

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS

STATE OF HAWAII

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FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

WAIPAHU KNOLLS I
Waipahu, Oahu, Hawaii

Registration No. 1611

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: December 7, 1984
Expires: January 7, 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 JUNE 18, 1984 AND INFORMATION SUBSEQUENTLY FILED AS OF DECEMBER 4, 1984. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIME LAW, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Commission's Preliminary Report on WAIPAHU KNOLLS I, Registration No. 1611, dated August 15, 1984, the Developer has advised the Commission that material changes have occurred, including but not limited to an increase in the number of units, a change of Developer, and a different treatment of areas 9 and 10 shown in the Condominium File Plan. Regarding areas 9 and

10, the apartment deeds therefor will be delivered to Go Ventures II and the latter shall accept delivery of said realty "as is". However, if the prohibition against building on the Roadway shown in the Condominium File Plan and as set forth in those certain Deeds recorded in the Bureau of Conveyances of the State of Hawaii in Liber 17603, at Page 482, Liber 17891, at Page 597 and Liber 17991, at Page 782 is lifted by the legal elimination of said prohibition, Go Ventures II shall construct apartment units on areas 9 and 10, provided it first obtains the appropriate governmental permits, complies with the Declaration and By-Laws for the project, and such apartment units comply with the plans for the remainder of the project as filed (the plans show that a model "800" as more fully described hereinafter, is to be constructed on areas 9 and 10).

2. The Developer of the project has submitted to the Commission for examination all documents deemed necessary for the registration of a condominium project and issuance of this Final Public Report.
3. The Developer reports that the Declaration of Horizontal Property Regime and By-Laws dated October 4, 1984 have been recorded in the Bureau of Conveyances of the State of Hawaii in Liber 18198, at Pages 2 and 36 respectively. The Condominium File Plan has been filed as Condominium File Plan No. 926.
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 Chapter 514A, Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to the Horizontal Property Regime.
6. This Final Public Report automatically expires thirteen (13) months after the date of issuance, December 7, 1984, unless a Supplementary Report is issued, or the Commission, upon review of the registration, issues an order extending the effective period of this Report.
7. This Final Public Report is made a part of the registration of the WAIPAHU KNOLLS I condominium project. The Developer has the responsibility of placing a true copy of this Final Public Report (white paper stock), the Preliminary Public Report (yellow paper stock) and the revised Disclosure Abstract dated November 29, 1984 in the hands of all purchasers and prospective purchasers and securing a signed receipt therefor.

Except as otherwise stated above and under the topical headings below, there has been no change of information contained in the Preliminary Public Report. The statement about areas 9 and 10 being subdivided out of the parcel before issuance of the

Final Public Report no longer applies. Instead, areas 9 and 10 will be deeded to Go Ventures II for possible future construction as stated above.

DEVELOPER: J. K. SCHULER DEVELOPMENT, INC., a Hawaii corporation, 915 Fort Street, 10th Floor, Honolulu, Hawaii 96813. The telephone number of the Developer is 521-5661. Its principal officers are James K. Schuler, President, and James G. Lee, Vice-President. **NOTE:** The Developer listed in the Preliminary Public Report for this condominium project, MCP Corporation, is a company related to J. K. Schuler Development, Inc. MCP Corporation deeded the subject property to J. K. Schuler Development, Inc.

DESCRIPTION OF PROJECT: The following section has been revised to provide for the two units that might later be built on areas 9 and 10:

Model "800":

Apartment Nos. 9, 10, 13, 18 and 19. Total Model "800" Apartments in the Project will be 5.

SET BACKS. The following sentence has been added at the end of the paragraph: "In this regard, at such time as Road "A" is dedicated, area 9 and 10 and their respective limited common elements will become part of the roadway, and cease to be part of the condominium project."

COMMON ELEMENTS. The following paragraphs have been revised or added. The other information remains the same.

All of that certain area of approximately 14,131 square feet, designated as Road "A" as shown on the Condominium File Plan, provided further, that with respect to the maintenance, lighting (energizing), garbage removal, and all other costs and expenses connected with said Road "A", all apartments shall be assessed an equal share of such costs and expenses, on a monthly basis.

The Developer reserves the right to convey, upon condemnation or dedication, said Road "A" to the City and County of Honolulu, or other responsible governmental entities. It is expected that within ten (10) years, said Road "A", as shown on said Condominium File Plan, will be dedicated to the County of Honolulu and that thereupon said County will assume all responsibility for the maintenance and upkeep of said Road "A". Neither the Association, nor any apartment owner will be entitled to any monies on account of the condemnation for the widening of said Road "A" and its dedication to the County of Honolulu.

In elaboration of the foregoing, the Developer sent a letter to the Commission dated October 5, 1984 which advised as follows:

"We believe there are several important facts to bear in mind as we review matters relating to areas 9 and 10 on the Condominium File Plan:

1. Go Ventures II and all future grantees of the subject land will allow Amfac, Inc., without compensation from Amfac, Inc., to construct the roadway which runs through the

Condominium Project. (See Road "A" in the Project as shown on the Condominium File Plan.) [our emphasis]

2. Go Ventures II and all future grantees of the subject land (MCP Corporation, J. K. Schuler Development, Inc., and future fee simple condominium owners) will not construct any buildings or improvements on the roadway and within 10 feet of the boundary of the roadway. [our emphasis]
3. All future grantees of the subject land (MCP Corporation, J. K. Schuler Development, Inc.) must pay all condemnation proceeds received from the roadway being acquired by any governmental agency to Go Ventures II, less any costs incurred by Grantee attributable to said roadway. [our emphasis]

We understand that the expansion of Road 'A' in the Project, which would create a by-pass for Waipahu Street, was conceived as a portion of the 'Master Plan' established for the planned development of the Waipahu area by a group of Waipahu civic associations with the assistance of Amfac, Inc. It is expected that the next facility map of the City and County of Honolulu will reflect a widened Road 'A'. This master plan has been closely tied to the future development by Amfac of its own property in the area. The master plan with respect to the widening of Road 'A' could, of course, change in the future."

INTEREST TO BE CONVEYED TO PURCHASER: The original Exhibit "A" attached to the Preliminary Report has been replaced by the version attached hereto. Also, prospective purchasers should be aware that the additional common area assessments for Apartment Numbers 4-8 and 11-21 (for lighting and maintenance of the abutting Roadway "A" until it is dedicated to the City) has been deleted. The Disclosure Abstract now provides that said costs will be borne equally by all owners.

OWNERSHIP OF TITLE: A Title Report issued by Title Guaranty of Hawaii, Inc., dated September 12, 1984, reports that title to the land is vested in J. K. SCHULER DEVELOPMENT, INC., the Developer.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report issued by Title Guaranty of Hawaii, Inc. reflects that the land is subject to the following encumbrances:

A. Reservation in favor of the State of Hawaii of all mineral and metallic mines.

B. Lease in favor of Hawaiian Electric Company, Inc., dated September 26, 1944, recorded in Liber 1849 at Page 186; leasing and demising a right and easement to build, construct, rebuild, reconstruct, repair, maintain and operate pole and wire lines, etc., for the transmission of electricity, etc., along, across and over the land described herein, for a term commencing September 26, 1944 and ending April 6, 1957, and thereafter from year to year until terminated, said easement to be twelve (12) feet wide, six (6) feet on either side of the center line.

C. Lease in favor of Hawaiian Electric Company, Inc., dated September 26, 1944, recorded in Liber 1849 at Page 191; leasing and demising a right and easement to build, construct, rebuild, reconstruct, repair, maintain and operate pole and wire lines, etc., for the transmission of electricity, etc., along, across and over the land described herein, for a term commencing September 26, 1944 and ending April 6, 1957, and thereafter from year to year until terminated, said easement to be twelve (12) feet wide, six (6) feet on either side of the center line.

D. Lease in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, dated January 20, 1956, recorded in Liber 3088 at Page 223; leasing and demising a right and easement to build, construct, rebuild, reconstruct, repair, maintain and operate pole and wire lines, etc., for the transmission of electricity, etc., over, across, through and within the land described herein, for a term of 60 years commencing January 20, 1956.

E. Reservation and exception contained in Deed dated September 27, 1971, recorded in Liber 7825 at Page 382, which reserves and excepts to the Grantor, its successors and assigns, forever, the perpetual right and easement over and upon the granted premises to discharge, emit, diffuse and inflict noise, smoke, soot, dust, lights, noxious vapors, odors and other minor nuisances of every description, created by and resulting from the operations of the Grantor in burning sugar cane and bagasse, milling, generating power, trucking, hauling and all other activities incidental to the operation of a sugar plantation.

F. Grant in favor of the City and County of Honolulu, dated October 22, 1976, recorded in Liber 11937 at Page 375; granting a perpetual right and easement to build, construct, reconstruct, rebuild, repair, maintain and operate electrical cables and appurtenances, etc., as may be necessary for the transmission of electricity to be used for the operation of traffic signal lights, etc., over and across a portion of the land.

G. Draft Unilateral Agreement and Declaration for Conditional Zoning dated February 17, 1978, recorded in Liber 12727 at Page 520, by Amfac, Inc.; re: provisions of Ordinance No. 4300, Bill No. 167(1973), relating to conditional zoning, considerations of change in zoning from R-6 Residential to A-1 Apartment, etc.

H. That certain unrecorded letter agreement dated January 12, 1984; granting to Oahu Sugar Company, Limited, a license to conduct rental activity upon the Premises to May 31, 1984.

I. Covenants contained in Deed dated January 16, 1984, filed as Document No. 1214541, recorded in Liber 17603 at Page 482, by and between AMFAC, INC. and GO VENTURES II.

J. Covenants contained in Deed dated May 21, 1984, filed as Document No. 1237282, recorded in Liber 17891 at Page 597, by and between GO VENTURES II and MCP CORPORATION.

K. Covenants contained in Deed dated June 29, 1984, filed as Document No. 1244940, recorded in Liber 17991 at Page 782, by and between MCP CORPORATION and J. K. SCHULER DEVELOPMENT, INC.

L. Mortgage and Financing Statement dated June 29, 1984, filed as Document No. 1244941, and recorded in Liber 17992 at

Page 1, by and between J. K. SCHULER DEVELOPMENT, INC., a Hawaiian corporation, as Mortgagor, and FIRST HAWAIIAN BANK, a Hawaii corporation, as Mortgagee.

M. Real Property Taxes as may be due and owing. For further information, check with the County Tax Assessor.

PURCHASE MONEY HANDLING: The Escrow Agreement dated June 18, 1984, between MCP Corporation, as Developer, and First Hawaiian Bank, as Escrow Agent, has been amended by an Addendum to Escrow Agreement between J. K. Schuler Development as MCP's assignee, and First Hawaiian Bank, dated September 14, 1984. A copy of the Addendum has been submitted to the Commission as a part of this registration.

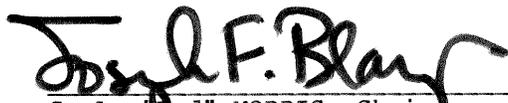
MANAGEMENT AND OPERATION. The Developer has reported that it entered into a contract on October 4, 1984 with SOUTH PACIFIC PROPERTIES, whose address is at 915 Fort Street, 10th Floor, Honolulu, Hawaii, as the initial Managing Agent.

STATUS OF THE PROJECT: Construction of the Project commenced in June, 1984. The Developer reports that it expects construction of the Project to be completed about April or May, 1985, depending on the resolution of the existing union strikes with concrete workers, electricians and carpenters.

The purchaser or prospective purchaser should be cognizant of the fact that this published Final Public Report represents information disclosed by the Developer in the required Notice of Intention submitted on June 18, 1984 and information subsequently filed as of December 4, 1984.

This FINAL HORIZONTAL PROPERTY REGIME (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 1611 filed with the Commission on June 18, 1984.

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

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

DISTRIBUTION:
DEPARTMENT OF FINANCE
OFFICE OF THE ASSISTANT REGISTRAR OF THE LAND COURT (BUREAU OF CONVEYANCES)
PLANNING DEPARTMENT, CITY AND COUNTY OF HONOLULU
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 1611

December 7, 1984.