

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF COMMERCE & CONSUMER AFFAIRS
STATE OF HAWAII
1010 RICHARDS STREET
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HONOLULU, HAWAII 96801

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT on

MAKIKI HEIGHTS VILLAS
2179 Makiki Heights Drive
Honolulu, Oahu, Hawaii

Registration No. 1704 (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.

ISSUED: October 23, 1985
EXPIRES: November 23, 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 SEPTEMBER 24, 1985. AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED WITH THE COMMISSION AS OF OCTOBER 16, 1985. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT SET FORTH IN CHAPTER 514A, HAWAII REVISED STATUTES, AS AMENDED.

1. MAKIKI HEIGHTS VILLAS is a fee simple residential condominium project consisting of two (2) free-standing single family residential structures built in 1966. There are two (2) parking stalls on the grounds of the project. Each unit shall initially have one parking stall appurtenant thereto. There are no guest parking stalls.

2. The Developer has filed all documents and exhibits deemed necessary by the Commission for the registration of the condominium project and the issuance of this Final Public Report.
3. No promotional or advertising materials have been submitted pursuant to the Rules and Regulations promulgated by the Commission.
4. The basic documents (Declaration of Horizontal Property Regime and By-Laws of Association of Owners) have been recorded at the Bureau of Conveyances of the State of Hawaii in Book 18406 Page 88 and Book 18406 Page 119 respectively. The Floor Plans have been filed at said Bureau as Condominium Map No. 942.
5. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514A of the Hawaii Revised Statutes, as amended, and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
6. This Final Public Report automatically expires thirteen (13) months after date of issuance, October 23, 1985, unless a Supplementary Public Report issues 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 MAKIKI HEIGHTS VILLAS condominium project. The Developer is responsible for placing this Final Public Report (white paper stock) and Disclosure Abstract in the hands of all purchasers and prospective purchasers and securing a signed receipt therefor.

NAME OF PROJECT: MAKIKI HEIGHTS VILLAS

LOCATION: The land submitted to the Horizontal Property Regime, approximately 18,000 square feet, is situated at 2179 Makiki Heights Drive, Honolulu, Hawaii.

TAX MAP KEY: 2-5-20:07.

ZONING: P-1

DEVELOPER: 2179 MAKIKI DEVELOPMENT VENTURE, a registered Hawaii joint venture, with its office at Suite 2700, 737 Bishop Street, Honolulu, Hawaii 96813, telephone number 526-3011. The joint venture partners are Makiki Project One, Inc., and Makiki Project Two, Inc., both of the foregoing address.

ATTORNEY REPRESENTING DEVELOPER: Foley, Maehara, Judge, Choi, Nip & Okamura, (George T. Okamura), Suite 2700, 737 Bishop Street, Honolulu, Hawaii 96813, telephone number 526-3011.

DESCRIPTION OF THE PROJECT: The Declaration of Horizontal Property regime reflects a two (2) Unit fee simple condominium project consisting of two (2) free-standing single family residences principally constructed of a wooden walls, roofs and

upper floors (if any), wood or concrete slabs on ground floor, wooden balconies (if any), stairs and decking (if any), gypsum board and allied building materials, each structure being situated on a separate limited common area (referred to as Lots A and B herein).

A. Each unit consists of that portion of the buildings containing the Unit which lies within the boundaries of the Unit as shown on said Condominium Map, exclusive of any existing and future pipes, wires, conduits, ducts, vents and other service and utility lines, spaces or equipment which are utilized for or serve more than one Unit or the common areas. The Unit shall be considered to include any door, window, or other closure therein, the footings or slab on which it is constructed, supporting pillars, the exterior walls and roof, all interior walls (whether or not load bearing), ceilings and partitions, and the finishes surfaces thereof, and all fixtures installed therein, the appurtenant balcony (if applicable), the appurtenant entry, and the appurtenant stairs. Where a Unit consists in whole or in part of unenclosed space, the boundary defining such space is the boundary as shown on said Condominium Map.

B. Each Parking Stall consists of that portion of the Project containing the space which lies within the boundaries of the stall as shown on said Condominium Map exclusive of any adjacent walls and pillars, stairways, and any existing and future easements, pipes, wires, conduits, ducts, vents, and other service and utility lines, spaces or equipment, which are utilized for or serve more than one stall or Unit or the common areas. Except as otherwise provided for herein, the stall consists of the unenclosed space shown on said Condominium Map, and the boundary defining such space is the boundary as shown on said Condominium Map.

C. There are two (2) types of Units. The design plans for the Units are shown on the Condominium Map and are described below:

Dwelling A. Dwelling A consists of ten (10) rooms including three (3) bedrooms, two (2) baths, a living room - dining room, a kitchen, an enclosed balcony, a play room, and a utility room. Dwelling A contains a covered floor area of approximately 1,996 square feet. Dwelling A also has an open lanai of approximately 130 square feet, which is not included in the 1,956 square feet.

Dwelling B. Dwelling B consists of nine (9) rooms including three (3) bedrooms, two (2) baths, a living room - dining room, a kitchen/laundry room, a play room, and a storage room. Dwelling B contains a covered floor area of approximately 2,094 square feet.

The Developer's architect has confirmed that the foregoing areas are net areas measured from interiors of walls.

The Units in the Project are located as shown on the Condominium Map and are numbered as shown on the Condominium

Map. Each of the Units has access to the driveways, walkways, parking stalls and grounds of the project.

COMMON ELEMENTS: The common elements (including the limited common elements) consist of all parts of the Property other than the Units, including, without limitation, the following:

- A. The land submitted to the horizontal property regime in fee simple;
- B. The yards, grounds, landscaped areas and walkways, if any;
- C. The roadways, sidewalks, driveways, and retaining walls, if any;
- D. Central and appurtenant installations for services such as power, light, gas, water, sewage, t.v., telephone, trash removal and disposal, and like utilities;
- E. All other elements and facilities reasonably and rationally in common use or necessary to the existence, maintenance, or safety of the Project, including easements, if any.

LIMITED COMMON ELEMENTS: Certain parts of the common elements designated "limited common elements" are set aside and reserved for the exclusive use of certain Units and such Units shall have appurtenant thereto exclusive easements for the use of such limited common elements. The limited common elements so set aside and reserved are:

A. Each Unit shall have appurtenant thereto one or more parking stalls as shown on the said Condominium Map. The parking stalls which are limited common elements and the respective Units to which they are appurtenant are as follows: Unit "A" - Stall "A"; Unit "B" - Stall "B".

B. Each lot upon which each Unit is situated shall be appurtenant to and for the exclusive use of such Unit, being designated on said Condominium Map as follows: Unit "A" - Lot "A"; Unit "B" - Lot "B".

C. The walkways (if any) connecting each Unit to parking stall appurtenant to such Unit is reserved for the use of each such Unit.

INTEREST TO BE CONVEYED TO PURCHASER: Each Unit shall have appurtenant thereto an undivided one-half fractional interest in all common elements of the Project. Such percentage of undivided interest in the common elements appurtenant to each Unit shall be controlling for all purposes, including voting and allocation of common expenses. The said percentage fractional interests are based on the number of Units in the project, and is not based on the relative square footages of the Units.

NOTE: Utilities used in each unit will be separately metered for each unit but all utilities used for common elements, if any, will be provided on a common meter basis.

In the case of the Parking Stalls, and other limited common elements, the cost of all utilities and all costs and expenses of maintenance, repair and replacement of, and the making of any improvements to such limited common elements shall be charge to and assessed against the owners of Units as to which they are appurtenant.

PURPOSE OF UNITS AND RESTRICTION AS TO USE: The Declaration and By-Laws state that the Units shall be occupied and used only for residential purposes, subject to such limitations as may be contained in the Declaration and in the By-Laws and the House Rules which may be adopted or amended from time to time governing the use of the Units and as provided by law. No House Rules have been adopted as of this date. In addition to, and without limitation of the foregoing:

- (1) The Units of the Project shall be used only for residential purposes as stated in the Declaration.
- (2) The common elements and the limited common elements of the Project shall be used only for the purposes for which they were designed.
- (3) An owner or occupant shall not place, store, or maintain in the stairways, walkways, driveways, or other common elements of the Project, any objects of any kind.
- (4) The common elements shall not be obstructed at any time and shall be used for no other purpose than for normal purposes for which they are designed.
- (5) Every owner and occupant shall at all times keep said owner's or occupant's Unit in a strictly clean and sanitary condition and observe and perform all terms and conditions of the Declaration, these By-Laws, the House Rules and all laws, ordinances, rules, and regulations now or hereafter made by any government authority or the Association applicable thereto.
- (6) No owner or occupant shall make or suffer any strip of waste of said owner's or occupant's Unit or alter or remove any of the common elements and no owner or occupant shall make or suffer any unlawful or improper use of any Unit or the Project.
- (7) No owner or occupant shall erect or place in the Project any building or structure, including fences and walls, nor made any additions or alterations to any building, nor place or maintain thereon any advertisements, signs, posters, signals, or lettering whatsoever, except in accordance with plans and specifications approved by the Board, or as specifically allowed by the Declaration.
- (8) No owner shall decorate or landscape any common element except in accordance with standards therefor established by the

Board and in accordance with specific plans approved in writing by the Board.

(9) Each owner or occupant shall exercise extreme care about making noises and in the use of equipment or apparatus that may disturb occupants of the other Unit.

(10) No refuse, garbage, or trash of any kind shall be thrown, placed, or kept on any common elements or limited common elements of the Project outside of the disposal facilities provided for such purpose.

(11) No pets, livestock, poultry, or other animals whatsoever shall be allowed or kept in any part of the Project, except as may be specifically allowed by House Rules promulgated by the Board.

(12) No owner or occupant shall without the written approval of the Board install any wiring for electrical installations, television antenna, air conditioning units, or other equipment or apparatus whatsoever on the exterior of any building or protruding through the walls, windows, or roof thereof.

(13) Each owner, occupant or user shall at all times comply with all laws, rules, regulations or ordinances of any governmental authority pertaining to the ownership, use or occupancy of the Units or the Project.

(14) Nothing shall be allowed, done or kept in any Unit or common elements of the Project which would overload or impair such common elements or cause any increase in the premium rates ordinarily prevailing for, or the cancellation or invalidation of, any insurance thereon maintained by or for the Association.

OWNERSHIP OF LAND: The Developer has filed with the Commission a Preliminary Title Report issued by Island Title Corporation, dated August 27, 1985, which reveals that the ownership of fee simple title is vested in 2179 MAKIKI DEVELOPMENT VENTURE, a registered Hawaii joint venture.

ENCUMBRANCES AGAINST TITLE: Said Preliminary Title Report reveals that the fee simple title is subject to the following encumbrances:

1. Real Property taxes (TMK 2-5-20:07). For further information, check with the County Tax Assessor.
2. Reservation in favor of the State of Hawaii of all mineral and metallic mines.
3. An easement for lease right of way, in favor of Hawaiian Electric Company, Inc. and Hawaiian Telephone Company, dated December 6, 1951, recorded January 8, 1952, in the Bureau of Conveyances, State of Hawaii, in Book 2539, Page 299.
4. Covenants, conditions, restrictions, reservations, agreements, obligations and other provisions set forth in the Deed, dated January 25, 1966, recorded

January 28, 1966, in the Bureau of Conveyances, State of Hawaii, in Book 5245, Page 252.

5. Mortgage dated August 25, 1982, recorded September 6, 1983, in the Bureau of Conveyances, State of Hawaii, in Book 17300, Page 332, to secure the repayment of \$60,000.00, and any additional advances and other amounts secured thereby, under the terms and provisions thereof,
Mortgagor: James Choi.
Mortgagee: Cedric Choi, Trustee for that certain unrecorded Stephanie Pomponi Irrevocable Trust dated March 12, 1982.
6. Mortgage dated September 2, 1983, recorded September 6, 1983, in the Bureau of Conveyances, State of Hawaii, in Book 17300, Page 354, to secure the repayment of (no amount specified), and any additional advances and other amounts secured thereby, under the terms and provisions thereof,
Mortgagor: James Choi, husband of Susan Choi, and Cedric Choi, husband of Patricia Choi.
Mortgagee: Joseph C. S. Tom and Lillian Y. Tom, husband and wife.
7. Mortgage dated February 3, 1984, recorded February 7, 1984, in the Bureau of Conveyances, State of Hawaii, in Book 17643, Page 759, to secure the repayment of (no amount specified), and any additional advances and other amounts secured thereby, under the terms and provisions thereof,
Mortgagor: James Choi, husband of Susan Choi, and Cedric Choi, husband of Patricia Choi.
Mortgagee: Timothy Keoki Baird, husband of Kathy Colleen Baird, and Hawaiian Trust Company, Limited, a Hawaii corporation, Co-Trustees under that certain Revocable Living Trust Agreement dated February 20, 1981, made by Roberta L. Knapp, also known as Roberta Lois Anderson Knapp, with full powers to sell, convey, exchange, mortgage, lease, etc.
8. Condominium Map No. 942, filed in the Bureau of Conveyances, State of Hawaii.
9. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions, easements and by-laws set forth in the Declaration of Horizontal Property Regime dated January 9, 1985, recorded January 23, 1985, in the Bureau of Conveyances, State of Hawaii, in Book 18406, Page 88.
10. Covenants, conditions, restrictions, reservations, agreements, obligations, provisions, easements and by-laws set forth in By-Laws dated January 9, 1985, recorded January 23, 1985, in the Bureau of

Conveyances, State of Hawaii, in Book 18406, Page 119.

PURCHASE MONEY HANDLING: An executed copy of the Escrow Agreement dated August 27, 1984 by and between GUARDIAN ESCROW SERVICES, INC., as Escrow, and the Developer, as Seller, has been submitted to the Real Estate Commission as part of this registration, and has been found to be in compliance with Chapter 514A, Hawaii Revised Statutes, as amended, particularly with Section 514A-37, 514A-39, 514A-40, 514A-63 through 514A-66. A copy of the Sales Contract has also been submitted to the commission.

The executed Escrow Agreement states in part: that a purchaser shall be entitled to a refund of his funds, and Escrow shall pay the funds to the purchaser, without interest, less Escrow cancellation fee of \$25.00, if purchaser requests in writing refund of his funds, provided, one of the following has occurred:

- (a) Developer has requested Escrow in writing to return to Purchaser the funds of Purchaser then being held by Escrow; or
- (b) Purchaser's entitlement to a refund pursuant to Hawaii Revised Statutes Section 514A-63, 514A-64, 514A-65, or 514A-66 is established to the satisfaction of Escrow.

Among other provisions, the Sale Contract provides that if the Developer borrows money from an interim lender for the development of the project, said mortgagee will have a lien securing the note evidencing the indebtedness incurred for the development of the project. The mortgage and note secured thereby, and any renewals or extensions of said mortgage and note, shall be and remain at all times a lien or charge upon the project, including Sales Contracts arising from purchase agreements for Units on the Project. In addition, the Seller has the right to increase the Sales Price under certain circumstances.

It is incumbent upon purchasers and prospective purchasers to read with care the Sales Contract and the executed Escrow Agreement. The latter establishes how the proceeds from the sale of Units are placed in trust, as well as the retention and disbursement of said trust fund.

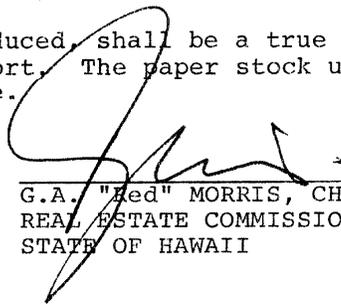
MANAGEMENT OF PROJECT: The By-Laws provide that the operation of the project shall be conducted for the Association of Unit Owners under the direction of the Board of Directors, and the Board of Directors may appoint a responsible corporate managing agent. No managing agent has been selected at this time. Therefore, all inquiries, correspondence and other communication with respect to this project may be made to 2179 MAKIKI DEVELOPMENT VENTURE, Suite 2700, 737 Bishop Street, Honolulu, Hawaii 96813, until such time that the association of owners is formed.

STATUS OF PROJECT: The Developer advises that construction has been completed and that this is a conversion of two existing buildings constructed in 1966. By letter dated August 4, 1983, the Director of the City's Building Department informed the Developer's Architect that though the two units met all code requirements at the time they were constructed, a variance was approved in September, 1966, to permit the construction of the two units within a class AA(R-3) district. No special permits were granted.

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 by the Developer on September 24, 1985, and additional information submitted as of October 16, 1985.

THIS FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of Registration No. 1704, filed with the Commission on September 24, 1985.

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.



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

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Registration No. 1704

October 23, 1985