

REAL ESTATE COMMISSION

PROFESSIONAL & VOCATIONAL LICENSING DIVISION
DEPARTMENT OF REGULATORY AGENCIES

STATE OF HAWAII

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

**PRELIMINARY
HORIZONTAL PROPERTY REGIMES (CONDOMINIUM)
PUBLIC REPORT**

on

MAKAKILO GARDENS, INCREMENT NO. 1
Makakilo Drive
Ewa Beach, Hawaii

REGISTRATION NO. 480

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 but may only take reservations therefore after

- (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 30, 1972
Expires: November 30, 1973

SPECIAL ATTENTION

A comprehensive reading on the report by prospective purchasers 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 AUGUST 22, 1972, AND ADDITIONAL INFORMATION SUBSEQUENTLY FILED AS OF OCTOBER 27, 1972. THE DEVELOPER, BY NOTIFYING THE COMMISSION OF ITS INTENTION TO SELL, IS COMPLYING WITH THE REQUIREMENTS OF THE HORIZONTAL PROPERTY ACT AND AMENDMENTS THEREBY BY CHAPTER 514, HAWAII REVISED STATUTES.

1. MAKAKILO GARDENS, INCREMENT NO. 1 is a proposed condominium project consisting of sixty-six (66) apartments arranged in eleven two-story multifamily residential buildings, One-Hundred Nine (109) parking stalls are to be provided in the parking area. The proposed Sales Contract and other documents show an intention on the part of the Developer to sell, in leasehold,

the condominium apartment units and to cause to be leased from the owner of the land to the Buyer directly an undivided interest in the land on which the apartment is situated.

2. 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 Preliminary Public Report.
3. The basic documents (Declaration of Horizontal Property Regime, By-Laws of Association of Apartment Owners, and a copy of Approved Floor Plans) have not been filed in the Office of the Recording Officer.
4. The Developer has arranged for insurance by the Federal Housing Administration pursuant to Section 234 of Title II of the National Housing Act, as amended, of individual mortgages by qualified purchasers of apartments in the project. As a condition to its providing such insurance, the Federal Housing Administration requires that the Association of Apartment Owners enter into with that agency and record a Regulatory Agreement whereby the Association may be regulated and restricted by that agency. The Regulatory Agreement is proposed to be executed and recorded with the Declaration. Purchasers of units in the project should, therefore, familiarize themselves with the provisions of the Regulatory Agreement.
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.
7. This Preliminary Public Report automatically expires thirteen (13) months after date of issuance, October 30, 1972, 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: MAKAKILO GARDENS, Increment No. 1.

LOCATION: The land, consisting of one (1) parcel containing 6.723 acres, is situate at Makakilo Drive, Ewa Beach, Hawaii being further described as Lot 2437 as shown on Map 219 filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 1069, being all of the land covered by Transfer Certificate of Title No. 151,858 issued to the Trustees of the Estate of James Campbell. The Land Court Petition of the Trustees designating the lot for said project is now pending.

TAX KEY: 9-2-03: Portion of Parcel 2.

ZONING: A-1 Apartment District

DEVELOPER: Finance Realty Company, Limited, a Hawaii corporation whose business and post office address is 195 So. King Street, Honolulu, Hawaii has the exclusive rights from the owners of the subject property for the development and sale of residential improvements upon the property under F.H.A. approved 55-year leases.

ATTORNEY REPRESENTING DEVELOPER: Fong, Miho, Robinson, Zimmermann & McComish, whose place of business and post office address is 195 South King Street, Honolulu, Hawaii 96813, and whose telephone number is 537-6977, are the attorneys representing the Developer.

DESCRIPTION: The project shall consist of eleven two-story multi-family buildings containing sixty-six (66) apartments of which sixty-five (65) will be sold on long-term leases to be issued by The Trustees Under the Will And of the Estate of James Campbell. The construction will be of wood, with concrete block division walls and concrete slab for the ground floors. The apartments shall be of four types, designated as Type A, Type B, Type B-1, and Type C, described as follows:

- TYPE A Apartments contain an entry hall, coat closet, storage, living room-dining area and kitchen on the first floor, and two-bedrooms, a full bath and laundry area on the second floor, with an interior stairway connecting both floors for a gross floor area of approximately 873 square feet.
- TYPE B Apartment is the same as Type A except that it also has a half bath on the first floor, three bedrooms on the second floor and a gross floor area of approximately 1113 square feet.
- TYPE B-1 Apartment is the same as Type B except for the location of the kitchen on the first floor and has a gross floor area of approximately 1125 square feet.
- TYPE C Apartment is the same as Type B except that it has four bedrooms upstairs with a laundry area and a full bath on the first floor with a different layout for the interior stairway and a gross floor area of approximately 1316 square feet.

Each apartment has immediate access to front and rear entries appurtenant to such apartment and walkways connecting the buildings to the street entrances and parking areas of the project.

COMMON ELEMENTS: The Declaration of Horizontal Property Regime, a copy of which is filed with the Commission, states that the common elements shall include (a) A leasehold interest in the land; (b) Apartment No. 31, located in Building F for the use of the resident manager; (c) Parking Stalls Nos. 2, 11, 37, 90 and 91 as shown on the Condominium Map for use of the Association of Apartment Owners and parking stall No. 38 shall be used by the resident manager; (d) The recreation center as shown on the Condominium Map; (e) All foundations, floor supports, retaining walls, fences,

columns, supporters, unfinished perimeter walls and loadbearing walls, roofs of the residential buildings; (f) All yards, grounds and landscaping, roads, walkways, loading areas, parking areas and driveways, the swimming pool and other recreational facilities, and all refuse facilities; (g) All ducts, electrical equipment, wiring, pipes and other central and appurtenant transmission facilities and installations over, under and across the project which serve more than one apartment for services such as power, light, water, sewer, telephone and radio and television signal distribution; (h) Any and all other 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.

LIMITED COMMON ELEMENTS: The Declaration provides that certain parts of the common elements, called and designed as limited common elements, shall be for the exclusive use and enjoyment of certain apartments, as follows: (a) The front entry of each apartment shall be appurtenant to and for the exclusive use of such apartment; (b) The fenced area adjoining the rear of an apartment as shown on said Condominium Map shall be appurtenant to and for the exclusive use of such apartment; (c) One or more of the 103 remaining parking spaces (exclusive of the 6 parking spaces listed as common elements) shall be assigned to and be appurtenant to the respective apartments with which the same are conveyed upon the initial conveyance by lease, the Assignment of the parking spaces for each apartment and for the guests of the Association of Apartment Owners being shown on said Condominium Map; (d) All other common elements of the project which are rationally related to less than all of said apartments or buildings shall be limited to use of such apartments or buildings.

INTEREST TO BE CONVEYED TO PURCHASER: The undivided interest in the common elements appertaining to each of the four types of apartments and their owners for all purposes, including voting, is as follows:

Apartment Type A	-	1.1368	per cent
"	"	B	- 1.4491 "
"	"	B-1	- 1.4646 per cent
"	"	C	- 1.7133 per cent

PURPOSE OF BUILDING AND RESTRICTIONS AS TO USE: The Declaration provides that the building shall at all times be used as private dwellings by the respective owners thereof, their tenants, families, domestic servants and social guests, and for no other purpose. The apartments shall not be rented for transient or hotel purposes, which are defined as rental for any period less than 30 days, or any rental in which the occupants are provided customary hotel services such as room service for food and beverage, maid service, laundry and linen or bellboy service. Except for such transient or hotel purposes the owners of the respective apartments shall have the absolute right to lease such apartments subject to all provisions of the Declaration.

OWNERSHIP TO TITLE: The Notice of Intention and Application, together with the attached documents show that the fee simple title to the land is vested in the Trustees under the Will and of the Estate of James Campbell, deceased, whose business and post office address is 828 Fort Street Mall, Honolulu, Hawaii.

ENCUMBRANCES AGAINST TITLE: A Preliminary Report of title dated September 20, 1972, prepared by Security Title Corporation certifies that title to the land is subject to: (1) Taxes for the Fiscal Year 1971-1972 are a lien (the 1st Installment has been paid, but the records at the Tax Office do not reflect that any portion of the 2nd Installment has been paid, as the posting of tax payments made to the Tax Office for 2nd Installment for the Fiscal Year 1971-72 had not been completed as of the date of the Preliminary Report of title.); Mortgage dated July 13, 1972, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii as Document No. 589482, made by Finance Realty Co., Ltd., as Mortgagor, to Bank of Hawaii, as Mortgagee.

Note: The Developer has filed with the Commission a copy of Project Lease No. 1100, made August 8, 1972, by and between The Trustees Under the Will and of The Estate of James Campbell, as Lessor, and Finance Realty Company, Limited, as Lessee, to lease unto lessee the land committed to this regime.

PURCHASE MONEY HANDLING: A copy of the executed Escrow Agreement dated August 2, 1972 identifies Bank of Hawaii, a Hawaii corporation, as Escrow Agent. On examination, the specimen Sales Contract and executed Escrow Agreement are found to be in compliance with Chapter 514, Hawaii Revised Statutes.

It is incumbent upon the purchaser and prospective purchaser that he reads with care the specimen Sales Contract and executed Escrow Agreement. The Escrow Agreement establishes how the proceeds from the sale of apartments and all sums from any source are placed in trust as well as it establishes the conditions for the retention and disbursement of said trust funds.


MANAGEMENT AND OPERATION: Finance Investment Company, Limited has been appointed by the Association of Apartment Owners as initial managing agent to manage the condominium project.

STATUS OF THE PROJECT: Construction of the project has begun with adequate funds from a Bank of Hawaii revolving line of credit to complete the construction of the project without using any portion of the purchase money to be paid by the purchasers of the apartments in the project. Completion of the project is scheduled for March, 1973. A condition of the disbursement of escrow funds is the issuance of the final public report.

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 August 22, 1972, and additional information subsequently filed as of October 27, 1972.

THIS PRELIMINARY HORIZONTAL PROPERTY REGIMES (CONDOMINIUM) PUBLIC REPORT is made a part of REGISTRATION NO. 480 filed with the Commission on August 22, 1972.

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



(For) DOUGLAS R. SODEYAN, Chairman
REAL ESTATE COMMISSION
STATE OF HAWAII

Distribution:

DEPARTMENT OF TAXATION
BUREAU OF CONVEYANCES
PLANNING DEPARTMENT, City and County of Honolulu
FEDERAL HOUSING ADMINISTRATION
ESCROW AGENT

Registration No. 480
October 30, 1972