

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

SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

ON

MILILANI TERRACE - PHASE I
Mililani Town, Oahu, Hawaii

REGISTRATION NO. 1644

This Report Is Not an Approval or Disapproval of This Condominium Project

It was prepared as a supplement to an earlier Report dated December 6, 1984 issued by the Real Estate Commission on the above 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: April 18, 1985
Expires: January 6, 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 ON OCTOBER 29, 1984 AND INFORMATION SUBSEQUENTLY FILED AS OF APRIL 12, 1985. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL AND SUBMITTING INFORMATION ON MATERIAL CHANGES IN THE PROJECT, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT, CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. Since the issuance of the Preliminary Public Report on MILILANI TERRACE - PHASE I, Registration No. 1644, dated December 6, 1984, the Developer has submitted additional information reflecting changes in the documents for the Project. This Supplementary Public Report (pink paper stock) amends the Preliminary Public Report (yellow paper stock) and is made a part of the registration. The Developer is required to provide all purchasers and prospective purchasers of apartments with a copy of this Supplementary Public Report, as well as the Preliminary Public Report and the Disclosure Abstract. Securing a signed copy of the receipt therefor is also the responsibility of the Developer.

2. The Developer has complied with Chapter 514A, Hawaii Revised Statutes, as amended, and has fulfilled the requirements of the Commission for the issuance of this Supplementary Public Report.

3. The basic documents (the Declaration of Horizontal Property Regime, the By-Laws of the Association of Apartment Owners, and the Condominium Map) have not yet been filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii.

4. No advertising or promotional material has been submitted pursuant to the rules and regulations issued by the Real Estate 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 Supplementary Public Report automatically expires January 6, 1986, unless a Final Public Report is issued or unless the Commission, upon review of the registration, issues an order extending the effective period of this report.

The information contained in the Preliminary Public Report remains unchanged except for the information under the topical headings EASEMENTS, PURPOSES AND RESTRICTIONS AS TO USE, ENCUMBRANCES AGAINST TITLE and PURCHASE MONEY HANDLING. The changes are as follows:

EASEMENTS: All information under this topical heading remains unchanged except that paragraph 9 on page 9 thereof is amended to read in its entirety as follows:

9. The Developer, its successors and assigns shall have easements for access purposes, for electrical, gas, communications and other utility purposes, and for sewer, drainage and water facilities over, under, across, along and through the Land, including but not limited to any and all Easements shown on Map 639 filed with Land Court Application No. 1000, together with the right to designate easements for the

aforesaid purposes, if necessary, and to grant to the State of Hawaii, the City and County of Honolulu, the Board of Water Supply of the City and County of Honolulu, any other appropriate governmental agency and/or any public utility or other corporation, easements for any such purposes over, under, across, along and through the Land under the usual terms and conditions required by the grantee of such easement rights; provided, however, that such easement rights must be exercised in such manner as to not unreasonably interfere with the use of the Land by the apartment owners and those claiming by, through or under the apartment owners, and in connection with the installation, maintenance or repair of any facilities pursuant to any of said easements the Land shall be promptly restored by and at the expense of the person owning and exercising such easement rights to substantially the condition of the Land immediately prior to the exercise thereof; and the acceptance or acquisition by any party of any interest in the Project shall constitute an undertaking and agreement by such party (a) to join in and execute, upon request, any and all documents designating and/or granting any such easements, and (b) to perform and carry out at such party's expense, or to cause the Association of Apartment Owners to perform and carry out as a common expense, any obligation in any such grant of easement rights, or in any grant of easement specifically referred to in the Declaration (including without limitation the Grant of Easement filed as Land Court Document No. 1282625), with respect to providing and maintaining any screening or landscaping or similar requirement as to facilities within the Land which may now or hereafter be required by law, ordinance or governmental agency, and (c) to indemnify and hold harmless the Developer and its successors and the grantee under any such grant of easement from all loss or liability arising from any breach of these undertakings and agreements.

PURPOSES AND RESTRICTIONS AS TO USE: All information under this topical heading remains unchanged except that the last paragraph thereof is amended to read in its entirety as follows:

The proposed Rules and Regulations provide, in part, that: (1) occupancy shall be limited to not more than three persons per one-bedroom apartment and not more than five persons per two-bedroom apartment; (2) no livestock, poultry, rabbits or other animals whatsoever shall be allowed or kept in any part of the Project except that dogs, cats and other household pets in reasonable number and size as determined by the Board may be kept by the apartment owners and occupants in their respective apartments, subject to the conditions and restrictions contained in the Rules and Regulations; and (3) no waterbeds of any nature are allowed in any apartment without prior written approval of the Board.

ENCUMBRANCES AGAINST TITLE: All information under this topical heading remains unchanged except that a new paragraph is added at the end thereof to read in its entirety as follows:

In addition, the Developer has advised the Commission that the Land is subject to a Grant of Easement dated January 15, 1985, in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, as Grantee, filed as Document No. 1282625.

PURCHASE MONEY HANDLING: All information under this topical heading remains unchanged except the title of the Sales Agreement referred to therein has been changed from "Reservation and Sales Agreement" to "Deposit Receipt, Reservation and Sales Agreement", and except that a new paragraph 7 and a new unnumbered paragraph are added on page 14 of the Preliminary Public Report, immediately before the last paragraph of this topical heading, to read in their entirety as follows:

7. If Buyer signs the Sales Agreement before 90 days has elapsed from the "date of completion" (as defined in Section 507-43 of the Hawaii Revised Statutes, as amended) of construction of the Apartment, Buyer represents to Seller that Buyer is a "qualified buyer" as defined below. The term "qualified buyer" as used herein means an owner-occupant buyer whose income (including the income of all members of such buyer's household) does not exceed 80% of the median income (adjusted for family size) in the State of Hawaii for the most recent year for which median income figures are available. The following are such income limits (as of January 1, 1985) by family size for the Project:

<u>Family Size</u>	<u>Median</u>	<u>80% Income Limit</u>
1	\$21,940	\$17,550
2	25,065	20,050
3	28,190	22,550
4	31,315	25,050
5	33,250	26,600

If Buyer signs the Sales Agreement before 90 days has elapsed from the "date of completion" of construction of the Apartment, and if Seller or the City and County of Honolulu shall determine that Buyer is not a "qualified buyer", Seller shall have the right to cancel the Sales Agreement at any time.

If Buyer signs the Sales Agreement before 90 days has elapsed from the "date of completion" of construction of the Apartment, Buyer will be required to sign an Affidavit wherein Buyer must represent that

Buyer is a "qualified buyer" and intends to become an owner-occupant of the Apartment, and that Buyer understands that the Apartment must be occupied by the Buyer and is not to be rented.

The purchaser or prospective purchaser should be cognizant of the fact that this Supplementary Public Report represents information disclosed by the Developer in the required Notice of Intention submitted on October 29, 1984 and additional information subsequently filed as of April 12, 1985.

This Supplementary Horizontal Property Regimes (Condominium) Public Report is made a part of Registration No. 1644 filed with the Commission on October 29, 1984. This report, when reproduced, shall be a true copy of the Commission's Public Report. The paper stock used in making facsimiles must be pink in color.


for 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
Federal Housing Administration
Escrow Agent

Registration No. 1644

Dated: April 18, 1985