

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII
1010 RICHARDS STREET
P. O. BOX 3469
HONOLULU, HAWAII 96801

FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT

on
MAKIKI ROYAL
1701 Kewalo Street
Honolulu, Hawaii

REGISTRATION NO. 299

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: August 12, 1970
Expires: September 12, 1971

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:

THE REPORT REFLECTS INFORMATION DISCLOSED IN THE REQUIRED NOTICE OF INTENTION SUBMITTED SEPTEMBER 18, 1969 AND ADDITIONAL INFORMATION RECITING MATERIAL CHANGES SUBSEQUENTLY FILED WITH THE COMMISSION AS LATE AS JULY 6, 1970. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF HIS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY REGIMES ACT, CHAPTER 514, HAWAII REVISED STATUTES.

1. Since the issuance of the Commission's Preliminary Public Report of October 15, 1969 on MAKIKI ROYAL, Registration No. 299, the Developer reports that changes have been made in the plan or setup as represented in the September 18, 1969 notice of intention to sell.

The changes subsequently made are determined to be a material revision to the information earlier disclosed. This Final Report is made a part of the registration on MAKIKI ROYAL condominium project. The Developer is held responsible for placing this Final Public Report (white paper stock) in the hands of all purchasers and prospective purchasers receiving the Preliminary Public Report (yellow paper stock).

Securing a signed copy of the Receipt for Horizontal Property Regimes Public Report from each purchaser and prospective purchaser is also the responsibility of the Developer

2. The Developer has complied with Sec. 514-15, H.R.S., and has fulfilled the requirements for the issuance of this Final Public Report prior to completion of construction.
3. 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.
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 office of the recording officer.

The Declaration of Horizontal Property Regime, with By-Laws of Association of Apartment Owners attached, dated June 3, 1970, was filed in the Office of the Assistant Registrar of the Land Court, State of Hawaii, on June 9, 1970, as Document No. 503277.

The Assistant Registrar of the Land Court has designated Condominium Map No. 103 to the project.

5. No advertising and promotional matter has been submitted pursuant to the rules and regulations 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 Final Public Report automatically expires thirteen (13) months after date of issuance, August 12, 1970, unless a Supplementary Public Report issues or the Commission, upon review of the registration, issues an order extending the effective period of this report.

NAME OF PROJECT: MAKIKI ROYAL

The information in the topical headings of the Preliminary Public Report of October 15, 1969, with the exception of DEVELOPERS, DESCRIPTION, INTEREST TO BE CONVEYED, OWNERSHIP TO TITLE, ENCUMBRANCES AGAINST TITLE and STATUS OF PROJECT, has not been disturbed. The topical heading of FINANCING OF PROJECT has been added.

DEVELOPER: The principal office of the Developer is 309 Ahua Street, Honolulu, Hawaii, the address of Condominium Development Corporation, the managing partner.

DESCRIPTION: The Developer has advised the Commission under a letter dated June 12, 1970 that the following changes have been made in the project, none of which are changes which would require the approval of a county officer having jurisdiction over building permits:

1. The access from the parking decks to the building has been relocated to provide more convenient access.
2. An area for lockers has been established and lockers will be provided at the basement level.
3. The recreation area on the basement level has been redesigned to create a more usable and better defined area.
4. The electrical switch room on the basement level has been shifted into an area previously set aside for a general storeroom.
5. The lavatories to serve persons in swimming pool and recreation areas have been moved closer to the pool area.

6. The access to the smoke tower and stairway on the basement level has been slightly modified to be more compatible with the foyer and recreation area.
7. The manager's office on the basement level has been relocated nearer the entry ways, and it has been made larger.
8. A small access door from the kitchen to the foyer has been added for trash collection.
9. The floor plans for the 10th floor have been modified to change the three-bedroom and one-bedroom apartments into two, two-bedroom apartments.

INTEREST TO BE CONVEYED TO PURCHASER: The Developer has advised the Commission by letter dated June 12, 1970 that the percentage undivided interest in the common elements appertaining to each apartment has been slightly modified due to the change in the 10th floor and the desire to make the total interest in the common elements 100%. The percentage undivided interest appertaining to one-bedroom apartments shall be 2.0006%, for two-bedroom apartments, 2.2727% and for three-bedroom apartments, 2.5454%. Each apartment's share in the common profits, its share of the common expenses and its vote shall be in proportion to its undivided interest in the common elements.

OWNERSHIP TO TITLE: A preliminary report issued by Title Guarantee of Hawaii, Inc. June 15, 1970, and submitted to the Commission reflects that ownership to fee title is vested in Yew King Ching, Inc., a Hawaii corporation, subject to a lease to the Developer (WCV Corporation, GAF Corporation and Condominium Development Corporation, as tenants in common). The lease was filed with the Assistant Registrar of the Land Court on June 10, 1970 as Document No. 503276, and is noted on Certificate of Title No. 94024. The lease gives the Developer the right to develop the land as a condominium project and have apartment leases issued by the fee owner directly to purchasers. The issuance of apartment leases will cancel the master lease to the Developer.

ENCUMBRANCES AGAINST TITLE: The mortgage on the fee interest in favor of Punahou School has been released by Document No. 503275, filed with the Assistant Registrar of the Land Court on June 10, 1970. There is no longer any need to subordinate the fee mortgage to the master lease or apartment leases.

The Developer has submitted a title report dated June 15, 1970 prepared by Title Guaranty of Hawaii which reports that title to the land is subject to the following: Easement A (5 feet wide) for sanitary sewer purposes, situate within and running over and across the Southeastern boundary of Lot A-1-A, as shown on Map 56, as set forth by Land Court Order No. 30584, filed September 11, 1969. Lease dated June 3, 1970, filed as Land Court Document No. 503276, naming WCV Corporation, GAF Corporation, and Condominium Development Corporation, as Tenants in Common, as Lessees, demising and leasing the land for a term of 66 years terminating on December 31, 2035. Declaration of Horizontal Property Regime filed as Land Court Document No. 503277 and the By-Laws attached thereto. The Assistant Registrar of Land Court has designated Condominium Map No. 103 to the project.

STATUS OF PROJECT: The Developer has filed with the Commission an executed copy of a construction contract dated March 20, 1970 by and between the Developer and The Winstedt Construction Co., Inc. The contract calls for completion of construction in 450 calendar days from date of commencement. Construction was commenced on the project on March 15, 1970 by the builder. The developer has informed the Commission that the land has been cleared, and work begun on construction will be completed by September 1, 1971.

An Owner's Bond in the amount equal to the construction contract price was issued by Pacific Insurance Company, Limited under date of April 29, 1970.

FINANCING OF PROJECT: The Developer has filed with the Commission a statement of financing showing the total project costs. The Developer has further submitted satisfactory evidence that he has sufficient funds to complete the project through an interim loan made available through Bishop Trust Company, Limited, and the balance through purchasers' funds now on deposit with escrow agent. The Escrow

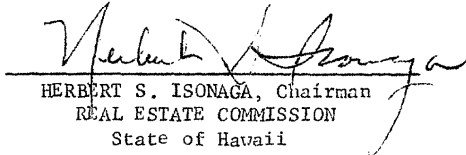
Agreement has provided for the disbursement of purchasers' funds in compliance with the requirements of Section 514-15(6), Hawaii Revised Statutes.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the Sales Contract and the Escrow Agreement. The Escrow Agreement establishes how the proceeds from the apartment units and all sums received from any source are placed in trust, as well as the retention and disbursement of said trust funds. It is noted that one of the provisions of the Sales Contract provides that purchaser agrees to the removal of the property from the provisions of the Horizontal Property Regime Act and agrees to execute the documents necessary for removal if seller fails to complete the first sale of thirty-six (36) condominium apartments by May 30, 1970, or if the project cannot be constructed by August 31, 1971.

The prospective purchaser or purchaser should be cognizant of the fact that this published report represents information disclosed by the Developer in the required Notice of Intention submitted September 13, 1969 and additional information subsequently filed as late as July 6, 1970.

This FINAL HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 299 filed with the Commission on September 18, 1969.

The report, when reproduced, shall be a true copy of the Commission's public report. In making facsimiles, the paper stock must be white.


HERBERT S. ISONAGA, Chairman
REAL ESTATE COMMISSION
State of Hawaii

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Distribution:

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BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, CITY & COUNTY OF HONOLULU
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ESCROW AGENT

Registration No. 299
August 12, 1970