



**REAL ESTATE COMMISSION**  
 STATE OF HAWAII  
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
 PROFESSIONAL AND VOCATIONAL LICENSING DIVISION  
 1010 Richards Street - P. O. Box 3469  
 Honolulu, Hawaii 96801

**CONDOMINIUM PUBLIC REPORT**

on

HALAWA VIEW ESTATES

Registration No. 2258

Issued: November 30, 1990  
 Expires: December 30, 1991

Report Purpose:

This report is based on information and documents submitted by the developer to the Real Estate Commission as of November 9, 1990, and is issued by the Commission for informational purposes only. It represents neither approval nor disapproval of the project. Buyers are encouraged to read this report carefully.

Type of Report:

- PRELIMINARY:** (yellow) The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued when complete information is filed.
- FINAL:** (white) The developer has legally created a condominium and has filed complete information with the Commission.  
 No prior reports have been issued  
 Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_
- SUPPLEMENTARY:** (pink) Updates information contained in the  
 Prelim. Public Report dated \_\_\_\_\_  
 Final Public Report dated \_\_\_\_\_  
 Supp. Public Report dated \_\_\_\_\_
- And  Supersedes all prior public reports  
 Must be read together with \_\_\_\_\_  
 This report reactivates the \_\_\_\_\_  
 public report(s) which expired on \_\_\_\_\_

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

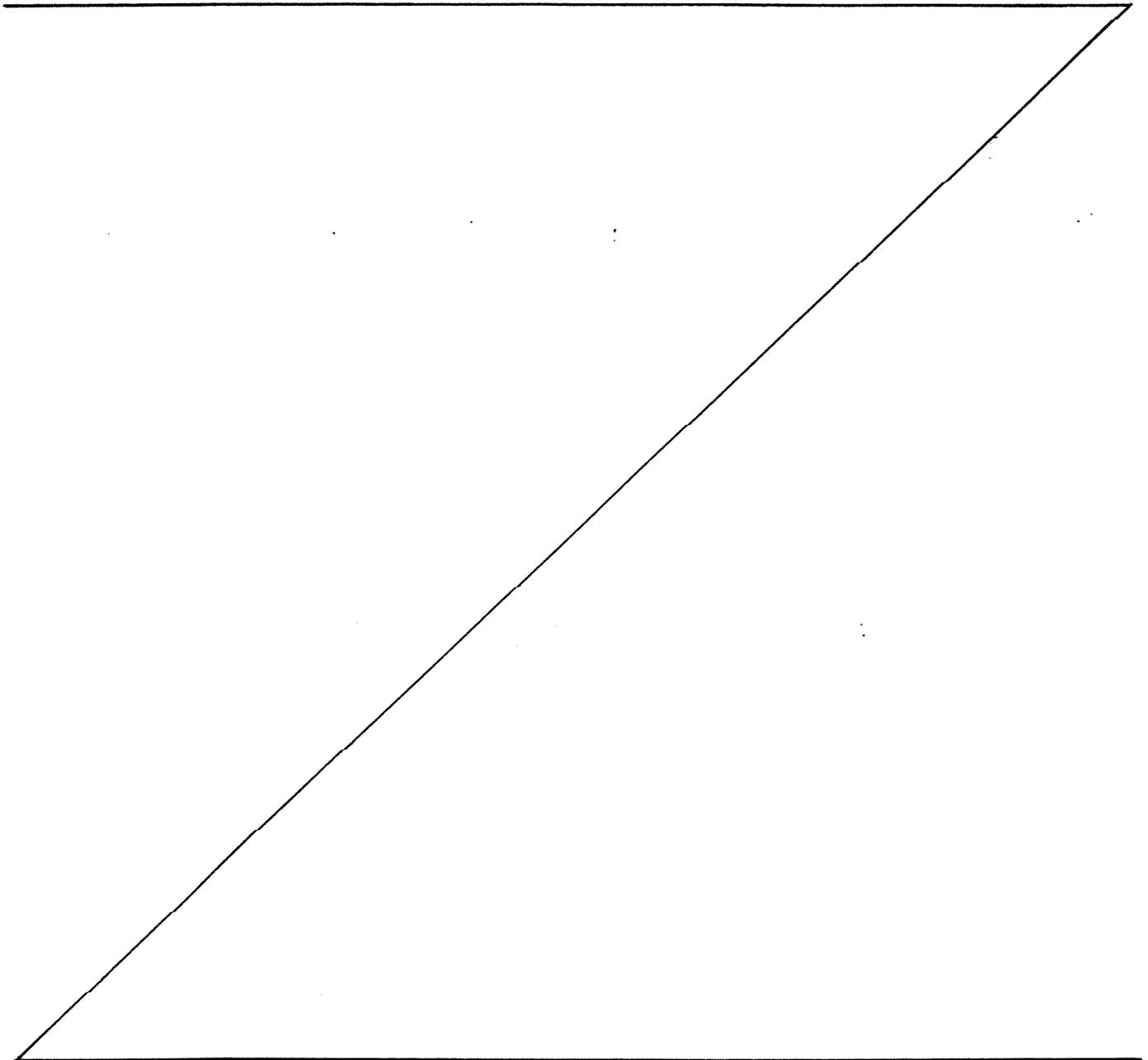
Required       Not Required - disclosures covered in this report.

**Summary of Changes from Earlier Public Reports:**

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

No prior reports have been issued by the Commission.

Changes made are as follows:



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## **GENERAL INFORMATION ON CONDOMINIUMS**

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of Hawaii's "Condominium Property Act" (Chapter 514A, Hawaii Revised Statutes) must be followed.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

Common elements are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called limited common elements and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged, or encumbered, and they may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owner/tenant) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements. The leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

### **Operation of the Condominium Project**

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without a vote of the owners. Some of these actions may significantly impact the quality of life for all apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is vitally important to all apartment owners that the transition from developer to owner control be accomplished in an orderly manner and in a spirit of cooperation.

## SUMMARY OF THE CONDOMINIUM PROJECT

**Interest to be Conveyed to Buyer:**

- Fee simple interest in an apartment and an undivided feehold interest in the common elements.
- Leasehold interest in an apartment and an undivided leasehold interest in the common elements.
- Fee simple interest in an apartment and an undivided leasehold interest in the common elements.

**Types of Project:**

1.  New Building(s)  Conversion  
 Both New Building(s) and Conversion
2.  Residential  Commercial  
 Mixed Residential and Commercial  
 Other \_\_\_\_\_
3.  High Rise (5 stories or more)  Low Rise
4.  Single or  Multiple Buildings
5. Apartment Description

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
A	1	3/2½	1,426	_____
B	1	3/2½	1,604	120**

Total Apartments: 2

*\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

**\*\* Lanai and/or balcony**

*Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.*

**6. Parking:**

	<u>Number of Stalls</u>
Assigned Stalls (Individual Units)	<u>4</u>
Guest Stalls	_____
Unassigned Stalls	_____
Extra Stalls Available for Purchase	_____
Other: _____	_____
<b>Total Parking Stalls</b>	<u>4</u>

**7. Recreational amenities: None**

**I. PEOPLE CONNECTED WITH THE PROJECT**

**Developer:** Halawa View Estates, Limited  
**Name**  
41-021 Hilu Street  
**Business Address**  
Waimanalo, Hawaii 96795

**Phone:** 259-7720  
**(Business)**

**Names of officers or general partners of developers who are corporations or partnerships:**

Mildred L. Wong, President, Treasurer & Director;  
Marshall B. Wolfe, Vice President, Secretary & Director  
   
 

**Real Estate Sales Agent:** Prudent Investors Realty, Inc.  
**Name**  
1585 Kapiolani Blvd., Suite 111  
**Business Address**  
Honolulu, Hawaii 96814

**Phone:** 944-1818  
**(Business)**

**Escrow:** SECURITY TITLE CORP.  
**Name**  
1001 Bishop Street, Pacific Tower  
**Business Address**  
Suite 1200, Honolulu, Hawaii 96813

**Phone:** 521-9511  
**(Business)**

**Managing Agent:** NOT APPLICABLE (Self Managed)  
**Name**  
   
**Business Address**  
 

**Phone:** N/A  
**(Business)**

**Attorney for Developer:** MICHIRO IWANAGA  
**Name**  
737 Bishop Street, Suite 3100  
**Business Address**  
Honolulu, Hawaii 96813

**II. CREATION OF THE CONDOMINIUM;  
CONDOMINIUM DOCUMENTS**

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners.

- A. Declaration of Condominium Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

Proposed  
 Recorded - Bureau of Conveyances - Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document Number 90-166291

Amendment date(s) and recording/filing information:

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

Proposed  
 Recorded - Bureau of Conveyance Condo Map No. 1396  
 Filed - Land Court Condo Map No. \_\_\_\_\_

Amendment date(s) and recording/filing information:

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the way in which meetings will be conducted, and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

Proposed  
 Recorded - Bureau of Conveyances - Book \_\_\_\_\_ Page \_\_\_\_\_  
 Filed - Land Court - Document Number 90-166292

Amendment date(s) and recording/filing information:

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- D. **House Rules.** The Board of Directors may adopt house rules to govern the use and operation of the common elements and individual apartments. House rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais, keeping of pets, and occupancy limits. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial house rules are usually adopted by the developer.

The House Rules for this condominium are:

- Proposed                       Adopted
- Developer does not plan to adopt house rules.

E. **Changes to Condominium Documents**

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. **Apartment Owners:** Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%	<u>100%</u>
Bylaws	65%	<u>100%</u>
House Rules	—	<u>100%</u>

The percentages for individual condominium projects may be more than the minimum set by law.

2. **Developer:** The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules:

The developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws, or House Rules without the consent or joinder of persons then owning or leasing the apartments, (i) by filing an amendment to the Declaration pursuant to the provisions of Section 514A-12, Hawaii Revised Statutes, after completion of the building described herein, by attaching to such amendment a verified statement of a registered architect or professional engineer certifying that the final plans theretofore filed or being filed simultaneously with such amendment fully and accurately depict the layout, location, apartment numbers and dimensions of the apartments as built; (ii) as may be required by law, the Real Estate Commission of the State of Hawaii, any title insurance company issuing a title insurance policy on the project, or any institutional lender lending funds on the security of the project or any of the apartments thereof; provided, however, that no such amendment which would change the common interest appurtenant to an apartment or substantially change the design, location or size of an apartment shall be made without the consent to and joinder in such amendment by the owner of such apartment and all others, if any, having any interest therein.

The Condominium Statute (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.



**B. Underlying Land:**

Address: 99-1106 and -9-1110 Halawa Heights Rd. Tax Map Key: 9-9-30-2  
Aiea, Hawaii 96701 (TMK)

[ ] Address [ ] TMK is expected to change because \_\_\_\_\_

Land Area: 8,152 [x] square feet [ ] acre(s) Zoning: R-5

Fee Owner: MARSHALL B. WOLFE  
Name  
[REDACTED]  
Address  
[REDACTED]

MILDRED L. WONG, Trustee  
under the unrecorded  
Mildred Lai Wong Revocable  
Trust under Agreement  
dated August 21, 1986  
2250 East Manoa Road  
Honolulu, Hawaii 96822

Sublessor:  
Name  
Address

**C Buildings and Other Improvements:**

1. [x] New Building(s) [ ] Conversion of Existing Building(s)  
[ ] Both New Building(s) and Conversion

2. Buildings: 2 Floors Per Building 2

[ ] Exhibit \_\_\_\_\_ contains further explanations.

3. Principal Construction Material:

[x] Concrete [ ] Hollow Tile [x] Wood  
[ ] Other \_\_\_\_\_

4. Permitted Uses:

	<u>No. of Apts.</u>		<u>No. of Apts.</u>
[ ] Commercial	_____	[ ] Industrial	_____
[x] Residential	<u>2</u>	[ ] Agricultural	_____
[ ] Timeshare/Hotel	_____	[ ] Recreational	_____
[ ] Other: _____			_____

5. Special Use Restrictions:

The Declaration, Bylaws, and House Rules may contain restrictions on the use and occupancy of apartments. Restrictions for this condominium project include but are not limited to:

- Pets \_\_\_\_\_
- Number of Occupants: \_\_\_\_\_
- Other: no time-sharing plan, arrangement, or program is allowed.
- There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Total Apartments 2

Elevators 0

Stairways 0

Trash Chutes 0

<u>Apt. Type</u>	<u>Quantity</u>	<u>BR/Bath</u>	<u>Net Living Area (sf)*</u>	<u>Lanai/Patio (sf)</u>
A	1	3/2½	1,426	
B	1	3/2½	1,604	120**
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

*\*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.*

*\*\*Lanai and/or balcony*

*Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.*

**Boundaries of Each Apartment:** There are established two (2) freehold estates in the spaces within the perimeter walls, floors and ceilings of the two apartments in said building. The two apartments shall not include the undecorated or unfinished surfaces of the perimeter walls or of the interior load-bearing walls, the floors and perimeter ceiling surrounding each apartment, or any pipes, wires, ducts, conduits, or other utility or service lines running through such apartments which are utilized for or serve more than one apartment. Each apartment shall include the walls and partitions which are not load-bearing and which are within its perimeter walls; doors and door frames; windows and window frames; the inner decorated or finished surfaces of walls, floors and ceilings, adjoining and connected thereto; lanais and lanai air spaces (if any); and a ~~originally installed therein.~~

**Permitted Alterations to Apartments:**

Subject to the Declaration, Bylaws, and any House Rules, an apartment owner may make any alterations or additions within his or her apartment.

7. Parking Stalls:

Total Parking Stalls: 4

	Regular		Compact		Tandem		TOTAL
	covered	open	covered	open	covered	open	
Assigned (for individual units)	<u>4</u>	<u>          </u>	<u>4</u>				
Guest	<u>          </u>						
Unassigned	<u>          </u>						
Extra Available for Purchase	<u>          </u>						
Other:	<u>          </u>						
Total	<u>4</u>	<u>          </u>					
Covered & Open	<u>4</u>	<u>          </u>	<u>0</u>	<u>          </u>	<u>0</u>	<u>          </u>	<u>          </u>

Each apartment will have the exclusive use of at least 2 parking stall(s).  
Buyers are encouraged to find out which stall(s) will be available for their use.

- Commercial parking garage permitted in condominium project.
- Exhibit            contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities.

- There are no recreational or common facilities.
- Swimming pool
- Recreation Area
- Tennis Court
- Storage Area
- Laundry Area
- Trash Chute
- Other: There are no recreational or common facilities.

9. Present Condition of Improvements

(For conversions of residential apartments in existence for at least five years):

a. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations

b. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

10. Conformance to Present Zoning Code

a.  No variances to zoning code have been granted.

Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	x	_____	_____
Structures	x	_____	_____
Lot	x	_____	_____

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

**D. Common Elements, Limited Common Elements, Common Interest:**

1. **Common Elements:** Common Elements are those parts of the condominium project intended to be used by all apartment owners. They are owned jointly by all apartment owners.

Exhibit     A     describes the common elements.

As follows:

2. **Limited Common Elements:** Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

There are no limited common elements in this project.

The limited common elements and the apartments which may use them are:

described in Exhibit                     

**as follows:** The yard, driveway, parking area, carport, and building within the area circled in green on sheet 1 (plot plan) of the File Plan shall be limited common elements appurtenant to Apartment A, and the yard, driveway, parking area, and building within the area circled in red on sheet 1 (plot plan) of the File Plan shall be limited common elements appurtenant to Apartment B.

3. **Common Interest:** Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is often used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium. It may also be used for other purposes, including voting on matters requiring action by apartment owners.

Exhibit                      describes the common interests for each apartment.

As follows:

Apartment A has an appurtenant common interest of 47.0627 per cent.

Apartment B has an appurtenant common interest of 52.9373 per cent.

E. **Encumbrances Against Title.** An encumbrance is a claim against or a liability on the property.

Exhibit B describes the encumbrances against the title contained in the title report dated April 11, 1990 and issued by Island Title Corporation.

**Blanket Liens:**

A blanket lien is a mortgage on a condominium project that secures a construction loan. It is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

There are no blanket liens affecting title to the individual apartments.

There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. Buyer's interest will be affected only if the developer defaults prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest If Developer Defaults</u>
Construction mortgage loan	A default under the construction mortgage loan, if not cured by the Developer, will result in a loss of Buyer's interest in the property and the return of any deposit. Developer believes that the proceeds of the sale of the apartment first to close will be sufficient to pay off the construction mortgage loan.

F. **Management of the Common Elements:** The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a managing agent to assist the Association in managing the condominium project.

**Initial Managing Agent:** When the developer or the developer's affiliate is the initial managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial managing agent for this condominium is:

not affiliated with the Developer.

the Developer or the Developer's affiliate.

self-managed by the Association of Apartment Owners.

other \_\_\_\_\_

**G. Estimate of Initial Maintenance Fees:**

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided to each apartment.

Exhibit       C       contains a schedule of maintenance fees and maintenance fee disbursements.

**H. Utility Charges for Apartments:**

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

- |   |   |
|---|---|
| <input type="checkbox"/> Electricity    | <input type="checkbox"/> Television Cable |
| <input type="checkbox"/> Gas            | <input type="checkbox"/> Water & Sewer    |
| <input type="checkbox"/> Other _____    |   |
| <input type="checkbox"/> Not applicable |   |

**I. Construction Warranties:**

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

**1. Building and Other Improvements:**

Work or materials not in accordance with the construction contract are covered by the general contractor's warranty. Under that warranty, any defect in materials or workmanship which may appear during the period of construction or within one year after the completion of the work shall be replaced or corrected by the contractor at contractor's expense. The Developer will assign its rights under that warranty to purchasers of the apartments. Developer makes no warranties of its own.

**2. Appliances:**

The Developer will pass on any warranties made by the manufacturer. Developer makes no warranties of its own.

**J. Status of Construction and Estimated Completion Date:**

The estimated date of completion of the project is December 31, 1990.

**K. Project Phases:**

The developer  has  has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's Present Plans for Future Development:

**L. Sales Documents Filed With the Real Estate Commission:**

Sales documents on file with the Real Estate Commission include but are not limited to:

Notice to Owner Occupants

Specimen Sales Contract

Exhibit  D  contains a summary of the pertinent provisions of the sales contract.

Escrow Agreement dated  May 17, 1989

Exhibit  E  contains a summary of the pertinent provisions of the escrow contract.

Other \_\_\_\_\_

#### **IV. ADDITIONAL INFORMATION NOT COVERED ABOVE**

The project comprises two apartments. Actions of the Association of Apartment Owners will require unanimous vote of the membership. As a result, disagreements may give rise to either (a) arbitration as provided in the Bylaws or in Chapter 514A of the Hawaii Revised Statutes or (b) litigation.

## **Buyer's Right to Cancel Sales Contract:**

### **A. Rights Under the Condominium Statute:**

**Preliminary Report:** Sales made by the Developer are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

**Supplementary Report to a Preliminary Report:** Same as for Preliminary Report.

**Final Report, Supplementary Report to a Final Report:** Sales made by the Developer are binding if:

1. The Developer delivers to the buyer a copy of:
  - a. Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report;  
**AND**
  - b. Any other public report issued by the Commission prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
2. The buyer is given an opportunity to read the report(s); and
3. One of the following has occurred:
  - a. The buyer has signed a receipt for the report(s) and waived the right to cancel; or
  - b. Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
  - c. The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

**Material Change:** Binding contracts with the Developer may be rescinded by the buyer if:

1. There is a material change in the condominium which directly, substantially, and adversely affects (a) the use or value of the buyer's apartment or its limited common elements; or (b) the amenities available for buyer's use; and
2. The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

### **B. Rights Under the Sales Contract:**

Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the condominium. These include but are not limited to the:

1. Condominium Public Reports issued by the Hawaii Real Estate Commission.
2. Declaration of Condominium Property Regime and Condominium Map.
3. Bylaws of the Association of Apartment Owners.
4. House Rules.
5. Escrow Agreement.
6. Hawaii's Condominium Law (Chapter 514A, HRS, as amended; Hawaii Administrative Rules, Chapter 16-107, adopted by the Real Estate Commission).
7. Other \_\_\_\_\_

If these documents are not in final form, the buyer should ask to see the most recent draft.

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Law (Chapter 514A, HRS, and Hawaii Administrative Rules, Chapter 16-107) are available at the Department of Commerce and Consumer Affairs.

This Public Report is a part of Registration No. 2258 filed with the Real Estate Commission on June 4, 1990.

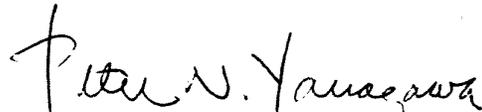
**Reproduction of Report.** When reproduced, this report must be on:

yellow paper stock

white paper stock

pink paper stock

**Expiration Date of Reports.** Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the date of issuance unless a Supplementary Public Report is issued or unless the Commission issues an order extending the effective period for the report.



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PETER N. YANAGAWA, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

Distribution:

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

EXHIBIT "A"

One freehold estate is hereby designated in all of the remaining portions and appurtenances of the project, herein called the "common elements", including specifically, but not limited to:

- a. Said land in fee simple.
- b. All foundations, floor supports, columns, girders, beams, supports, stairways, exists, unfinished perimeter walls and loadbearing walls and roof of the building.
- c. All yards, grounds, landscaping, roads, walkways, parking areas, driveways, and all refuse facilities.
- d. All ducts, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities, installations over, under and across the project which serve more than one apartment for services such as power, light, water, gas, sewer, telephone and radio and television signal distribution.
- e. All tanks, pumps, motors, fans, compressors and ducts.
- f. Any and all apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

END OF EXHIBIT "A"

EXHIBIT "B"

ENCUMBRANCES AGAINST TITLE

1. Title to all minerals and metallic mines reserved to the State of Hawaii.

2. A 6 foot wide sewer easement as shown on the map of Tax Key 9-9-30-2.

3. Terms and provisions of that certain unrecorded Mildred Lai Wong Revocable Living Trust dated August 21, 1986.

4. Mortgage dated March 21, 1989, in favor of Standard Financial Corp., a Hawaii corporation, recorded in the Bureau of Conveyances of the State of Hawaii in Book 23001, Page 368.

END OF EXHIBIT "B"

**ESTIMATE OF INITIAL MAINTENANCE FEES  
AND  
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS**

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee x 12 months =</u>	<u>Yearly Total</u>
Apartment A	\$ -0-	\$ -0-
Apartment B	\$ -0-	\$ -0-

\*\*\*\*\*  
\*  
\* NOTE: \*  
\*  
\* For Apartment A, monthly maintenance fees are established \*  
\* to be \$ -0- because the building containing Apartment A \*  
\* and the immediately surrounding yard areas are limited \*  
\* common areas of Apartment A. The same is true for Apartment \*  
\* B. Moreover, all utilities will be separately metered or \*  
\* otherwise charged, and the common elements will incur no \*  
\* separate utility charges. In addition, it is contemplated \*  
\* that each apartment owner will purchase and maintain his \*  
\* own homeowner's insurance policy that will include fire \*  
\* and liability coverage and that the Association of Apartment \*  
\* Owners will be named as an additional insured, without any \*  
\* cost to the Association. \*  
\*  
\*\*\*\*\*

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

**Estimate of Maintenance Fee Disbursements:**

**Monthly x 12 months = Yearly Total**

**Utilities and Services**

Air Conditioning	\$ -0-	\$ -0-
Electricity		
[ ] common elements only	-0-	-0-
[ ] common elements and apartments	-0-	-0-
Gas	-0-	-0-
Refuse Collection	-0-	-0-
Telephone	-0-	-0-
Water and Sewer	-0-	-0-

**Maintenance, Repairs and Supplies**

Building	-0-	-0-
Grounds	-0-	-0-

**Management**

Management Fee	-0-	-0-
Payroll and Payroll Taxes	-0-	-0-
Office Expenses	-0-	-0-

**Insurance** -0- -0-

**Reserves** -0- -0-

**Taxes and Government Assessments** -0- -0-

**Audit Fees** -0- -0-

**Other** -0- -0-

\*SEE NOTE ON PRIOR PAGE

**TOTAL**

I/We, HALAWA VIEW ESTATES, LIMITED, as  
managing agents for the condominium project, hereby certify that the above estimates of initial  
maintenance fee assessments and maintenance fee disbursements were prepared in accordance  
with generally accepted accounting principles.

HALAWA VIEW ESTATES, LIMITED

By:   
Its Vice President  
Date: 11/29/90

SUMMARY OF PERTINENT PROVISIONS OF SALES CONTRACT

The Deposit Receipt & Sales Contract for the Halawa View Estates (the "Sales Contract") provides for the sale of fee simple interest in the apartments of the project. The Contract calls for three payments: (1) Payment A as the initial downpayment upon execution of the contract; (2) Payment B upon loan approval or within 45 calendar days after acceptance of the Agreement by Seller; and (3) the balance of the purchase price. Under the Contract, the Purchaser undertakes an obligation to pursue mortgage financing.

Payments A, B, and C will not be disbursed by the escrow agent until the time of closing. In other words, the Buyer's downpayment will not be used to finance construction of the project.

The risk of loss of the apartment and other improvements shall be borne by the Seller until the date of closing.

The Seller will assign to the Buyer all warranties given to the Seller by the general contractor for the Project and by any sub-contractors or materialmen. Ordinarily, such warranties are limited to a guaranty of materials and workmanship against faulty or deficient materials and installation for a period of one year after "substantial

**EXHIBIT D**

completion" of the apartment. SELLER MAKES NO WARRANTIES, EXPRESSED OR IMPLIED, WITH RESPECT TO THE APARTMENT, COMMON ELEMENTS, APPLIANCES, FURNISHINGS OR OTHER PRODUCTS, OR ANYTHING INSTALLED IN OR UPON THE PREMISES OR USED IN CONNECTION WITH THE PROJECT IN ANY MANNER, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANLIKE CONSTRUCTION OR FITNESS FOR A PARTICULAR PURPOSE OF USE.

The Sales Contract states that the Buyer has been informed of unstable soil and subsurface conditions that may affect the property and the structural integrity of improvements to the property. These conditions may be aggravated by rain, runoff, and the condition of existing modes of drainage. SELLER MAKES NO WARRANTIES REGARDING THE SOUNDNESS OR STABILITY OF SOIL OR SUBSURFACE CONDITIONS OR OF THE SUITABILITY IN DESIGN OF IMPROVEMENTS AND DRAINAGE IN LIGHT OF THOSE CONDITIONS. SELLER RECOMMENDS THAT BUYER CONSULT WITH A LICENSED SOILS ENGINEER. THIS DISCLOSURE AND DISCLAIMER SHALL NOT MERGE WITH THE CONVEYANCE FOR THE PROPERTY. BUYER BEARS THE RISK AND CONSEQUENCES OF THE FOREGOING CONDITIONS. The period for any inspection of the property and the cancellation of this contract set forth in any accompanying addendum shall apply to the examination of the condition of soil and subsurface conditions.

The Buyer's rights under the Sales Contract are subordinate to the interest of Standard Financial Corp., which

provides the construction financing for the project. In the event of Seller's default under the construction loan, Buyer may lose whatever interest he or she had in the project. In such an event, however, Buyer will receive the return of any payments made into escrow.

Under the contract, Buyer agrees to cooperate with Seller's efforts to have the transaction qualify as a Section 1031 tax-deferred exchange. As a result, the Buyer will be asked to enter into an Exchange Agreement as part of the sales transaction.

The Sales Contract contains a number of other important provisions. As a result, prospective purchasers are directed to the Sales Contract and Exchange Agreement themselves, since those documents will dictate the terms of the transaction.

SUMMARY OF PERTINENT PROVISIONS OF ESCROW AGREEMENT

The Escrow Agreement is the developer, Halawa View Estates, Limited, and Security Title Corporation, 1001 Bishop Street, Pacific Tower, Suite 1200, Honolulu, Hawaii 96813. The Escrow Agreement makes it clear that the construction of the project will not be financed using funds of purchasers under Sales Contracts. Interest will accrue in the funds on deposit under Sales Contracts and payments of that interest will be controlled by the terms of the Sales Contract. All money received by the developer will be placed into escrow for the applicable transaction. No disbursements will be made from Buyer's funds until various conditions preceding are met. Those conditions precedent are set forth in Section 3.03 of the Escrow Agreement.

Purchasers under Sales Contracts will be entitled to a refund by escrow, without interest, if the purchaser makes a written request for the refund and one of a number of events occurs.

Escrow will not be responsible for the validity or sufficiency of any Sales Contracts or other documents received by it and will be entitled to assume that those documents were signed by the persons whose signatures purport to be on those documents. Escrow may also assume that instructions or written certifications from the developer are true and accurate. If

**EXHIBIT E**

any dispute or difference arises, or if any conflicting demands are made upon escrow, escrow shall not be required to determine the proper solution to the conflict or to take any particular action. Escrow may simply await settlement of the controversy or may bring an action in interpleader for the purpose of having the respective rights of the parties adjudicated. In an interpleader action, escrow may be fully released and discharged from all further obligations.