

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

UNIVERSITY GARDENS

908 and 918 University Avenue

Honolulu, Hawaii

REGISTRATION NO. 1597 (CONVERSION)

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.

SPECIAL ATTENTION

Issued: September 4, 1984

Expires: October 4, 1985

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 APRIL 5, 1984, AND INFORMATION SUBSEQUENTLY SUBMITTED AS OF AUGUST 29, 1984. THE DEVELOPER, IN 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 May 3, 1984 on UNIVERSITY GARDENS, Registration No. 1597, the Developer reports that changes have been made to the Project. This Final Public Report amends the Preliminary Public Report becoming a part of the UNIVERSITY GARDENS registration.

2. The Developer of the Project has submitted to the Commission all documents deemed necessary by the Commission for the registration of a condominium project and the issuance of this Final Public Report.
3. The Developer reports that the Declaration of Horizontal Property Regime dated August 15, 1984 and the Bylaws of the Association of Apartment Owners dated August 15, 1984, have been recorded in the Bureau of Conveyances of the State of Hawaii in Book 18091, at Page 38 and in Book 18091, at Page 71, respectively. The approved floor plans have also been filed as aforesaid and designated as Condominium Map No. 917.
4. No Advertising or promotional matter have 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 Chapter 514A, Hawaii Revised Statutes, as amended, and the Rules and Regulations of the Hawaii Real Estate Commission which relate to horizontal property regimes.
6. This Final Public Report expires thirteen (13) months after the date of issuance, September 4, 1984, unless a Supplementary Public Report issues, or the Commission, upon review of the registration, issues an order extending the effective date of this report.
7. This Final Public Report is made a part of the registration of the UNIVERSITY GARDENS condominium project. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock) together with the Preliminary Public Report (yellow paper stock) and Amended Disclosure Abstract in the hands of all purchasers and securing a signed copy of the receipt therefor.

The information in the topical headings ZONING, INTEREST TO BE CONVEYED TO PURCHASER, OWNERSHIP OF TITLE and ENCUMBRANCES have been altered as follows. Information disclosed in the remaining topical headings have not been disturbed.

ZONING: Because the two buildings may be non-conforming structures, a variance would be required for rebuilding in the event of a major casualty.

INTEREST TO BE CONVEYED TO PURCHASER: The specimen copy of each University Gardens Apartment Lease (the "Apartment Lease") has been revised to provide that the annual apartment lease rent payable during the first rent period of the term of the Apartment Lease shall be as listed below and that the annual apartment lease rent payable during the second and third rent periods of the term of the Apartment Lease shall be equal to the lesser of: 1) the fixed amount of the annual apartment lease rent set forth below or 2) the

annual apartment lease rent for the preceding period of the fixed term increased in the same proportion as the CPI Index most recently published prior to the date on which the second or third rent period commences, as the case may be, if the CPI Index on such date is more than the CPI Index for the month which is 120 months prior to the commencement of the second or third rent periods, as the case may be.

The fixed amounts of the annual apartment lease rents for each apartment in the Project are as follows:

- (1) For the first 10 years per apartment:
 - (a) Apartment Numbers A-101 to A-105, A-201 to A-205, B-101 to B-105, B-201 to B-205, inclusive \$1,571.04
 - (b) Apartment Numbers A-301 to A-305, B-301 to B-305, inclusive \$1,570.92
- (2) For the next 10 years per apartment:
 - (a) Apartment Numbers A-101 to A-105, A-201 to A-205, B-101 to B-105, B-201 to B-205, inclusive \$2,749.32
 - (b) Apartment Numbers A-301 to A-305, B-301 to B-305, inclusive \$2,749.08
- (3) For the next 6 years per apartment:
 - (a) Apartment Numbers A-101 to A-105, A-201 to A-205, B-101 to B-105, B-201 to B-205, inclusive \$4,811.28
 - (b) Apartment Numbers A-301 to A-305, B-301 to B-305, inclusive \$4,810.80

OWNERSHIP OF TITLE: A Preliminary Report, dated August 9, 1984, issued by Title Guaranty of Hawaii, Inc., states that the Developer has acquired from Tome Sugiyama Lease No. 11,350 by Assignment of Lease dated June 26, 1984 and recorded in the Bureau of Conveyances of the State of Hawaii in Book 18048, at Page 172.

ENCUMBRANCES: Said Preliminary Report states that title to the property is subject to the following encumbrances:

- 1. For any taxes that may be due and owing, reference is made to the Office of the Tax Assessor, First Division, Island of Oahu, Hawaii.
- 2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

3. Lease No. 11,350, dated September 1, 1958, between the Trustees of the Estate of Bernice Pauahi Bishop and Tamotsu Sugiyama dba Territorial Contractors, recorded in the Bureau of Conveyances of the State of Hawaii in Book 3668, at Page 241. Said Lease was acquired by Tome Sugiyama by instrument, dated September 11, 1981, recorded as afore-said in Book 15836, at Page 122.

4. Assignment of Lease dated June 26, 1984, referred to under the topical heading, OWNERSHIP OF TITLE.

5. Leasehold Mortgage, Security Agreement and Financing Statement, dated July 25, 1984, between the Developer and American Savings and Loan Association, recorded in the Bureau of Conveyances of the State of Hawaii in Book 18048, at Page 181.

6. Assignment of Sales Agreements and Escrow Deposits, dated July 25, 1984 between the Developer and American Savings and Loan Association, recorded in the Bureau of Conveyances of the State of Hawaii in Book 18048, at Page 214.

Subsequent to issuance of said Preliminary Report of August 9, 1984, the Declaration of Horizontal Property Regime and the Bylaws of Association of Apartment Owners, both dated August 15, 1984, were recorded in the Bureau of Conveyances of the State of Hawaii in Book 18091, at Page 38 and in Book 18091, at Page 71, respectively. Condominium Map designated as No. 917.

NOTE: The Mortgage mentioned in Item 5 will be released at the time the Apartment Leases for the Project are issued to apartment purchasers.

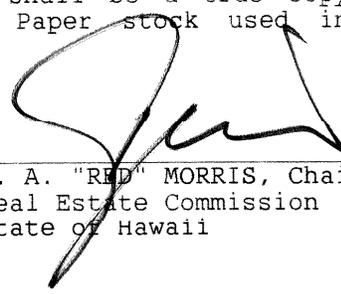
PURCHASE MONEY HANDLING: The specimen copy of the Deposit Receipt and Sales Contract (the "Sales Contract") has been amended by an Amendment to University Gardens Deposit and Sales Contract (the "Amended Sales Contract"). A specimen copy of the Amended Sales Contract has been submitted as part of the registration. Upon examination, the Sales Contract as amended by the Amended Sales Contract is found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended. A prospective purchaser should carefully examine the form of the Sales Contract as amended by the Amended Sales Contract, as the latter contains some material changes.

NOTE: Several provisions in the Declaration, the Bylaws and the Sales Contract have been amended to reflect 1984 legislative changes to the Horizontal Property Regimes Act, Chapter 514A, Hawaii Revised Statutes. Some of these provisions involve non-material structural changes to common elements and mandatory arbitration in the case of certain disputes. Prospective purchasers are invited to review the red-lined copies of the documents, as all changes are highlighted therein.

The purchaser and prospective purchasers should be cognizant of the fact that this Public Report represents information disclosed by the Developer in the required Notice of Intention submitted April 5, 1984, and additional information subsequently submitted as of August 29, 1984.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1597 filed with the Commission on April 5, 1984.

The report, when reproduced, shall be a true copy of the Commission's Public Report. Paper stock used in making facsimiles must be white.



G. A. "RED" MORRIS, Chairman
Real Estate Commission
State of Hawaii

Distribution:

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

Registration No. 1597

September 4, 1984.

UNIVERSITY GARDENS
AMENDED DISCLOSURE ABSTRACT
(Section 514A-61, HRS)

Liliha Development Co., Inc., the Developer of the University Gardens condominium project, hereby amends the Disclosure Abstract, dated March 29, 1984, as follows:

1. The heading of the Estimated Maintenance Budget prepared by the Developer and attached to the Disclosure Abstract is amended by deleting the words "VINEYARD APARTMENTS" from such heading and by substituting therefor the following words "UNIVERSITY GARDENS".

Except for the foregoing amendment, the Disclosure Abstract shall remain unmodified.

Dated: August 23, 1984.