

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

POHA KEA POINT, PHASE III, INCREMENT 3
Heeia, Koolaupoko, City & County of Honolulu
State of Hawaii

Registration No. 1608

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: October 25, 1985

Expires: November 25, 1986

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 ON May 18, 1984, AND INFORMATION SUBSEQUENTLY FILED AS OF October 11, 1985. 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 April 4, 1985, 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 POHA KEA POINT, PHASE III, INCREMENT 3 registration.
2. The Developer of the Project has submitted to the Commission for examination all documents deemed necessary for the registration of this 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 recorded in the Bureau of Conveyances of the State of Hawaii. The Declaration is filed as Land Court Document No. 1327734. The By-Laws are filed as Land Court Document No. 1327735. The Floor Plans are recorded as Condominium Map No. 559.
4. Advertising and promotional material has not 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 Hawaii Revised Statutes, Chapter 514A, and the rules and regulations of the Hawaii Real Estate Commission which relate to horizontal property regimes.
6. This Final Public Report is made a part of the registration of POHA KEA POINT, Phase III, Increment 3 condominium project. The Developer has the responsibility of placing a true copy of the Final Public Report (white paper stock) and attached Disclosure Abstract, together with a copy of The Preliminary Public Report (yellow paper stock) in the hands of all purchasers and prospective purchasers and obtaining a signed receipt for same.
7. This Final Public Report automatically expires thirteen (13) months after the date of issuance, October 25, 1985, unless a Supplementary Public Report is published or the Commission, upon review of registration, issues an order extending the effective period of this report.

THE DEVELOPER ADVISES THE COMMISSION THAT ALL THE INFORMATION CONTAINED IN THE PRELIMINARY PUBLIC REPORT ISSUED ON APRIL 4, 1985 REMAINS UNCHANGED EXCEPT AS STATED BELOW.

DESCRIPTION OF PROJECT: The building in which the apartments are located is constructed primarily of concrete, wood and glass. There are a total of thirty (30) parking stalls for the Project, of which four (4) are set aside for guest parking and twenty-six (26) are appurtenant to apartments.

SUBDIVISION: The land on which the Project is located has received final subdivision approval from the City and County of Honolulu. The subdivided lot consists of approximately 1.858 acres of land and is now identified as Land Court Lot No. 1432-B-3.

PURPOSE OF BUILDINGS AND RESTRICTIONS AS TO USE: The Declaration of Horizontal Property Regime provides that the Developer reserves the right to use four (4) apartments and their appurtenant parking stalls for sales model purposes and one (1) apartment and its appurtenant parking stalls as an on-site sales and/or construction management office until all apartments in the Project have been sold.

ENCUMBRANCES AGAINST TITLE: The updated title report by Security Title Corporation dated August 28, 1985 reflects the following encumbrances recorded against the land:

1. For real property taxes due and payable, reference is made to Director of Finance, City and County of Honolulu.

2. The terms and provisions of that certain Bishop Estate 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 Lessor(s), to THOMAS FRANCIS McCORMACK, husband of Hilda Frances McCormack, as Lessee(s), for a term commencing from the first day of January, 1976. As amended by:

(a) Instrument dated June 3, 1977, filed in said Office as Document No. 838309 and also recorded in said Bureau in Book 12471 Page 444;

(b) Instrument dated March 6, 1978, filed in said Office as Document No. 872979, and also recorded in said Bureau in Book 12868 Page 431;

(c) Instrument dated August 12, 1980, filed in said Office as Document No. 1035133 and also recorded on October 8, 1980 in said Bureau in Book 15040 Page 29;

(d) Instrument dated March 24, 1983, filed in said Office as Document No. 1175048 and also recorded on June 20, 1983 in said Bureau in Book 17120 Page 367.

Said Lease is now held by THOMAS FRANCIS McCORMACK, as Trustee of the T. F. McCORMACK TRUST, by assignment dated December 3, 1984, filed as Document No. 1272570. Consent thereto was filed as Document No. 1272571.

3. The terms and provisions of that certain Bishop Estate Sublease No. 24,620A dated June 7, 1976, filed in said Office as Document No. 768126, and also recorded on June 9, 1976 in said Bureau in Book 11461 Page 1, made by and between TRUSTEES OF THE ESTATE OF BERNICE PAUAHI BISHOP and THOMAS FRANCIS McCORMACK, husband of Hilda Frances McCormack, as Lessors, to SWIRE-McCORMACK LTD., a Hawaii corporation, as Lessee(s), for a term commencing from the first day of January, 1976. As amended by:

(a) Instrument dated June 6, 1977, filed in said Office as Document No. 838310, and also

recorded on October 4, 1977 in said Bureau in Book 12471 Page 451;

(b) Instrument dated March 6, 1978, filed in said Office as Document No. 872980, and also recorded on May 2, 1978 in said Bureau in Book 12868 Page 440;

(c) Instrument dated August 12, 1980, filed in said Office as Document No. 1035134, and also recorded in said Bureau in Book 15040 Page 38;

(d) Instrument dated December 9, 1982, filed in said Office as Document No. 1175049, and also recorded on June 20, 1983 in said Bureau in Book 17120 Page 371. (Also affects other property).

The interest of THOMAS FRANCIS McCORMACK in said Sublease was assigned to THOMAS FRANCIS McCORMACK, as Trustee of the T. F. McCORMACK TRUST, by instrument dated December 3, 1984, filed as Document No. 1274508. Consent thereto was filed as Document No. 1274509.

4. Declaration of Covenants, Conditions and Restrictions for PuuAlii, dated May 12, 1977 and filed in said Office as Land Court Document No. 838312, as amended by Supplemental Declaration No. 1 dated August 12, 1980 and filed in said Office as Land Court Document No. 1030939 and as further amended by Supplemental Declaration No. 2 dated October 8, 1985, and filed in said Office as Document No. 1327730.

5. Declaration As to Merger of Increments In a Condominium Project dated August 30, 1985, filed in said Office as Document No. 1327731.

6. Easements 647 and 649 (each 22-ft. wide) for roadway and utility purposes, as set forth by Land Court Order No. 75,000, filed on August 15, 1985, and as shown on said Map 210.

7. Agreement For Issuance of Special Use Permit dated June 16, 1984, filed in said Office as Document No. 1,318,276. (Also affects other property).

8. Easement 646, area 15,767, for roadway and utility purposes.

9. Sublease No. 24,620A is subject to the following:

a) 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, to BANK OF HAWAII, a Hawaii banking corporation, as Mortgagee, 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 therein referred to. (Also affects other property).

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

ii) By instrument dated February 6, 1979, recorded on February 14, 1979 in said Bureau of Conveyances in Book 13484 Page 763, made by and between SWIRE-McCORMACK LTD., a Hawaii corporation, as Mortgagor, and BANK OF HAWAII, a Hawaii corporation, as Mortgagee, is under a contractual duty to make future advances in said maximum amount of \$1,548,632.00. (Also affects other property)(Said Notice not noted on Transfer Certificate of Title No. 157,862).

iii) By Land Court Order No. 62216, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii on March 8, 1982, SWIRE-McCORMACK LTD., by Certificate of Amendment changed its name to SWIRE PROPERTIES (HAWAII) LTD.

b) The terms, provisions and easements, if any, including reservations, if any, of the Sublease herein referred to.

10. Agency Agreement and Power of Attorney dated January 10, 1985, filed in said Office of the Assistant Registrar as Document No. 1279349 and also recorded on January 24, 1985 in said Bureau of Conveyances in Book 18408 Page 275 made by and between THOMAS FRANCIS McCORMACK, as Trustee of the T. F. McCORMACK TRUST, and TFM CORP., a Hawaii corporation.

MANAGEMENT AND OPERATIONS: The Developer has advised that it has executed an Agency and Property Management Contract 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. A copy of the signed Contract has been furnished to the Commission.

The Developer and its agents are not offering to provide services relating to the sale or rental of apartments purchased in the Project, and no representation or reference to that effect has been or will be made by or on behalf of the Developer.

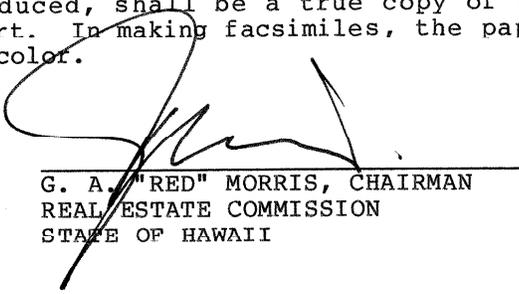
STATUS OF PROJECT: The Developer has advised the Commission that it has executed a Construction Contract with G.W. MURPHY CONSTRUCTION COMPANY, INC. dated December 10, 1984 for the construction of all buildings in the Project. A copy of the Contract is on file with the Real Estate

Commission. Construction commenced in March, 1985 and the estimated date of completion is September 1, 1985.

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 May 18, 1984 and information subsequently filed as of October 11, 1985.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 1608 filed with the Commission on May 18, 1984.

The report, when reproduced, shall be a true copy of the Commission's Public Report. In making facsimiles, the paper stock shall be white in color.



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

Distribution:

DEPARTMENT OF FINANCE
CITY AND COUNTY OF HONOLULU
ASSISTANT REGISTRAR OF THE LAND COURT
DEPARTMENT OF LAND UTILIZATION,
CITY AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT
BUREAU OF CONVEYANCES

REGISTRATION NO. 1608

October 25, 1985

Pohā Kea Point, Phase III, Increment 3

DISCLOSURE ABSTRACT
(Pursuant to HRS §514A-61)

1. Name and temporary address of the project.

Pohā Kea Point, Phase III, Increment 3
Kaneohe, Hawaii 96744
2. Name, address and telephone number of the Developer or his agent.

Swire Properties (Hawaii), Ltd.
46-005 Kawa Street, Suite 206
Kaneohe, Hawaii 96744 Phone: 235-0950
3. Name, address and telephone number of the Project Manager or his agent.

Certified Management
98-1238 Kaahumanu St., Suite 404
Pearl City, Hawaii 96782 Phone: 487-7941
4. Breakdown of annual maintenance fees and monthly estimated costs for each apartment, breakdown of annual PuuAlii Community Association dues and monthly estimated costs for each member and one-time "start-up" fee (revised and updated every twelve (12) months and certified to have been based on generally accepted accounting principles).

See attached Exhibits "A1", "A2", and "A3".
5. Description of all warranties for the apartments and the common elements.

See attached Exhibit "B".
6. All 13 units of Pohā Kea Point, Phase III, Increment 3 are to be used for residential purposes. There will be no commercial or non-residential use within the project.
7. In accordance with H.R.S. 514A-15(b), the Developer will assume all actual common expenses of Pohā Kea Point, Phase III, Increment 3 that would otherwise be administered by the Association of Apartment Owners until such time that 70% of the apartment units are sold or earlier as Developer may determine. Upon such occurrence, each apartment owner shall be obligated to pay for his respective share of common expenses allocable to his unit nad homeowners' dues payable to the PuuAlii Community Association.

ASSOCIATION OF APARTMENT OWNERS OF
POHA KEA POINT, INCREMENT 3
(Building No. 39, 13 apartment units)

PRELIMINARY MONTHLY CASH OPERATING BUDGET
(Effective August 1, 1985)

<u>RECEIPTS</u>	<u>MONTHLY</u>	<u>TOTAL 8-1-85 to 7-31-86</u>
4010 Maintenance Fees	\$ 395	\$ 4,740
 <u>DISBURSEMENTS</u>		
6020 Office & Admin Expenses	10	120
6030 Management Fee	50	600
6050 Audit & Tax Preparation	80	960
6200 General Maintenance	50	600
6281 Insurance	150	1,260
6300 Transfer to Reserve	<u>100</u>	<u>1,200</u>
 OPERATING EXPENSE AND RESERVE TRANSFER	 \$ 395	 \$ 4,740
6292 PUU ALII COMM. ASSOC. DUES (See Exhibit A-3)	<u>1,274</u>	<u>15,288</u>
 TOTAL	 <u>\$1,669</u>	 <u>\$20,028</u>

PRELIMINARY MONTHLY MAINTENANCE FEES & DUES

<u>APT. TYPE</u>	<u>% COMMON INTEREST</u>	<u># UNITS</u>	<u>MAINTENANCE FEES</u>	+	<u>PCA DUES</u>	=	<u>TOTAL PAYMENT</u>
2F	7.0025	2	\$27.66		\$103		\$130.66
2P, 2PR, 2PRE	7.0572	4	27.88		103		130.88
3P, 3PE, 3PRE	7.9454	4	31.38		103		134.38
3FR, 3FRE	8.6615	<u>3</u>	34.21		103		137.21
		<u>13</u>					

The above breakdown of the annual maintenance fees (pro-rated on a monthly basis) and the estimated costs for each apartment is for twelve (12) months commencing August 1, 1985. While not guaranteed, the information contained herein is based on current data available to us which we believe to be authoritative.

We certify that the maintenance fees and operating costs have been based on generally accepted accounting principals and converted to cash basis for this presentation.

CERTIFIED MANAGEMENT

By

Robert L. Paris
Robert L. Paris, CPM

7/23/85

ASSOCIATION OF APARTMENT OWNERS OF
POHA KEA POINT, INCREMENT 3
(Building No. 39, 13 apartment units)

START-UP-FEE

The \$200 "Start-Up-Fee" provides funds for certain prepaid capital and other expenses that must be disbursed at the inception of the condominium operation and for certain community association expenses in connection with Poha Kea Point.

The estimated start-up expenses are expected to be as follows:

1. Prepaid Insurance	\$1,260
2. Equipment and supplies	600
3. Initial Operating expenses and reserves	<u>740</u>
TOTAL START-UP EXPENSES	<u>\$2,600</u>

"Start-Up-Fee" for each apartment purchaser \$ 200

7/23/85

PUU ALII COMMUNITY ASSOCIATION
1985 Monthly Cash Operating Budget
Effective: January 1, 1985

<u>RECEIPTS</u>	<u>1984 Budget</u>	<u>1984 (7) Month Averages</u>	<u>1985 Budget</u>
4010 Membership Dues	\$27,930	\$27,992	\$29,355
4020 Interest Income	650	754	600
4021 Legal	60	51	50
4022 Late Fees	90	106	75
4023 Parking	60	104	90
4050 Insurance Claims	0	10	0
4060 Other Receipts	0	212	0
<u>OPERATING RECEIPTS</u>	<u>\$28,790</u>	<u>\$29,229</u>	<u>\$30,170</u>
4030 Start Up Fees			
4040 Phase II Emp. Reimb.	272	272	514
4041 Phase I Emp. Reimb.	1,630	1,630	1,286
4291 Phase I/II Maint. Fees	10,400	10,375	10,750
<u>NON OPERATING RECEIPTS</u>	<u>\$12,302</u>	<u>\$12,277</u>	<u>\$12,550</u>
<u>TOTAL CASH RECEIPTS</u>	<u>\$41,092</u>	<u>\$41,506</u>	<u>\$42,720</u>
 <u>DISBURSEMENTS</u>			
6010 Resident Mgr. Comp.	\$ 1,400	\$ 1,400	\$ 1,550
6011 Resident Mgr. Lodging	650	650	650
6012 Other Employee Comp.	6,009	5,770	6,585
6013 Payroll Taxes & Svc Charges	603	515	605
6014 Payroll Insurance	1,276	1,185	1,567
6015 Medical Insurance	500	450	615
6020 Office & Admin Expenses	200	200	170
6030 Management Fee	1,568	1,626	1,568
6040 Legal - Opinions	0	0	50
6041 Legal - Delinquencies	150	430	200
6050 Audit & Tax Preparation	125	120	125
6060 Telephone/Com Equip	110	110	100
6070 Other Admin Expense	35	20	25
6100 Electricity	2,807	2,860	2,950
6110 Water	2,275	2,420	2,400
6111 Sewer	1,945	1,810	2,052
6120 Gas	450	367	400
6170 Security	90	200	120
6180 Grounds Maint. (Contr)	6,790	6,786	6,787
6181 Grounds Maint. (Supp)	500	560	500
6182 Vehicle Expense	160	330	280
6200 General Maintenance	414	490	400
6240 Recreation Pavilion	100	210	150
6241 Pools/Jacuzzis	175	370	200
6242 Pond System	160	275	200
6260 Real Estate Tax	50	0	0
6271 General Excise Tax	40	40	30
6281 SMP/Fire Insurance	150	150	150
6283 Liability Insurance	17	17	18
6284 D & O Insurance	23	23	23
6285 Vehicle Insurance	40	40	50
6290 Special Projects	100	200	150
<u>OPERATING DISBURSEMENTS</u>	<u>\$28,912</u>	<u>\$29,624</u>	<u>\$30,670</u>
6291 Ph I/Ph II/Maint. Fees Trsmtl	10,400	10,375	10,750
<u>NON OPERATING DISBURSEMENTS</u>	<u>\$10,400</u>	<u>\$10,375</u>	<u>\$10,750</u>

EXHIBIT "B"

POHA KEA POINT, PHASE III, INCREMENT 3

DESCRIPTION OF WARRANTIES
(Pursuant to H.R.S. Chapter 514A-61(3))

The Developer makes the following WARRANTY on
the apartment and the appliances contained in such apartment.

The Developer warrants and will repair and remedy any STRUCTURAL, MECHANICAL and/or ELECTRICAL defect(s) in the apartment for a period of 365 days after the closing date of purchase, including materials and labor. In addition, the Developer warrants that the appliances contained therein as part of the purchase are in good working condition.

The apartment purchaser must notify the Developer in writing of any defect(s) in a timely manner as soon as practicable after discovery.

The Developer will not be responsible for any damage, defects, failures, or personal injuries resulting from the abuse, misuse, alteration, tampering, neglect or removal of any appliance, structure or other component of the apartment.

EXCLUSIONS

THE DEVELOPER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE APARTMENT, THE COMMON ELEMENTS, THE PROJECT, FIXTURES, OR CONSUMER PRODUCTS CONTAINED OR INSTALLED IN THE APARTMENT.