawaii dated September 15, 1983, recorded in Liber 17684 at Page 70.

MERGER OF ADDITIONAL INCREMENTS: The land on which the project is located has been subdivided into Lots 1 through 4, as shown on File Plan 1785. Phase I will be developed on Lot 1, Phase II on Lot 2, Phase III on Lot 3, and Phase IV on Lot 4. This Phase III may be merged with up to three (3) additional increments (at any time up to but not later than December 1, 1988) described as follows:

(1) Merger of Phases I, II and III. This Phase III added to the previous Phase I which consists of thirty-two (32) apartments on Lot 1, containing an area of approximately 104,007 square feet, as described in that certain Declaration of Horizontal Property Regime for Phase I, College Gardens dated August 3, 1983, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 17422 at Page 430, in accordance with plans filed in said Bureau as Condominium Map No. 887, and the previous Phase II which consists of twenty-eight (28) apartments on Lot 2, containing an area of approximately 56,246 square feet, as described in that certain Declaration of Horizontal Property Regime for Phase II, College Gardens dated August 3, 1983, recorded in the Bureau of Conveyances of the State of Hawaii in Liber 17568 at Page 269, in accordance with plans filed in said Bureau as Condominium Map No. 892.

(2) The proposed Phase IV which will consist of approximately twenty-four (24) apartments on Lot 4 of File Plan 1785, containing an area of approximately 35,650 square feet.

Phase III is the third phase of a proposed four (4) phase project, which may be developed in two or more phases, all at the option of the Lessor and Developer. The purpose of the merger provisions, as more fully set forth in Paragraph 18 of the Declaration for Phase III, is to provide for a merger of all phases just as if the phases involved had been developed as one single project. A merger may occur with respect to Phase III with the first, second and final phase, or any one of them, at the same or different times and merger with respect to one of said phases shall not affect the right of the Lessor and Developer to merge another phase or phases at a later date subject to all of the provisions of the Declaration for Phase III.

Merger shall take effect with respect to a particular additional phase upon the happening of all of the following conditions with respect thereto:

(1) Recordation in the Bureau of Conveyances of the State of Hawaii by the Lessor and Developer of a Declaration of Horizontal Property Regime and By-Laws

covering the additional phase in a form substantially identical hereto (except for the descriptions of apartments and the common elements and the percentage of common interest therein) and a Condominium File Plan depicting the plot and floor plans of the additional phase, both complying with the requirements of Chapter 514A, Hawaii Revised Statutes, as amended.

(2) Recordation in the Bureau of Conveyances of the State of Hawaii by the Lessor and Developer of a "Certificate of Merger" which certificate shall contain:

(i) A certificate by a Hawaii registered architect or professional engineer depicting fully the layout, location, apartment numbers and dimensions of the apartments as built;

(ii) A certification by Developer that the increment has been substantially completed, that a notice of completion has been filed and that the period for filing of mechanics' and materialmen's liens has expired and that there are no tax liens;

(iii) The common interest of each apartment of the project after completion of the subject merger; and

(iv) A revised plot plan showing the location of the buildings of the project after completion of the subject merger.

(3) Prior written consent of the Secretary of the U. S. Department of Housing and Urban Development.

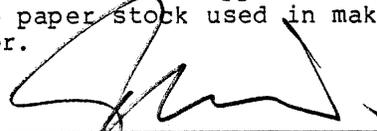
SALES PRICES OF APARTMENTS: Exhibit "A" to the Subscription and Sales Agreement lists the sales prices of all apartments. The City and County of Honolulu, State of Hawaii (the "City") will require that approximately twelve (12) apartments within the project be sold at prices to be determined by the City which will be lower than the amounts listed in said Exhibit "A" of the Subscription and Sales Agreement. The conditions of sale and amounts are not known at this time.

STATUS OF PROJECT: The project will be completed on or about May 15, 1984.

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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 March 21, 1983 and information subsequently filed as of March 7, 1984.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1539.

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.



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

Distribution:

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

Registration No. 1539

Dated: March 16, 1984



PHASE III, COLLEGE GARDENS  
INITIAL PARKING STALL ASSIGNMENT

<u>APARTMENT NO.</u>	<u>PARKING STALL(S) NO(S).</u>
61*	45 & 11
62	46 & 63
63	52
64	53
65	54
66	55 & 68
67	56 & 74
68	57 & 166**
69	58
70	59
71	60 & 62
72	61
73	38 & 178**
74	39 & 64
75	33
76	32
77	44 & 65
78	47
79	48
80	49 & 172**
81	50 & 67
82	51
83	40 & 75
84	41
85	37 & 69
86	36
87	24 & 66
88	25
89	26
90	27
91	28
92	29
93	31
94	30
95	42
96	43 & 173**

\*NOTE: In addition to the Parking Spaces noted above, Parking Spaces Numbers 1 through 10 (10 spaces), 12 through 23 (12 spaces), 34 and 35 (2 spaces), 70 through 73 (4 spaces) and 76 through 78 (3 spaces) are hereby assigned to Apartment No. 61 in this Phase III. Developer reserves the right to transfer any of said Parking Spaces from said Apartment No. 61 to any other apartments within this Phase III or to any other apartments in Phases I, II or IV by way of an amendment to the Declaration for Phase III.

\*\*NOTE: Parking Spaces Numbers 166, 172, 173 and 178 are presently assigned to Apartment No. 1 in Phase I, College Gardens. Developer has reserved the right to transfer the said parking spaces from said Apartment No. 1 to the apartments noted above by way of an amendment to the Declaration for Phase I.

PHASE III  
COLLEGE GARDENS

SCHEDULE OF COMMON INTERESTS

<u>Model</u>	<u>Phase III</u>	<u>*Upon Merger of Phases I, II &amp; III</u>	<u>*Upon Merger of Phases I, II, III &amp; IV</u>
Ae (2 Bedrooms, 1 Bath) (except Apt. No. 120)	--	0.9922%	0.8137%
Apt. No. 120 (Model Ae)	--	--	0.8133%
Ai (2 Bedrooms, 1 Bath)	--	0.8732%	0.7164%
Be (2 Bedrooms, 2 Baths) (except Apt. No. 96)	2.8361%	1.1065%	0.9076%
Apt. No. 96 (Model Be)	2.8365%	1.1065%	0.9076%
Bi (2 Bedrooms, 2 Baths)	2.7486%	1.0724%	0.8797%

\*One apartment in Phase II will be the Manager's apartment and will be a common element.

PHASE III  
COLLEGE GARDENS

DISCLOSURE ABSTRACT  
NOVEMBER 7, 1983

1. NAME OF PROJECT PHASE III, COLLEGE GARDENS  
Waiawa Road  
Pearl City, Hawaii
2. DEVELOPER LEAR SIEGLER PROPERTIES, INC.  
Suite 1112, Amfac Building  
700 Bishop Street  
Honolulu, Hawaii 96813  
Ph. No. 521-8781
3. MANAGING AGENT: HAWAII MANAGEMENT CORPORATION  
1221 Kapiolani Boulevard  
Honolulu, Hawaii 96814  
Ph. No. 531-9941
4. WARRANTIES: Apartments - one-year warranty  
per attached FHA/VA forms.  
  
Appliances - none, but  
Developer will assign to  
purchasers the manufacturers'  
warranties.
5. RESIDENTIAL USE: All 36 apartments are to be for  
residential purposes.
6. COMMERCIAL USE: There will be no commercial use  
within the project.
7. MAINTENANCE FEES:

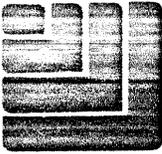
The Developer advises that costs and expenses of maintenance and operation of a condominium project are difficult to estimate initially and even if such maintenance fees have been accurately estimated, such fees will tend to increase in an inflationary economy and as the improvements age. Maintenance fees can vary depending on services desired by apartment owners. The buyers should check the attached maintenance fee schedule to see what services are included therein. The initial estimate has been made well in advance of the completion of the project and may be subject to substantial revision upon completion.

PHASE III  
COLLEGE GARDENS

ESTIMATED MONTHLY MAINTENANCE FEES

In accordance with the attached annual operating budget dated November 22, 1982, the estimated monthly maintenance fees for each apartment in the PHASE III, COLLEGE GARDENS condominium project are as follows:

<u>Model Type</u>	<u>Estimated Monthly Maintenance Fee</u>
Ae (2 bedroom, 1 bath)	\$73.52
Ai (2 bedroom, 1 bath)	\$64.70
Be (2 bedroom, 2 bath)	\$81.99
Bi (2 bedroom, 2 bath)	\$79.46



HAWAII  
MANAGEMENT  
CORPORATION

1221 KAPIOLANI BOULEVARD  
SUITE 700  
HONOLULU, HAWAII 96814  
(808) 531-9941

The undersigned hereby certifies that the estimate set forth in the annual operating budget dated 11/22/82 were based on Generally Accepted Accounting Principles, and that there is no change as of 11/7/83.

HAWAII MANAGEMENT CORPORATION

By Frank Haskew

Date 11-8-83

ANNUAL OPERATING BUDGET FOR COOPERATIVE HOUSING CORPORATIONS

PROJECT NO.(S) \_\_\_\_\_

PROJECT NAME College Gardens Phases I, II, & III ADDRESS Waipahu, Hawaii

COVERING PERIOD FROM Start-up TO \_\_\_\_\_

EXPENSES	ACCT. NO.	1 Prior Year Budget	2 Prior Year Actual	3 Over (Under)	4 Adjustments Incr. (Decr.)	5 New Annual Budget	6 Adjustments By HUD
1. Vacancy & Collection Loss	6370						
2. Employee Apartment Rent	6330						
3. Apartment Resale Expense	6200						
4. Management Fee	6320					10,896.00	
5. Legal Expense	6340						
6. Audit Expense	6350						
7. Telephone	6360					180.00	
8. Office & Adm. Salaries	6310					4,800.00	
9. Office Expenses	6311					600.00	
10. Misc. Administrative Exp.	6390					1,200.00	
11.							
12.							
13.							
14.							
15. Fuel	6420						
16. Electricity	6450					1,500.00	
17. Water & Sewer	6451					16,660.00	
18. Veh. & Equip. Oper. Exp.	6441						
19. Janitor's Payroll	6430						
20. Janitor's Supplies	6431						
21. Exterminating	6462						
22. Rubbish Removal	6470					3,400.00	
23. Parking Area Expense	6480						
24.							
25.							
26.						11,884.00	
27. Grounds Maintenance	6520						
28. Painting & Decorating	6560						
29. Structural Repairs	6540						
30. Heating & Air Cond. Maint.	6510						
31. Plumbing Maintenance	6511						
32. Electrical Maintenance	6512					160.00	
33. Elevator Maintenance	6550						
34. Pool Maintenance	6521						
35. Maintenance Supplies	6515					400.00	
36. Maintenance Payroll	6585						
37. Misc. Maintenance Repair	6590						
38.							
39. Real Estate Taxes	6710						
40. Employer's Payroll Taxes	6711					1,800.00	
41. Miscellaneous Taxes	6719						
42. Property & Liability Insurance	6720					7,200.00	
43. Workmen's Compensation	6721					580.00	
44. Fidelity Bonds	6723						
45. Miscellaneous Insurance	6729					600.00	
46.							
47.							
48.							
49. Ground Rent	6815						
50. Mortgage Ins. Premium	6850						
51. Mortgage Interest	6820						
52. Mortgage Principal	2320						
53. Replacement Reserve	1320					20,340.00	
54. General Operating Reserve	1365					2,670.00	
55. Painting Reserve	1330					4,050.00	
56. Project Equipment Purch.	1470						
57. Capital Improvements	1400						
58. TOTAL EXPENSE						88,920.00	

Column #4 reflects necessary or desirable increases and decreases over prior year's budget (Col. #1) to arrive at New Annual Budget (Col. #5). Carrying Charges and other budgeted income (line #68) must at least equal the total expenses on line #58. Lines 52-57 provide for capital contributions by members, in excess of their downpayments, and should be entered in the books thru Account #3241 (Paid-in Surplus). Surcharges received from \_\_\_\_\_

		1	2	3	4	5	6
INCOME	ACCT. NO.	Prior Year Budget	Prior Year Actual	Over (Under)	Adjustments Incr. (Deccr.)	New Annual Budget	Adjustments By MUD
59. Carrying Charges	5110					89,037.00	
60. Late Charges	5910	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXX.
61. Interest Income	5410						
62.							
63.							
64.							
65.							
66.							
67.							
68.							
TOTAL INCOME							
69.							
TOTAL EXPENSE (Line 58)						88,920.00	
70.							
INCOME OVER (UNDER) EXPENSE						117.00	

STATUS OF FUNDED RESERVES

	ACCT. NO.	Required to Date	Actual on Deposit	Excess (Deficiency)
A. Replacement Reserve	1320			
B. Gen. Opr. Reserve	1365			
C. Painting Reserve	3230			
D.				
E.				
F.				

PROVISION FOR REPAYMENT OF ANY DEFICIENCIES SHOULD BE INCLUDED IN LINES 53; 54 AND 55.

SCHEDULE OF CARRYING CHARGES

DESCRIPTION OF UNIT	No. of Units of this Type	MONTHLY CARRYING CHGS.		ANNUAL CARRYING CHG.	
		Prior Year	New Year	Prior Year	New Year
2 Bdr. 1 Bath - Model Ae - 0.9022%	8		588.16		7,057.92
2 Bdr. 1 Bath - Model Ai - 0.8732%	11		711.70		8,540.40
2 Bdr. 2 Bath - Model Be - 1.1065%	32		2,623.60		31,484.16
2 Bdr. 2 Bath - Model Bi - 1.0724%	44		3,496.24		41,954.88
TOTALS	95		7,419.78		89,037.36

Unless otherwise indicated it is assumed that all utilities, maintenance and replacements are provided by the cooperative and are included in the above carrying charges. If any of these items are paid for directly by the member check below. (Specify any other items not listed)

Utilities:  Fuel  Electricity  Water \_\_\_\_\_

Replacements:  Range  Refrigerator  Air Cond.  Garb. Disp. Dishwasher

Maintenance:  Range  Refrigerator  Air Cond.  Garb. Disp. Dishwasher

Explanatory comments, including management agents opinion as to adequacy of proposed new budget:

The proposed budget is adequate to operate the Association and accumulate monthly reserves.

Prepared By: Frank Minshaw  
 Hawaii Management Corporation  
 Managing Agent  
 Date: 11-22-82

Approved: \_\_\_\_\_  
 Title: (In Name of Cooperative)  
 Date: \_\_\_\_\_

Approved: Murphy  
 (Signature and Title of Authorized Official)

Approved as indicated in column 6:  
 (Signature and Title of Authorized Official)

WARRANTY OF COMPLETION OF CONSTRUCTION IN SUBSTANTIAL CONFORMITY WITH APPROVED PLANS AND SPECIFICATIONS

Property Location:

Purchaser(s)/Owner(s):

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

For good and valuable consideration, and in accordance with section 801 of the Housing Act of 1954, and Public Law 85-857 (38 U.S.C. 1805), the undersigned Warrantor hereby warrants to the Purchaser(s) or Owner(s) identified in the caption hereof, and to his (their) successors or transferees, that:

The dwelling located on the property identified in the caption hereof is constructed in substantial conformity with the plans and specifications (including any amendments thereof, or changes and variations therein) which have been approved in writing by the Federal Housing Commissioner or the Administrator of Veterans Affairs on which the Federal Housing Commissioner or the Administrator of Veterans Affairs based his valuation of the dwelling: *Provided, however,* That this warranty shall apply only to such instances of substantial nonconformity as to which the Purchaser(s)/Owner(s) or his (their) successors or transferees shall have given written notice to the Warrantor at any time or times within 1 year from the date of original conveyance of title to such Purchaser(s)/Owner(s) or the date of initial occupancy of the dwelling, whichever first occurs: *Provided further, however,* That in the event the Purchaser(s)/Owner(s) acquired title to the captioned property prior to the completion of construction of the dwelling thereon, such notice of nonconformity to the Warrantor may be given at any time or times within 1 year from the date of completion or initial occupancy of such dwelling, whichever first occurs.

The term "dwelling" as used herein shall be deemed to include all improvements or appurtenances set forth in the plans and specifications upon which the Federal Housing Commissioner or the Administrator of Veterans Affairs has based his valuation of the property, excepting those constructed by a municipality or other governmental authority.

This warranty shall be in addition to, and not in derogation of, all other rights and privileges which such Purchaser(s)/Owner(s) may have under any other law or instrument, and shall survive the conveyance of title, delivery of possession of the property, or other final settlement made by the Purchaser(s)/Owner(s), and shall be binding on the Warrantor notwithstanding any provision to the contrary contained in the contract of purchase or other writing executed by the Purchaser(s)/Owner(s) heretofore or contemporaneously with the execution of this agreement or prior to final settlement.

IN TESTIMONY WHEREOF, the Warrantor has signed and sealed this warranty this \_\_\_\_\_

day of \_\_\_\_\_, 196\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
(Warrantor's Address)

By \_\_\_\_\_ (SEAL)  
Warrantor (Signature and Title)

This warranty is executed for the purpose of inducing the Federal Housing Commissioner or the Administrator of Veterans Affairs to make, to guarantee or to insure a mortgage on the captioned property, and the person signing for the Warrantor represents and certifies that he is authorized to execute the same by the Warrantor and by his signature the Warrantor is duly bound under the terms and conditions of said warranty.

**WARNING**

Section 1010 of Title 18, U. S. C., "Federal Housing Administration transactions," provides: "Whoever, for the purpose of—influencing in any way the action of such Administration—makes, passes, utters, or publishes any statement, knowing the same to be false—shall be fined not more than \$5,000 or imprisoned not more than two years, or both." Other Federal Statutes provide severe penalties for any fraud as intentional misrepresentation made for the purpose of influencing the issuance of any guaranty or insurance or the making of any loan by the Administrator of Veterans Affairs.

NOTICE TO PURCHASER: ANY NOTICE OF NONCONFORMITY MUST BE DELIVERED TO THE WARRANTOR NO LATER THAN \_\_\_\_\_ (Warrantor shall insert date 1 year from initial occupancy, date of conveyance of title or date of completion, whichever event is applicable.)

Receipt of this warranty is acknowledged this \_\_\_\_\_ day of \_\_\_\_\_, 196\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
PURCHASER(S)/OWNER(S)

Property Location:

Purchaser(s)/Owner(s):

For good and valuable consideration, and in accordance with section 801 of the Housing Act of 1954, and Public Law 85-857 (38 U.S.C. 1805), the undersigned Warrantor hereby warrants to the Purchaser(s) or Owner(s) identified in the caption hereof, and to his (their) successors or transferees, that:

The dwelling located on the property identified in the caption hereof is constructed in substantial conformity with the plans and specifications (including any amendments thereof, or changes and variations therein) which have been approved in writing by the Federal Housing Commissioner or the Administrator of Veterans Affairs on which the Federal Housing Commissioner or the Administrator of Veterans Affairs based his valuation of the dwelling: Provided, however, that this warranty shall apply only to structural defects and such instances of substantial nonconformity as to which the Purchaser(s)/Owners(s) or his (their) successors or transferees shall have given written notice to the Warrantor at any time or times within 1 year from the date of original conveyance of title to such Purchaser(s)/Owner(s) or the date of initial occupancy of the dwelling, whichever first occurs: Provided further, however, that in the event the Purchaser(s)/Owner(s) acquired title to the captioned property prior to the completion of construction of the dwelling thereon, such notice of nonconformity to the Warrantor may be given at any time or times within 1 year from the date of completion or initial occupancy of such dwelling, whichever occurs first. Warranty on all of the common elements is for 1 year from such time as units to which 60 percent of the votes in the unit owners association appertain have been transferred to unit owners other than the Warrantor.

The term "dwelling" as used herein shall be deemed to include all improvements or appurtenances set forth in the plans and specifications upon which the Federal Housing Commissioner or the Administrator of Veterans Affairs has based his valuation of the property, excepting those constructed by a municipality or other governmental authority.

This warranty shall be in addition to, and not in derogation of, all other rights and privileges which such Purchaser(s)/Owner(s) may have under any other law or instrument, and shall survive the conveyance of title, delivery of possession of the property, or other final settlement made by the Purchaser(s)/Owner(s), and shall be binding on the Warrantor notwithstanding any provisions to the contrary contained in the contract of purchase or other writing executed by the Purchaser(s)/Owner(s) heretofore or contemporaneously with the execution of this agreement or prior to final settlement.

IN TESTIMONY WHEREOF, the Warrantor has signed and sealed this warranty this \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_.

(Warrantor's Address)

BY \_\_\_\_\_ (seal)  
Warrantor (Signature & Title)

This warranty is executed for the purpose of inducing the Federal Housing Commissioner or the Administrator of Veterans Affairs to make, to guarantee or to insure a mortgage on the captioned property, and the person signing for the Warrantor represents and certifies that he is authorized to execute the same by the Warrantor and by his signature the Warrantor is duly bound under the terms and conditions of said warranty.

WARNING

Section 1010 of Title 18, U.S.C., "Federal Housing Administration transactions," provides: "Whoever, for the purpose of influencing in any way the action of such Administration--makes, passes, utters, or publishes any statement, knowing the same to be false--shall be fined not more than \$5,000 or imprisoned not more than two years, or both." Other Federal Statutes provide severe penalties for any fraud as intentional misrepresentation made for the purpose of influencing the issuance of any guaranty or insurance or the making of any loan by the Administrator of Veterans Affairs.

NOTICE TO PURCHASER: Any notice of nonconformity must be delivered to the Warrantor no later than \_\_\_\_\_ (Warrantor shall insert date 1 year from initial occupancy, date of conveyance of title or date of completion, whichever event is applicable.)

Receipt of this warranty is acknowledged this \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_.

Purchaser(s)/Owner(s)