

# REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION  
DEPARTMENT OF REGULATORY AGENCIES

## STATE OF HAWAII

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HONOLULU, HAWAII 96801

### SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

ON  
KEALOHA ARMS  
1658 Liholiho Street  
Honolulu, Hawaii

REGISTRATION NO. 266

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

It was prepared as a supplement to an earlier Report dated \_\_\_\_\_ 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: November 24, 1970  
Expires: December 24, 1971

#### SPECIAL ATTENTION

A comprehensive reading of the report is urged in order that personal requirements and expectations to be derived from the property can be ascertained. The attention of the purchaser and prospective purchaser is particularly directed to the following:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED MARCH 20, 1969, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS LATE AS OCTOBER 8, 1970. THE DEVELOPER, IN NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES LAW, CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report of June 4, 1969 on KEALOHA ARMS, Registration No. 266, the Developer reports that changes have been made in the plan or setup as represented in the March 21, 1969 notice of intention to sell.

The changes subsequently made are determined to be a material revision to the information disclosed earlier. This Supplementary Public Report (pink paper stock) amends the Preliminary Public Report (yellow paper stock), becoming a part of KEALOHA ARMS registration.

The Developer is responsible for placing a true copy of this Supplementary Public Report in the hands of all purchasers and prospective purchasers, along with copies of the Preliminary

Public Report. The buyer shall sign the required receipt signifying that he has had an opportunity to read said reports.

Since no Final Public Report has been issued within one year of the date of issuance of the Preliminary Public Report, all Reservation Agreement, Deposit Receipt and Contract entered into prior to the issuance of this Supplementary Public Report may be voided at the option of each purchaser and all moneys paid by each purchaser shall be refunded without further obligation, or purchaser may elect to affirm and ratify his contract to continue to exist.

2. Since the issuance of the Preliminary Public Report, Developer has altered his marketing plan and now plans to sell only direct apartment leases from the fee simple owner, Norman Schneider, to purchasers. The option to purchase the units in fee simple is no longer offered to purchasers. The specimen Apartment Lease filed by the Developer indicates that the lease will be for a term of 75 years.
3. The Developer of the project has submitted to the Commission for examination a filing of documents and exhibits which are complete except for some particular requirement, or requirements, which can be expected to be completed as part of this registration.
4. The basic documents (Declaration of Horizontal Property Regime, By-Laws of the Association of Apartment Owners and a copy of the approved Floor Plans) have been filed in the Bureau of Conveyances of the State of Hawaii on September 15, 1969. The Declaration is recorded in Liber 6683, Page 214, and the map is designated Condominium File Plan No. 147.
5. No advertising or promotional matter has been submitted pursuant to the rules and regulations promulgated by the Commission.
6. The purchaser or prospective purchaser is advised to acquaint himself with the provisions of Chapter 514, Hawaii Revised Statutes and the Condominium Rules and Regulations which relate to Horizontal Property Regimes.
7. This Supplementary Public Report automatically expires thirteen (13) months after date of issuance, November 18, 1970, unless a second Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

The information under the topical headings OWNERSHIP TO TITLE, ENCUMBRANCES AGAINST TITLE, and STATUS OF PROJECT have been changed. All other headings are as recited in the Preliminary Public Report of June 4, 1969.

OWNERSHIP TO TITLE: The Notice of Intention states the ownership to title is vested in Norman Schneider, Honolulu, Hawaii. A Preliminary Title Report dated September 29, 1970, prepared by Security Title Corporation shows the fee simple owner to be said Norman Schneider. A Development Agreement has been entered into between Norman Schneider and H. M. Ross, a copy of which has been submitted as part of this registration. The Development Agreement dated October 8, 1970 gives possession of the property to H. M. Ross for the development, construction and sale of condominium improvements and any other purpose having a reasonable connection therewith.

ENCUMBRANCES AGAINST TITLE: The September 29, 1970 title search discloses the following: Reservation in favor of the Hawaiian government of all mineral and metallic mines. Restriction under the condition relative to the use of the land as contained in that certain Deed dated September 5, 1916, from Paul Muhleudorf et al, Trustees, to Rose M. Gillis, recorded in Liber 462, Page 2, which reads: "That no malt, vinous, spirituous or intoxicating liquors of any kind shall ever be sold or exposed for sale or manufactured on said premises or any part thereof." Mortgage dated August 11, 1969 recorded in Liber 6654, Page 314, in favor of Amfac Financial Corp, made by Norman Schneider to secure the repayment of \$631,000.00. Purchase Money Mortgage dated August 22, 1969, recorded in Liber


6654, page 319, in favor of Hiroshi Yamamoto and Teruo Yamamoto, made by Norman Schneider to secure the repayment of \$53,500.00. Unrecorded Development Agreement between Norman Schneider and H. M. Ross dated September 1, 1969. Declaration of Horizontal Property Regimes of Kealoha Arms dated September 11, 1969, recorded on September 15, 1969 in Liber 6683 at Page 214, with the By-Laws attached thereto. Condominium Map No. 147 filed in the Bureau of Conveyances on September 15, 1969. Taxes for the Fiscal Year 1970-1971, in an amount not yet determined constitute a lien upon the property.

STATUS OF PROJECT: The declarant states that construction of the project commenced in March 1970 and estimated completion is on or about December 1, 1970. A construction contract was entered into with Bulldozing Service, Limited, a copy of which has been submitted as part of this registration. The Developer has filed a Uniform Performance Bond, Assignment of Contract and Agreement Bond in the full amount of the construction contract dated September 3, 1969, with Atlas Building Materials, Inc. as surety.

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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 March 20, 1969, and additional information subsequently filed as late as October 8, 1970.

This SUPPLEMENTARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 266 filed with the Commission on March 20, 1969. The 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.

  
HERBERT S. ISONAGA, Chairman  
REAL ESTATE COMMISSION  
STATE OF HAWAII

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Distribution:

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ESCROW AGENT

November 24, 1970  
Registration No. 266